

Rio Tinto

HSE

Health Safety & Environment

Rio Tinto management system standard

An integrated Standard for the management of health, safety,
environment and quality performance



Rio Tinto

Rio Tinto is a world leader in finding, mining and processing the Earth's mineral resources. The Group combines Rio Tinto plc, a public company listed on the London Stock Exchange, and Rio Tinto Limited, which is listed on the Australian Securities Exchange. We aim to operate as a seamless organisation that acts and looks like one company and maximises the benefits of standard and shared approaches for every activity.

The Group's objective is to maximise its value and the long term return to shareholders through a strategy of investing in large, cost competitive mines and businesses driven by the quality of each opportunity. Major products are aluminium, copper, diamonds, coal, uranium, gold, industrial minerals (borates, titanium dioxide, salt, talc), and iron ore. Our activities span the world but are strongly represented in Australia and North America with significant businesses in South America, Asia, Europe and southern Africa.

Wherever Rio Tinto operates, the health and safety of our employees, and a contribution to sustainable development, are key priorities. We work as closely as possible with host countries and communities, respecting their laws and customs and ensuring a fair share of benefits and opportunities.

Introduction

This document provides details of the Rio Tinto Health, Safety, Environment and Quality (HSEQ) management system standard, which is mandatory for all Rio Tinto Group businesses.

While the primary focus of this Standard is to manage health, safety and environmental performance, quality management has also been integrated to provide for businesses with quality programmes.

Managing health, safety and environment – the Rio Tinto approach

Health, safety and environmental issues present significant risks to Rio Tinto – both to individual businesses and to the Group. To address these risks, Rio Tinto has developed a global HSE programme, whereby all Group businesses are required to meet the same standard of practice. Policies, strategies, standards, internal controls, performance indicators and targets, along with technical systems and tools, are developed centrally to help manage risk and improve HSE performance. This programme supports individual businesses to achieve their performance objectives as well as the Group as a whole.

Rio Tinto HSE policies and standards are mandatory and all Group businesses are required to implement them as part of the global HSE programme (all HSE policies, standards, strategies and supporting documentation can be accessed through the HSE pages on Rio Tinto's internal intranet, *Prospect*). However, businesses are encouraged to develop additional policies and approaches that can best meet their individual needs, operating environments and products.

Why does HSE need an integrated management system?

To ensure we have a common approach to managing HSE performance and achieve ongoing improvement across Rio Tinto, we need to focus on the systematic identification, management and improvement of the areas of our business that can present risk. This approach applies to the management of health, safety and the environment across both our business activities and our products, as well as the management of quality (if relevant) – where the objective is to ensure a consistent standard of our goods and services and to prevent waste.

Implementing one system (rather than having a number of individual systems to manage each area) brings together all requirements for quality, occupational health and safety and the environment. This enables us to:

- Centrally identify, evaluate and manage risk across the business or site – as often risks are inter-related.
- Centrally manage requirements for international standards certification.
- Rationalise resources.
- Reduce complexity.
- Improve performance.
- Improve customer satisfaction.
- Maintain and enhance reputation.

Once implemented, an integrated management system helps businesses better develop their own policy, establish appropriate objectives and targets, implement processes to achieve policy commitments and take the required action to address risks and improve performance. It also provides a platform for them to be able to demonstrate ongoing conformance to the Rio Tinto HSE standards.

How does the HSEQ management system standard work?

This Standard details the requirements for Rio Tinto Group businesses to implement an integrated system for the management of health, safety, environment and, (where relevant) quality.

It is designed on the principles of continual improvement and adopts the methodology of Plan, Do, Check and Review (Figure 1). The structure of the management system generally follows the layout of common international standards such as; ISO 14001, (Environment); OHSAS 18001 and AS/NZS 4801 (Health and Safety); ISO 9001 (Quality).

The management system standard is divided into seventeen elements. Each element sets out to achieve a specific objective that enables a business or site to best identify and manage its various HSEQ threats and opportunities. Many of the elements are inter-related.

Every element includes a number of clauses, which spell out the minimum requirements to meet each objective. Some of the elements refer to set processes that must be followed, and these are defined in additional documents called “work cycles”. All elements are supported by individual Guidance notes and other supporting references. These provide additional detail and information where required. Guidance notes, work cycles and other supporting documents can be accessed on the Rio Tinto HSE Community page via the internal intranet - *Prospect Portal*.

In addition to the management system standard, Rio Tinto has a number of HSE performance standards that address specific areas of risk and are mandatory for all Group businesses. The management system integrates these standards and their requirements throughout the Plan, Do, Check, Review cycle.

While all Rio Tinto businesses must meet the requirements of this Standard, each business's management system may differ depending on its needs. That is, the level of detail and complexity of the management system - and the extent of the documentation and resources devoted to it - depends on the nature and scale of the business activities, products and services. At all times, businesses are encouraged to take a pragmatic approach.



[Figure 1 – The Rio Tinto HSEQ management system standard's continual improvement cycle showing the four phases and 17 Elements.]

Key terms

A full list of terms and definitions relevant to this Standard can be accessed through the *Definitions* database located on the Rio Tinto HSE community page on *Prospect*. However, a number of terms are used regularly throughout this document and are defined below.

Process - some elements of the Standard require certain management activities to be undertaken in a particular way – these activities are referred to as requiring a “process”. A process includes a series of activities, actions or functions designed to bring about a specific result. Some of these processes are pre-defined and mandated through the use of “work cycles”. Other processes need to be determined by the individual business.

Procedure – when the Standard requires that a process be undertaken, sometimes this must be documented as a written procedure. This is stated in the relevant elements of the Standard. The procedure documents the step-by-step detail for the process activities and actions that the business has put in place.

Work instruction - whilst a procedure documents the step-by-step detail for the process, a work instruction defines further details of one or several process step(s) that the business has put in place.

Work cycle - some of the required processes in the Standard are further specified through work cycles. A work cycle is mandatory and provides the detail for what steps should be taken, and how, in order to ensure the relevant process is undertaken.

Work practice - each individual step of a work cycle is called a work practice.

Significant risk - reference is made to the management of “significant risk” throughout the Standard. Rio Tinto defines significant risk as that which has a risk management classification of ‘High’ (Class III) or ‘Critical’ (Class IV). (refer to Element 3: *Hazard identification and risk management*).

Compatibility with certified international management systems

The Rio Tinto HSEQ management system standard is consistent with ISO 14001, (Environment); OHSAS 18001 and AS/NZS 4801 (Health and Safety); ISO 9001 (Quality); and equivalent international standards. If a business or site's management system conforms to the Rio Tinto HSEQ management system standard, it will comply with all the certification requirements of these international standards.

