

Rio Tinto Climate Change Position

Rio Tinto believes that emissions of greenhouse gases (GHGs) resulting from human activities are contributing to climate change. Avoiding human caused changes to the climate is an important international goal. In order to achieve this goal the world needs reductions in emissions of greenhouse gases.

Actions are required to improve our understanding of the problem and provide solutions for both adaptation and GHG emissions abatement. Rio Tinto recognises that addressing the challenge of climate change will impose costs for GHG abatement and necessitate a change in the way the world uses energy. A full and comprehensive portfolio of policy and technology options will be required to achieve the highest benefit and lowest overall cost for society.

Rio Tinto's climate change program will undertake initiatives in three key areas:

1. Building support for government action

Rio Tinto will engage with stakeholders to advocate for domestic and international government policies that:

Encourage leadership from developed economies while enabling all countries to contribute to effective management of GHG emissions.

Set credible limits for future emissions that recognise the scale and long term nature of the climate change challenge.

Support technology development and deployment to change the way we use energy.

Utilise broad-based market mechanisms that increase flexibility and reduce the cost of abating GHG emissions. As a tool to achieve a specific emissions reduction target, emissions trading is preferred over carbon taxes or inflexible on-site reduction requirements.

Rio Tinto recognises that domestic and international policies and measures to address climate change present business risks and opportunities that will affect shareholder value. We will continue to address climate change challenges by minimising the business risks, capturing the opportunities, and taking actions that fully consider social, environmental, and economic values.

2. Developing low emission pathways for our products

Rio Tinto is committed to helping develop low GHG emissions pathways that will allow our products to continue to meet the needs of society. Our businesses will contribute to this goal in meaningful ways, notably:

Aluminium: We are promoting energy efficiency by providing lightweight transportation components and encouraging increased recycling. We are also working to increase the GHG efficiency of aluminium smelting.

Borates, talc, titanium, and salt: Our industrial minerals are used to improve the energy efficiency of buildings, transportation, and certain industrial processes. Our solar-evaporated salt uses a fraction of the energy of the alternative process for making high purity salt.

Coal: We are working to accelerate development and deployment of near “zero emissions” power generation and hydrogen production from coal.

Copper: We are promoting the use of copper in high efficiency electrical motors, and supporting increased electrification as a cost effective contributor to GHG emissions abatement.

Iron Ore: We are reducing steel industry GHG emissions through development of our carbon efficient HIs melt[®] iron making process and production of flux pellets.

Uranium: We produce fuel for low carbon emissions nuclear electricity generation and hydrogen production.

3. Taking a proactive stance at our operations to reduce GHG emissions

Rio Tinto will take a proactive, pragmatic, and transparent approach to achieve GHG emissions reductions from our operations and the use of our products. Our operations will adapt to the physical impacts of a changing climate. We will accomplish this by:

Setting and achieving progressive targets to reduce GHG emissions per unit of production either through direct reductions or by offsets. We will report our progress annually.

Undertaking and encouraging research and development projects designed to reduce GHG emissions from our operations and from the use of our products.

Working with our customers and suppliers to help them and us reduce GHG emissions.

Considering the physical impacts of a changing climate as a part of our normal planning process and having appropriate contingency plans in place to adapt to potential impacts.