Rio Tinto's appointed global certification provider audits against the HSEQ management system standard and issues certificates relevant to the defined scope of the business or site's management system. The audit is conducted as part of the HSEQ business conformance audit programme.

Interpreting the Quality requirements

Wherever practicable, Quality management has been integrated into each requirement of the Standard. Where Quality may be separated from HSEQ, because of a business scope or need, it has been placed in square brackets eg HSE[Q]. Standalone Quality management system requirements are identified by the symbol [Q] at the beginning of a clause.

A business may still elect to implement all or part of the Quality components of the Standard, alongside the mandatory HSE scope, and not seek certification to ISO 9001 as they recognise the benefits from integrating such practices into their business activities.

How to use this document

All Rio Tinto Group health, safety and environment standards are available on Rio Tinto's public web site and the internal intranet, *Prospect*.

Throughout the Standard, references are made to supporting Rio Tinto documents. These documents contain mandatory requirements (such as the processes defined in work cycles) and are notated in *italics*.

Modifications to this document are made periodically to ensure it is current. If using a printed version of this Standard, always check with the online sources to ensure the version you are using is current.

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The Standard

0.0 Scope

All Rio Tinto businesses, their managed sites and functional locations must implement, or demonstrate conformance to an integrated management system aligned to the requirements of this Standard.

Statutory and permitting requirements will take precedence over Rio Tinto standards, except in those cases where the Rio Tinto standards are more stringent.

0.1 Application

This Standard applies to:

- (a) exploration and project development;
- (b) conceptual studies (including projects of merit);
- (c) order of magnitude studies;
- (d) prefeasibility studies;
- (e) feasibility studies;
- (f) execution and construction;
- (g) commissioning and ramp up;
- (h) operating;
- (i) care and maintenance;
- (j) closure and rehabilitation;
- (k) post closure;
- (l) all contractor activities undertaken on Rio Tinto sites or under Rio Tinto management.

Newly acquired businesses or sites must conform to Rio Tinto's HSEQ management system standard by performing a gap analysis and by developing and starting to implement an action plan to close the gaps within six months. Within 24 months of an acquisition or sooner, newly acquired businesses and sites must achieve certification to ISO 14001 Environmental Management for their management system, and complete the implementation action plan.

Rio Tinto expects business partners, such as associate companies or joint ventures where we do not have operating responsibility, as well as principal contractors, suppliers and others with whom it has a substantial involvement, to conform to comparable HSEQ management standards. Rio Tinto informs them of these standards, its principles and policies and works with them where appropriate to support their adoption of practices consistent with our own.

Rio Tinto businesses or managed sites in closure or under divestment must implement a process for the management and retention of records for future reference.

0.2 General requirements

The scope of the management system must be defined and documented.

Certification to ISO 14001 Environmental Management; is mandatory.

Certification to additional international standards (OHSAS 18001; AS/NZS 4801; ISO 9001) is at the discretion of the Rio Tinto business(es) implementing this Standard. Such decisions must be documented, and must form part of the scope of their management system.

[Q] Businesses with quality programmes must ensure that the applicable scope of the HSE[Q] management system in relation to product realisation is documented and maintained.

Product stewardship: businesses, through the implementation of the requirements of this Standard, must demonstrate an understanding of the use and lifecycle of their products. They must develop and maintain the appropriate health and environmental data to allow for the safe use of their products in the workplace and by consumers.

Documentation: where the requirement for a procedure appears in this Standard, this means that a procedure is established, documented, implemented, communicated and maintained.

0.3 Non-implementation and variance

After defining the scope of the management system, a business may identify specific clauses of the standard that it will not implement as part of its system. If this is the case it must submit a non-implementation request.

A non-implementation request is a documented statement that justifies why the HSEQ management system's clause(s) or other mandated standard or requirement is not applicable to the business and/or site.

Where a business recognises it cannot currently conform to an element or clause of the HSEQ management system standard or the HSE performance standards it may submit a variance request.

A variance is an action plan that either puts in place temporary controls to treat the risk resulting from the non-conformance until such time as engineering or procurement issues can be resolved; or it details the process that the business is undertaking to obtain conformance.

Businesses may submit non-implementation or variance requests against whole standards, individual clauses or single scope requirements, such as all Quality components of the management system standard.

The process must be completed annually, and incorporated into the management review of the HSEQ management system to determine if it is still relevant to the business scope.

The process for submitting non-implementation and variance requests is defined in the work cycle document *Applying for a non-implementation or variance against a Rio Tinto standard*. The information is entered into Rio Tinto's corporate reporting tool - SEART and must be signed off by the implementing business or site's general manager and managing director. The Rio Tinto HSE discipline leaders must approve a non-implementation statement and/or variance submitted by the business' managing director before the business is audited.

0.4 Terms and definitions

Rio Tinto HSE has established a database of terms and definitions used throughout this Standard, and its related documentation. This database is available through the Rio Tinto HSE community page on *Prospect*.

Supporting Rio Tinto references

All (corporate) environmental performance standards and strategies

All (corporate) health performance standards and strategies

All (corporate) safety performance standards

Environment policy

Health policy

Safety policy

Sustainable development policy

Business integrity standard

Climate position statement

Closure standard

Communities policy and standards

Compliance standard

Corporate governance policy and standards

Data privacy standard

Information management standard

Information security standards

Investigations standard (serious wrongdoing)

Procurement principles and The way we buy

Retention schedule

Risk policy and standard

Plan

Element 1: Policy

Objective:

Develop a policy that establishes a clear set of values and objectives for the effective management of health, safety, environment [and quality] (HSEQ) performance. It must be consistent with Rio Tinto's codes of business practice.

Clause 1.1

All Rio Tinto businesses and their managed sites must develop, implement and maintain an integrated approach for the management of health, safety, and environment [and if relevant, quality]. Management approaches or 'systems' must follow this Rio Tinto HSE[Q] management standard and include a policy that is appropriate to the nature and scale of the activities being managed.

The Policy must commit to:

- (a) The prevention of incidents that may lead to: injuries, illnesses, pollution, property and environmental damage, security threats, process losses and product quality impacts.
- (b) Compliance with legal and other requirements, including international accords and external requirements to which Rio Tinto or the business/activity subscribes.
- (c) The effective management of HSE[Q] risks.
- (d) Adopting leading practice in key HSE[Q] areas through continual improvement.
- (e) Establishing measurable objectives and targets for improving HSE[Q] performance.
- (f) Providing the resources needed to meet our performance objectives.
- (g) Encouraging employee participation and promoting employee awareness of HSE[Q] threats and opportunities.
- (h) Meeting customer requirements.
- (i) Respecting the standards of conduct defined in *The way we work*.

Clause 1.2

The Policy must be:

- a) Documented.
- b) Approved by senior management responsible for the site where it is to be implemented.
- c) Communicated and made available to all relevant internal and external stakeholders and interested parties.
- d) Periodically reviewed to ensure it reflects the needs and priorities of the business.

Clause 1.3

[Q] For businesses or managed sites where our customers require external recognition of our commitment to quality services and products, we are required to document, implement and maintain a management system so that:

- a) It is in accordance with the international standard ISO 9001.
- b) The processes required by the system (including management activities, resources, product realisation, measurement, analysis and improvement) are identified.
- c) The sequence and interaction of these processes are documented and communicated.
- d) The required controls and actions necessary to maintain these processes and meet planned performance are effective and allow for continual improvement.

Element 2: Legal and other requirements

Objective:

Comply with all legal and other HSE[Q] requirements. Conform to internal Rio Tinto standards, policies and other obligations.

Clause 2.1

The business or site's management system must conform with the requirements of, and maintain a certification to ISO 14001 Environmental Management.

Clause 2.2

All applicable HSE[Q] legal and other requirements must be identified, evaluated for compliance and stored in a register.

The register must:

- a) Define accountability for maintaining compliance or conformance to each requirement.
- b) Be checked regularly for currency, and expiry/renewal dates.
- c) Include or provide reference to records that show periodic evaluation of compliance.
- d) Include relevant legislative obligations (international, federal, state/provincial, regional or local).
- e) Include relevant regulatory requirements for products and their transport in countries of destination.
- f) Include relevant Rio Tinto Group policies and standards and external voluntary commitments.
- g) Include any other requirements, such as licence, codes of practice and customer/product quality obligations.
- h) Be accessible to the relevant personnel.

Any changes or updates must be communicated to relevant stakeholders.

Element 3: Hazard identification and risk management

Objective:

To analyse and manage HSE[Q] risks using a common approach.

Clause 3.1

The risk framework detailed in the *Hazard and risk management* work cycle must be used for analysing and managing HSE[Q] risk.

The process for analysing and managing HSE[Q] risk includes:

- a) Establishing the context, including acceptability criteria for the risk analysis.
- b) Hazards/aspects identification to determine risk scenarios and select a suitable level of risk evaluation.
- c) Evaluating risks by qualitative or quantitative assessment(s) and assigning risk ownership.
- d) Recording the risk analysis in the risk register.
- e) Managing risks according to their classification¹ of either Low (Class I) Moderate (Class II), High (Class III) or Critical (Class IV) to achieve levels that are deemed to be As Low As Reasonably Practicable (ALARP).
- f) Utilising the following hierarchy of control;
 - eliminate the risk scenario;
 - substitution;
 - engineering and process controls;
 - administrative controls or management strategies;
 - the use of personal protective equipment (PPE).
- g) Developing and agreeing on further actions or monitoring of the risks, taking into account the hierarchy of controls.
- h) Verifying the completion of actions.
- i) Re-evaluating the risk and classification as appropriate.
- j) Reviewing and updating the risk register over time.
- k) Documenting, reporting and communicating the risk information.

Where the use of PPE is specified as a risk control, its application must conform to the *Manage HSE protective and critical equipment* work cycle.

¹ Note: Following the harmonisation of Rio Tinto's risk classification, the terms used here may change in the future. Please refer to the *Hazard and risk management* work cycle for latest updates.

Clause 3.2

Rio Tinto's *Health, Safety and Environment performance standards* must be considered as part of the risk identification and evaluation process. These standards establish the minimum level of controls for the treatment of significant risks to the Rio Tinto Group.

In addition to these Standards, business risks relating to the following themes must also be considered:

- a) biodiversity;
- b) closure;
- c) raw materials (resources);
- d) energy;
- e) climate change;
- f) products;
- g) communities;
- h) process safety hazards;
- i) business continuity.

Clause 3.3

HSE[Q] risk analysis must follow the three-level assessment model, as defined in the *Hazard and risk management work cycle*. The model incorporates:

- a) Level 1 – Pre-task hazard assessments, used by all personnel to check for hazards and suitable controls.
- b) Level 2 – qualitative risk analysis and use of the consequence and likelihood scales and their descriptors as defined in the *HSEQ 5x5 qualitative risk matrix*.
- c) Level 3 – quantitative risk analysis (various techniques).

Qualitative and quantitative risk analysis must be facilitated by appropriately trained personnel and include personnel with adequate knowledge and experience for the risk being evaluated.

A list of attendees at risk analysis workshops and/or contributors to a risk analysis must be documented.

Clause 3.4

To evaluate chronic health exposures all personnel must be assigned to a Similar Exposure Group (SEG) and their risks analysed by qualitative and quantitative (as appropriate) analysis.

Clause 3.5

The format and structure of the HSE[Q] risk register must be aligned to the information fields as described in the *Hazard and risk management work cycle* and the *Reporting and risk register work practice*.

The appropriate level of management shall approve completed risk evaluations relevant to their areas of accountability.

Clause 3.6

Action plans must be developed to treat all HSE[Q] risks, with particular emphasis and priority placed on those evaluated as being above the established risk acceptance threshold. The action plan must control the risk to ALARP, be documented, implemented and follow the process(es) defined in the *Action management work cycle*².

All risk controls must be:

- a) Designed to be compatible with process and maintenance requirements.
- b) Designed according to good engineering practices.
- c) Aligned to established design criteria for the treatment of significant risks.
- d) Cost effective in achieving control of potentially hazardous exposures/emissions/impacts.
- e) Monitored, with and remedial actions tracked to completion.
- f) Regularly inspected, assessed and maintained.
- g) Considerate of emergency situations and the appropriate response assigned.
- h) Maintained and reviewed for effectiveness.

Clause 3.7

Risk scenarios that involve known and suspected carcinogens, mutagens and reproductive toxicants must be controlled to ALARP (meeting an occupational exposure limit (OEL) or the environmental control limit (ECL) is not an adequate form of treatment). Action plans for treating these risks must be reviewed at least annually.

Clause 3.8

All High (Class III) and Critical (Class IV) HSE[Q] risks must be reviewed and updated at least annually.

All other HSE[Q] risks must be reviewed and updated at least every 3 years to ensure the risk analysis is current and risks have not developed a higher profile.

Clause 3.9

All risks that remain at the Critical (Class IV) classification, after completing a quantitative evaluation (Level 3 assessment) must be reported to Rio Tinto HSE at six-monthly intervals.³

² Refer to Element 14: Non conformance, incident and action management.

³ Refer to the *Rio Tinto social and environmental reporting and definitions work cycle*. (Element 14: Non conformance, incident and action management).

Element 4: HSEQ Management improvement planning

Objective:

Establish processes and plans to manage HSE[Q] performance and to provide for continual improvement.

Clause 4.1

Objectives and targets must be established for the management of HSE[Q] performance. They must be measurable and:

- a) Consistent with established Group objectives and targets.
- b) Contribute to the prevention of incidents or reduce their impact(s).
- c) Provide for continual improvement.
- d) [Q] Maintain customer satisfaction.

Clause 4.2

To enable objectives and targets to be met, annual improvement plans must be developed, documented and integrated into the overall annual business planning process. These plans must:

- a) Specify the required resources (both human and financial) needed to meet the objectives.
- b) Specify role responsibilities for implementing the improvement plans and their actions.
- c) Establish the timeframes for completion of the improvement plans and achieving the objectives.

Clause 4.3

Reviews of progress towards achievement of objectives and targets, along with the status of implementation for the improvement plans must be conducted at regular and planned intervals or whenever there is a change to activities, operating conditions, or product quality.

Clause 4.4

All employees must have a documented personal or team-based HSE[Q] improvement plan which demonstrates their contribution to health, safety and environmental performance. The plan must include objectives and targets which are complimentary to other relevant management improvement plan(s).

[Q] Where responsibilities for maintaining conformance to product quality are assigned, these must be incorporated into the individual or team-based plans.

Clause 4.5

Formal meeting(s) must be conducted between the leader and team member (or teams) at least once a year to:

- a) Agree and document the objectives, targets and actions related to their HSE[Q] improvement plans.
- b) Review performance against the objectives and targets and progress against implementation of the agreed plan.

Clause 4.6

Where reward and incentive schemes are provided, these must be designed such that performance in health, safety or environment is not compromised in order to maximise the financial reward.

Element 5: Organisational resources, accountabilities and responsibilities

Objective:

Resources, responsibility and accountability is appropriately allocated for the maintenance and continual improvement of HSE[Q] management.

Clause 5.1

A specific management representative(s) must be appointed to ensure that the necessary financial, technological and organisational resources (including the services of specialists and competent HSE[Q] advisors) are made available to implement and maintain the management system.

Clause 5.2

Management committee(s) - comprising of various organisational levels and work areas (cross-functional); must be established to support the management of HSE[Q] performance and oversee the implementation of improvement plans. Committees must establish a documented constitution or Terms of Reference for their function.

Clause 5.3

All roles with HSE[Q] accountability and responsibilities (including legislative requirements) must:

- a) Be documented in role descriptions.
- b) Be included in a HSE[Q] organisation chart specific to the business or managed site. The organisational charts must be available to all employees.

Where contractors are involved, these areas of accountability and responsibility must be clarified with respect to those contractors.

Element 6: Training, competency and awareness

Objective:

Processes are established to provide the requisite training, competency and awareness to effectively manage HSE[Q] risks.

Clause 6.1

There must be a process for the delivery and maintenance of awareness and/or competence based training associated with the HSE[Q] management system and the business/managed site's HSE[Q] risks.

The business/managed site must:

- a) Identify HSE[Q] training requirements for all persons working under its control.
- b) Ensure the delivery of HSE[Q] training and its currency.
- c) Evaluate the effectiveness of HSE[Q] training delivered or other actions taken to ensure necessary competency is achieved.
- d) Retain appropriate records of HSE[Q] training.

Clause 6.2

All new employees, contractors and/or visitors must undertake relevant induction training. As a minimum, induction training must include reference to the significant HSE[Q] risks identified at the business/managed site.

Clause 6.3

Specific competency profiles and selection criteria (fitness for work) must be developed for all personnel performing tasks and work activities which contain significant HSE[Q] risks.

Clause 6.4

All roles requiring technical certification, registration or licensing are documented. The requisite qualification(s)/competencies must be maintained for all personnel performing such roles and their associated work activities.

Clause 6.5

As a minimum, the following competency-based training must be provided:

- a) Risk analysis (including evaluation methodologies as appropriate to the role).
- b) Operational controls (including procedures and/or work instructions).
- c) Management of change.
- d) Business resilience and recovery (as defined through role assignment).
- e) Work place and environmental monitoring.
- f) Incident management (including investigation methods as appropriate to the role).
- g) HSE interactions.

Clause 6.6

As a minimum, the following awareness training must be provided:

- a) General induction to Rio Tinto's approach to managing HSE[Q].
- b) Awareness of the Group HSE standards.
- c) Understanding of HSE[Q] management system processes implemented at the site.
- d) Significant HSE[Q] risks and activities.
- e) Accountabilities of specific HSE[Q] roles and their responsibilities.
- f) Consequences of departure from specified procedures or Group standards.
- g) Emergency response procedures and the business resilience and recovery programme.

Clause 6.7

Records of all induction, awareness and competence based training must be retained. Determination of competence must consider relevant:

- a) training;
- b) education;
- c) skills;
- d) experience.

Element 7: Supplier and contractor management

Objective:

HSE[Q] risks associated with procured materials, equipment, services and labour are effectively managed.

Clause 7.1

There must be a process to identify and evaluate risks associated with the planned procurement of materials, equipment, services and labour. This must include an analysis of any downstream implications which may be impacted by the selection.

Clause 7.2

There must be a process for evaluating a supplier's ability to provide material, equipment and/or services which meet defined specifications or design criteria.

Evaluations and any related actions must be documented.

[Q] This process must be supported by a procedure that specifies the criteria for supplier selection, evaluation and re-evaluation and the rejection of product(s) or material(s).

Clause 7.3

All materials, equipment, services and labour procured or supplied must meet the required specifications for the control of HSE[Q] risks associated with their intended use or activity.

(Further detail on the procurement process is defined in the *Procurement principles: The way we buy*.)

Supply of equipment and materials

Clause 7.4

There must be a register of hazardous materials (preferably with a link to an inventory system) that are approved for use onsite.

This register must be available, referred to, and maintained to control the purchase and introduction of new materials. All hazardous materials introduced by contractors or visitors must also be included on or evaluated against this register.

Clause 7.5

The properties of all materials (including their process intermediates, by-products and wastes) must be adequately understood, documented and integrated into operating procedures where exposure to their properties presents a significant risk to HSE[Q] performance.

Legally compliant Material Safety Data Sheets (MSDS) must be available prior to the delivery and use of such materials (including products).

Clause 7.6

There must be a procedure, commensurate with the evaluated risk, for receiving, storing, dispatching and transporting of all equipment and materials.

Clause 7.7

There must be a procedure controlling the safe and approved disposal of surplus/used materials, chemicals, hazardous waste and equipment. It must specify actions required to minimise any future liability.

Supply of labour

Clause 7.8

All contracted labour or services must be categorised and managed according to the processes defined in the *Contractor management* work cycle.

The process for the management of contractors includes the following phases:

- a) contractor selection;
- b) contractor preparation;
- c) contractor award;
- d) orientation and training;
- e) managing contractors;
- f) post-evaluation.

Individuals engaged on a temporary or casual basis to work within existing businesses/ managed sites are to be inducted and managed in the same way as employees.

Clause 7.9

For all contracted labour or service agreements, there must be an agreed scope of work, which includes an analysis of the risks associated with the activities to be performed by the contractor. The management and treatment of the identified and evaluated risks must conform to Rio Tinto standards.

Clause 7.10

There must be a process to ensure all contractor tools and equipment are inspected and evaluated to be in a safe condition and conform to Rio Tinto standards and site procedures.

Element 8: Documentation and document control

Objective:

To distribute and control documentation required for the effective operation of the management system.

Clause 8.1

The documentation relating to the implemented management system must include:

- a) A description of the scope of the management system.
- b) All documents as required by this standard; including the policy, objectives, procedures, and records.
- c) A description of the main elements of the HSE[Q] management system documentation, their interaction and reference to related documents.
- d) Documents, determined by the business / managed site, to be necessary to ensure the effective planning and control of all processes that relate to the management of HSE[Q] performance.

Clause 8.2

There must be a process for the control of documents. It must be maintained and:

- a) Provide for the review, revision and version control of documents.
- b) Uniquely identify documents as appropriate to control their business use and function.
- c) Require approval of the documents for adequacy prior to issue.
- d) Clearly identify changes and record the status of any revisions to documents.
- e) Ensure the identification and distribution of external documents that are relevant to the business activity is controlled.
- f) Provide for the effective distribution of documents to, and where necessary, the timely removal of obsolete documents from all points of issue and use.

Element 9: Communication and consultation

Objective:

To effectively engage with stakeholders on the management of health, safety, environment [and quality].

Clause 9.1

There must be a process to encourage the participation of employees and contractors in activities which promote improvements in health, safety, environment [and quality] performance. In particular, this must include their appropriate involvement in:

- a) Hazard identification, risk analysis and determination of controls.
- b) Incident investigation.
- c) The development and review of the HSE[Q] policy and objectives.

Clause 9.2

Employees must be informed about their participation arrangements, including:

- a) Who is their representative(s) on HSE[Q] matters.
- b) Time and resources necessary to participate in HSE[Q] activities.
- c) Access to information that is relevant to current or planned HSE[Q] improvement activities.
- d) The mechanisms to identify and remove obstacles or barriers to participation.

Clause 9.3

There must be a process(es) for communicating about the management of health, safety, environment (and quality) at the various levels of the business or managed site. This includes, but is not limited to:

- e) Internal communications to raise awareness about performance measures and changes or improvements.
- f) Awareness of the HSE[Q] risks (including those associated with downstream product requirements).
- g) Pre-start meetings or briefings for sharing experiences, lessons learned or raising awareness about HSE[Q] risks.
- h) Sharing knowledge and lessons learned from around the Group (external to the site, business or site); such as relevant incidents, hazardous conditions or suggested practices.
- i) [Q] awareness of customer requirements is promoted throughout the business.

Clause 9.4

There must be a process to ensure that, when appropriate, relevant external interested parties are consulted about pertinent HSE[Q] matters.

The business or managed site must decide whether to communicate externally about the management and performance of its significant HSE[Q] risks for current and planned activities; and document its decision. If the decision is to communicate, the method(s) for this external communication must be established. This process must be aligned with the requirements of the *Rio Tinto Communities standard*.

Clause 9.5

There must be a process for encouraging and receiving suggestions. This process must include a procedure for documenting, evaluating, implementing (as appropriate) and archiving the improvement ideas.

Clause 9.6

To support the communication of our performance externally, HSE[Q] data and information must to be compiled, validated and if applicable, included in the business's annual sustainable development report.

Clause 9.7

There must be a process for communicating with external customers and stakeholders information regarding product risks (including statutory and regulatory requirements).

[Q] The process for communicating with external customers and stakeholders must incorporate order enquiries, technical support, customer satisfaction and feedback including complaints.

Element 10: Operational control

Objective:

Manage the HSE[Q] risks associated with the business or site's work activities. This will be achieved by implementing the HSE performance standards, as well as other mandated or necessary risk treatment processes to control the risk to As Low As Reasonably Practicable.

Clause 10.1

There must be a process for the development of procedures or work instructions that detail the controls required to treat the HSE[Q] risks associated with work activities. These procedures must reference applicable operating criteria, be communicated, available to the appropriate users, and followed.

Clause 10.2

There must be a process for the implementation of the *Rio Tinto HSE performance standards* to control risks associated with the business and site's work activities.

These controls must be documented in procedures and include (or expand to) achieving the appropriate permit, license, regulatory and/or legal requirements to ensure compliance.

Where new or non-routine tasks and activities are conducted, the controls identified during the pre-task hazard assessment must be implemented.

Clause 10.3

Procedures and/or work instructions must be developed, documented, communicated and followed for the operation and maintenance of plant and equipment that have a potential to impact HSE[Q] performance (as defined through risk and criticality analysis).

Plant and equipment must be maintained, inspected and tested to ensure it meets design descriptions and specifications.

Clause 10.4

Documentation for critical process(es), plant, and equipment must be current, available and include as applicable:

- a) Basis of design and product specifications.
- b) Codes and relevant legislation.
- c) Hazard assessment reports.
- d) Operating procedures.
- e) Operating criteria (with defined operating limits), where their absence could lead to deviations from the health, safety, environment [or quality] performance.
- f) Engineering and electrical drawings.
- g) Design specifications and engineering standards.
- h) Maintenance, inspection and testing strategies.
- i) The characteristics of the product or materials that are essential for its safe and proper use.

Clause 10.5

All equipment or services provided by third parties, must be inspected, and have the controls verified to ensure the safe operation, and adherence to health, safety, environment [and quality] performance objectives.

Clause 10.6

[Q] Controls and actions necessary to maintain the processes which ensure product quality must be identified and designed to meet the expectations and requirements of customers or other stakeholders. This includes, but is not limited to:

- a) Statutory and regulatory requirements.
- b) Those specified by the customer for delivery and post-delivery of product or service activities.
- c) Those not stated but deemed necessary for intended use of a product.

Clause 10.7

[Q] The facilities, infrastructure and work environment needed to achieve conformity to product requirements must be determined, provided, managed and maintained.

Infrastructure includes:

- a) buildings, workspace and associated utilities;
- b) process equipment (hard and software);
- c) supporting services.

Product realisation**Clause 10.8**

[Q] Where applicable, there must be a process to meet the requirements for product realisation, as defined by ISO 9001 and the scope of the management system. The product realisation process must be documented, and include a plan and evaluation of:

- a) customer related processes;
- b) design and development;
- c) purchasing;
- d) product and service provision;
- e) control of monitoring equipment.

Where the business/site determines there is a valid reason for non-implementation to one or more of the above requirements, these must be documented in the scope as exclusions, and evaluated as part of the certification to the international standard.

Where customer property, such as raw material, packaging, components, drawings, information, software, and/or intellectual property is used in the process it must be identified, verified, protected and maintained. Any loss, damage, or other reason for its unsuitable use must be recorded and reported to the customer.

Element 11: Management of change

Objective:

Manage the HSE[Q] risks associated with any change to business processes.

Clause 11.1

There must be a procedure to identify and manage changes to any business processes that may impact on HSE[Q] performance. Changes may be:

- a) planned or unplanned;
- b) sudden or gradual;
- c) temporary or permanent.

The procedure must include an analysis of the risks associated with a change, and conform to the process requirements defined in the *Management of change* work cycle.

Clause 11.2

The management of change process applies to the following activities or items which may undergo change:

- a) design and construction;
- b) mine planning and ground control;
- c) layout/architecture of mines/pits;
- d) plant and equipment;
- e) materials used, their composition and properties;
- f) feedstock used and by-products/wastes generated;
- g) drawings and engineered processes;
- h) operating procedures;
- i) maintenance procedures;
- j) emergency procedures or changes to business resilience and recovery programme;
- k) programmable electronic system software;
- l) organisation structures and responsibilities;
- m) personnel changes, training or competency requirements;
- n) individual roles and responsibilities;
- o) the departure of contractor led activities and management handover to Rio Tinto;
- p) regulatory and statutory requirements;
- q) products.

Clause 11.3

The procedure must include a contingency to cover emergency situations where the full management of change procedure can not practically be applied. These situations require the most senior manager (or his/her designated deputy) who is accountable for the managed activity to approve the change.

Clause 11.4

Employees and contractors must be trained to identify what constitutes a change and how to initiate the management of change process.

Clause 11.5

All proposals for change must be evaluated and include:

- a) An appropriate level of technical expertise.
- b) The involvement of the workforce impacted by the proposed change.
- c) An approval of the change by at least the same level of authority as those who control the existing process or item being changed.

Clause 11.6

After completing the change, a formal review must be carried out to evaluate the actual impact against the intended impacts, and to identify the reasons for any deviation.

Element 12: Business resilience and recovery

Objective:

To ensure that the appropriate resources and incident response plans are prepared, practiced and available. The plans will provide an effective response for the mitigation, control and recovery from incidents which can impact or disrupt the business and/or its managed site(s) and activities.

Clause 12.1

A Business Resilience and Recovery Programme (BRRP) must be developed, implemented, tested and maintained. The BRRP must be risk-based, documented and communicated. The programme must comprise the following four inter-related plans:

- a) business resilience management;
- b) emergency response (incorporating first aid and emergency evacuation requirements);
- c) business continuity;
- d) information and technology disaster recovery.

The process and requirements for the development and integration of these plans are defined in the work cycle: *Preparing for business resilience and recovery*.

Clause 12.2

The programme must comply with all relevant legal and regulatory requirements.

Clause 12.3

Management must clearly define accountability for the programme and ensure it is adequately resourced.

Clause 12.4

Every managed site (including projects and offices), business unit, product group and corporate entity must be covered by a Business Resilience Team (BRT) and an Emergency Response Team (ERT) who will implement manage and execute the plans.

Clause 12.5

The plans incorporated in the BRRP must be based upon the Rio Tinto incident escalation protocols for activation and deployment of resources.

Clause 12.6

The plans incorporated in the BRRP must contain clearly-defined roles and responsibilities of individual team members of the BRT and the ERT.

Clause 12.7

Management must ensure that individual team members are provided with the relevant training for their required roles.

Clause 12.8

The BRRP must be tested and validated by:

- a) An annual desktop exercise.
- b) A full-scale exercise every 2 years.

The four plans comprising the programme must be updated to reflect the lessons learned from the exercises and actual incidents.

Clause 12.9

The process for managing incident communications, notification and reporting must be integrated into the BRRP and clearly:

- a) Identify who is responsible for incident communication, notification and reporting.
- b) Define how communication protocols are to be conducted with internal and external stakeholders.

Element 13: Measuring and monitoring

Objective:

To measure hazards, aspects or the impact of our activities and evaluate the effectiveness of our controls.

To monitor the workplace, environmental performance criteria, or product specifications to determine conformance and compliance.

Clause 13.1

There must be a process for regularly measuring and monitoring the key characteristics of the business, managed site and its work activities (including those associated with products) that could have significant health, safety, environment [or quality] risks. Procedure(s) to control the process must be implemented.

Clause 13.2

[Q] The characteristics of products must be measured and monitored to verify that product requirements have been met.

Evidence of conformity must be maintained. Records must indicate the person(s) authorizing the release of product.

Clause 13.3

Procedures for measuring and monitoring occupational health exposure and environmental impact must conform to the processes defined in the work cycle *Environmental and health exposure monitoring* and include:

- a) Detail of what must be measured and monitored, based on a risk analysis or identified legal and other requirements.
- b) The frequency of measurement and monitoring.
- c) Necessary equipment.
- d) Data quality requirements (including details on the sample size for statistical validation and any rejection criteria).
- e) The sampling and analysis method(s) including any laboratory certification requirements.
- f) Training and competency requirements for relevant personnel (including contractors) who undertake workplace and environmental monitoring.
- g) Relevant information about the potential risks to personnel associated with (performing or receiving) the monitoring or testing.

Clause 13.4

Inspection, monitoring, measuring and test equipment must be:

- a) Identified and maintained to ensure compliance with specified customer and legislative requirements.
- b) Controlled / safe guarded from unintentional adjustments.
- c) Stored and protected from damage.
- d) Calibrated or verified against a traceable standard at specific intervals.
- e) Recorded or contain identification in order to determine its calibration status.

Clause 13.5

Where no calibration standard exists, such as in the case of computer software, the method used for calibration or verification of the software's ability to satisfy the intended application must be confirmed. This verification must be undertaken prior to initial use and reconfirmed as necessary.

Monitoring results must be collected and analysed using descriptive statistics on a regular basis for:

- a) Trends and potential exceedences from legal and other requirements (such as operating criteria or occupational exposure limits).
- b) Inconsistent or unusual results.
- c) Evaluating the effectiveness of existing controls.
- d) Conformance against stated objectives and targets.
- e) Continual improvement opportunities.

An explanation of monitoring results (health & occupational hygiene) must be reported back to the person(s) concerned, within a reasonable time from when results are available.

Clause 13.6

Exceedences from specified requirements or limits must be recorded, investigated and reported back to the people or area involved. The appropriate actions in response to the exceedence must be recorded, assigned accountability and tracked to completion.

Health and medical surveillance

Clause 13.7

Any medical surveillance programme must:

- a) Include employees and Category 1 contractors.
- b) Be consistent with local regulatory requirements.
- c) Be designed based on the identification and evaluation of operational health risks.
- d) Support the business and site's objectives and targets.
- e) Include a process to inform the appropriate personnel about changes to roles (such new employees, transfers or departures) such that the required medical examinations are conducted and records updated.

Where a possible increased health risk is identified, workers must be encouraged to participate in the medical surveillance programme. Further details are provided in the *Health and medical monitoring* work cycle.

Data quality

Clause 13.8

There must be a process controlled by relevant procedures for data quality assurance. The process must meet all relevant internal and external requirements for measuring and monitoring health, safety, environment [and quality] data.

Data sets must be appropriately identified and be evaluated as:

- a) complete;
- b) comparable;
- c) representative;
- d) collected by defensible methods;
- e) accurate and precise.

Clause 13.9

Data quality controls must be implemented to ensure the accuracy of data submitted is appropriate for the intended internal and external use. As a minimum, data quality controls must:

- a) Cover all information systems, tools and processes to identify deficiencies that may result in poor data quality or misstatement.
- b) Cover all reported data, by checking, verifying, and then validation by competent person(s) prior to publication.
- c) Be integrated into all regular performance reporting processes.

Clause 13.10

Analytical laboratory services must have implemented and maintain a credible quality assurance or quality control programme(s). Where this cannot be achieved for the analyte of interest, the appropriate context shall be identified in the analytical results.

Element 14: Non conformance, incident and action management

Objective:

Ensure all incidents and lessons learnt are recorded and corrective actions identified and communicated.

Clause 14.1

There must be a procedure for the management of all incidents. It must include reference to the appropriate methodologies for:

- a) Recording.
- b) Investigating.
- c) Analysis of the impact(s) and the potential risk of future incident.
- d) Communicating to relevant people/groups.
- e) Managing corrective actions to prevent reoccurrence.

The procedure must follow the process(es) detailed in the *Incident management* work cycle and be communicated through awareness training to all personnel.

Clause 14.2

All incidents must have the Actual Consequence and the Maximum Reasonable Outcome evaluated for each impact type.

An incident can have multiple impacts. Each impact must be evaluated independently, with the most significant classification forming the main rating of the incident.

Near miss events must be reported as an incident.

The Actual Consequence for an impact must be categorised⁴ as either:

- near miss;
- minor;
- medium;
- serious;
- major;
- catastrophic.

The *HSEQ 5x5 Qualitative risk matrix* contains defined consequence scales to be used to determine the appropriate category for each impact.

⁴ Note: Following the harmonisation of Rio Tinto's Risk classification, the terms used here may change in the future. Please refer to the work cycle documents: Hazard and risk management and Incident management for latest updates.

The Maximum Reasonable Outcome (MRO) is based on a risk evaluation of the maximum reasonable consequence of the impact and the likelihood of the event occurring again given a reasonable failure of existing controls. Each impact must be evaluated and classified as:

- low (Class I);
- moderate (Class II);
- high (Class III); or
- critical (Class IV).

To ensure consistency of terminology and analysis, the *HSEQ 5x5 Qualitative risk matrix* must be used for the evaluation.

Incident investigations

Clause 14.3

All Incidents (including near misses) must be investigated to a level of detail appropriate to the maximum reasonable outcome (MRO) of the incident. The results from the investigation must be documented and communicated to relevant personnel.

Clause 14.4

All significant incidents; (those with any impact categorised with an actual consequence of serious, major or catastrophic; or a maximum reasonable outcome of High (Class III) and Critical (Class IV)) must be investigated using the approved Rio Tinto methodology⁵.

All other incidents (those classified with impacts having a Low or Moderate maximum reasonable outcome) may use other methodologies to determine the root cause and identify corrective or preventative actions.

The results from all investigations must be aligned with the terminology used by the approved Rio Tinto methodology.

Clause 14.5

The manager responsible for the work area where an incident occurred and the line manager of the involved person(s) must ensure an investigation is completed.

Incident investigations must be completed by personnel who have been trained in the appropriate methodology.

⁵ TapRoot™ is the approved incident methodology.

Reporting incident information

Clause 14.6

An incident must be reported to the relevant business or site personnel on the same work day on which it occurs (or is discovered, eg continuous/repetitive events); and preliminary details recorded.

Depending on the actual consequence and maximum reasonable outcome of the impact(s), the relevant internal and external parties must be notified in accordance with established timeframes and/or legislative requirements.

Clause 14.7

Incidents (including non-conformances) must be reported to Rio Tinto in accordance with the timeframes and definitions detailed in the *Rio Tinto social and environmental reporting and definitions* work cycle.

Clause 14.8

Any incident with an impact type that has an actual consequence of major or catastrophic (using the defined consequence descriptors) must be reported to the chief executive of Rio Tinto, the product group head and copied to the global head of HSE and global head of Security as soon as practicable within 24 hours of the incident occurring.⁷

Clause 14.9

All incidents with an impact causing personal injury or occupational illness must be reported to Rio Tinto in the monthly performance statistics.

Clause 14.10

All significant incidents must be summarised for their lessons learnt after the investigation and communicated through the Rio Tinto Knowledge Sharing System.

Prior to publication via the Knowledge Sharing System, the information must be reviewed by the reporting business to assure completeness, accuracy and relevance.

⁷ Refer to the work practice: *24 hour reporting of major and catastrophic incidents*.

Action management

Clause 14.11

There must be a process established for identifying and recording corrective and preventative actions arising from:

- a) incident investigations;
- b) hazard identification and risk management;
- c) measurement and monitoring;
- d) improvement plans and suggestions;
- e) managing change⁸;
- f) audits; inspections, and reviews;
- g) interactions.

Clause 14.12

There must be a procedure for managing actions that conforms to the process outlined in the *Action management* work cycle.

The procedure must include:

- a) Identification, categorisation and prioritisation of actions.
- b) Formal evaluation and approval of actions.
- c) Assignment of responsibilities, resources and schedules for implementation.
- d) Implementation of actions.
- e) Tracking and reporting against implementation.
- f) Monitoring and verifying the effectiveness of the actions.
- g) Analysing trends and communicating the long term performance for closing actions.
- h) Communication about the status of actions.

Clause 14.13

If progress against objectives or targets is not being met, the non conformance must be evaluated, recorded and corrective or alternate actions assigned.

Clause 14.14

Actions must be evaluated to ensure any risk associated with the introduction of new or changed hazards or the need for new or changed controls is acceptable and as low as reasonably practicable (ALARP).

⁸Refer to Element 11 - Management of change

Element 15: Data and records management

Objective:

To manage and maintain all data requirements for the management system and ensure the currency and security of records.

Clause 15.1

There must be a process for the systematic control of HSE[Q] records and their related data. The process must define controls for:

- a) creation;
- b) receipt;
- c) secure storage;
- d) maintenance;
- e) access;
- f) use;
- g) disposal.

It must conform to the *Data and records management* work cycle and include a register or procedure which provides an easy means of identification and inspection of records by the relevant persons.

Clause 15.2

Records must contain the appropriate amount of data and information to demonstrate conformance to the measuring and monitoring requirements of this standard. They must be legible, identifiable and traceable.

Clause 15.3

The confidentiality and security of data and records must be maintained relative to their source and in accordance with any applicable external data/privacy protection legislation.

Clause 15.4

Personal information originating from medical surveillance and occupational hygiene monitoring must be reported in a form that respects the privacy of the individual, but enables management to fulfil their duty of care obligations to employees. The names of individuals must not be disclosed without their written authorisation.

Clause 15.5

Medical examination reports must be dated and signed by the examining physician, nurse or equivalent. They must be legible and include a printed name to assist with identification and authentication of the results (electronic signature is acceptable).

Clause 15.6

Retention periods for all records must be established and documented. The Rio Tinto retention schedule for Group businesses operating in Australia, Canada and the United States of America must be adopted. Businesses operating outside of these regions must reference the Rio Tinto retention schedule to develop and align their own process to the Group, legal and regulatory requirements.

Element 16: Performance assessment and auditing

Objective:

To regularly evaluate and report on performance and measure conformance to the management system requirements.

Performance assessments

Clause 16.1

A process must be developed for measuring HSE[Q] performance. Metrics must include leading and lagging indicators, and be based on qualitative and quantitative data.

Clause 16.2

Performance must be measured on a regular basis and include an evaluation of:

- a) the extent to which objectives are being met;
- b) progress against targets;
- c) the effectiveness of controls;
- d) proactive conformance measures;
- e) reactive or historical performance measures.

Rio Tinto's Group reporting requirements and their frequency are defined in the *Rio Tinto social and environmental reporting and definitions work cycle*.

Clause 16.3

A report summarising the business and/or site's performance must be generated monthly, and contain details or summaries of all incidents and progress against corrective actions. The report must be sent to management and other relevant internal stakeholders.

Clause 16.4

There must be a process for conducting regular HSE[Q] interactions that:

- a) Reinforces behaviours consistent with standards, procedures and system requirements.
- b) Corrects behaviours inconsistent with standards, procedures and system requirements.
- c) Verifies whether personnel have the adequate training, equipment and certification if required - to undertake work that conforms with procedures and the hazards associated with the activity or task.
- d) Corrects non conformance.

Audits, inspections and reviews

Clause 16.5

There must be a process for conducting audits and regular inspections of all work areas.

The process must include a procedure, where relevant, to define the scope and depth of evaluation and give consideration to:

- a) The level of evaluated risk associated with specific activities that the business or site undertakes.
- b) The identification of non conformances with standards, and system requirements.
- c) The identification of hazards.
- d) Compliance to legal and other requirements as identified and recorded in the compliance and conformance register.
- e) The results of previous audits and inspections.

At the completion of the audit or inspection, a report must be provided to the manager responsible for the work area.

Clause 16.6

There must be a business or site-level procedure for conducting conformance audits. The audit procedure must be aligned to the process detailed in the *HSEQ business conformance audit* work cycle and utilise the *HSEQ business conformance audit protocols*.

Clause 16.7

The business and/or managed site must define an annual schedule of planned audits.

The schedule must be developed, based on an evaluation of the importance of specific HSE[Q] processes, the results of previous audits and significant HSE[Q] risks associated with the business or site. It must include:

- a) Internal (first party) audits conducted annually against the management system and Rio Tinto performance standards.
- b) External (third party), HSEQ business conformance audit, conducted annually for the management system and related certification requirements and combined biennially with the Rio Tinto performance standards.

Clause 16.8

Findings from audits conducted against the Rio Tinto HSEQ management system and performance standards must be classified according to nomenclature defined in the *HSEQ business conformance audit* work cycle.

Findings from HSEQ business conformance audits, Group reviews, and other related assurance activities must be recorded and reported through Group-wide reporting systems according to timeframes and requirements established in the *HSEQ business conformance audit* work cycle, or the relevant assurance or review documentation.

Corrective actions to address non-conformance must be assigned and tracked until completion. Reporting on progress to Rio Tinto must be completed according to the timeframes, and detail as specified in the *Rio Tinto social and environmental reporting and definitions* work cycle and *HSEQ business conformance audit* work cycle.

Element 17: Management review

Objective:

Ensure the business or site's management system is efficient and effective in managing HSE[Q] performance and meeting Rio Tinto and other requirements.

Clause 17.1

There must be a procedure for completing a review of the management system, at least annually. The review must evaluate any need for change and establish actions to improve the system, its processes and resource needs.

The review must be led by senior management and consider:

- a) The suitability of the policy/ies.
- b) The impact of changing legislation.
- c) The management of risk registers.
- d) HSE[Q] objectives, targets and performance indicators.
- e) Changing expectations and requirements of relevant stakeholders/communities (including complaints).
- f) Changes in the products or activities of the organisation.
- g) Changes to the structure of the organisation.
- h) Communication and feedback (particularly from employees and customers).
- i) The effectiveness of the management of change process.
- j) Workplace, environmental and medical monitoring.
- k) The status of corrective and preventive actions.
- l) Performance statistics, including an annual summary of safety statistics, occupational hygiene, medical and environmental monitoring results.
- m) Findings of completed audits and reviews.
- n) Follow up on actions from previous management reviews.
- o) Recommendations and opportunities for improving the effectiveness of the management system.

Clause 17.2

Records of completed management review(s) must be retained and include:

- a) Decisions and actions relating to possible changes to policy(ies), objectives and targets.
- b) Information relating to revised risks and any proposed treatment and controls.
- c) Improvement suggestions for inclusion into future management plans.
- d) Any other alternation, modification and improvement to the management system that demonstrates a commitment to continual improvement.

Clause 17.3

Relevant outputs from the management review(s) must be made available for communication and consultation throughout the business or managed site (including the reporting of suggested improvements or case studies on leading practices to Rio Tinto HSE).

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