Rio Tinto

2021
Half Year Results
28 July 2021

Karratha's Red Earth Arts Precinct, the Pilbara. Rio Tinto is a funding partner.
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Jakob Stausholm
Chief Executive
Iron Ore Company of Canada (IOC)
Thank you Menno. Good morning and good evening.
When I presented our results in February, I set out a pathway to make Rio Tinto stronger, building on what are clearly fundamentally robust foundations.
To me, our performance this half reaffirmed the underlying qualities of Rio Tinto. It also highlighted the need to strengthen the business for the long term.
We again achieved a strong safety performance, despite challenging conditions. It remains our first priority and we will never be complacent.
Government stimulus to aid economic recovery in response to ongoing COVID pressures led to robust demand for our products, at a time of ongoing supply constraints. As a result, we saw significant and prolonged price spikes during the first half, leading to strong free cash flow.

As an industry, we benefited from host governments recognising mining as an essential business. It allowed us to focus on safely operating our world-class assets and delivering products to our customers, despite necessary COVID restrictions. This meant people remained employed, suppliers had our business, and taxes and royalties continued to be paid.
And our people once again demonstrated their agility, resilience, and commitment to Rio. This is particularly true in terms of dealing with COVID. In 2020, we scrambled to keep operations running. In 2021, COVID has been even more challenging, especially in terms of
our ability to get people to our assets. This is particularly true in Mongolia and Western Australia.
However our fundamentally strong foundations enabled us to achieve EBITDA of $21 billion and ROCE of 50%.
We recorded $7.3 billion of taxes and royalties, have invested $3.3 billion in growth and sustaining capex, leading to free cash flow in excess of $10 billion. As a result, we will return $9.1 billion to our shareholders. This is in line with our dividend policy and reflects a strong pricing environment. However, we remain cautious on the outlook and must ensure we remain resilient in all scenarios.
In June, I was very pleased to be able to travel to our Jadar project in Serbia, meet with some key stakeholders, and visit the team on the ground. This week, I’m proud that we have committed funding for Jadar. This is an important step forward, moving Rio Tinto into battery materials at scale. It also demonstrates our commitment to investing capital in a disciplined manner to shape our portfolio for the future.
Lithium is a key commodity for the electrification of transport, large scale batteries and energy storage. We have a critical role in supplying the metals and minerals required for the global energy transition.
Despite our outstanding financial performance, the past six months has confirmed there are clearly areas where we need to improve.
Firstly, to be the ‘best operator’. In the first half we experienced too much operational instability. We are addressing this in a systemic manner and will sharpen the consistency of our performance.
Secondly, the 100 plus stakeholder meetings I had in the first half have strengthened my conviction that the foundation for our business is achieving impeccable ESG credentials. In order to sustainably deliver shareholder returns we must ensure all our stakeholders benefit from the success of Rio Tinto.
Thirdly, we must excel in development – both organically and inorganically. We will only pursue opportunities that create value. Jadar is a perfect example.
Finally, we must become a more outward-looking company, more in-tune with society. This is our social licence to operate. It is judged by others and essential for long-term success.
We are making tangible and lasting changes to the way we engage, interact and operate. This goes beyond my leadership team and is being embedded across the entire company, to ensure we’re making sustainable changes.
Let me now hand over to Peter to take you through the financials.
Thank you Jakob. Good morning and good afternoon everyone. First, let’s first turn to the markets.
All our commodities benefited from strong demand globally. Growth in China slowed but remained robust. In the rest of the world, stimulus and the gradual easing of COVID-19 restrictions boosted consumption of our products.

The iron ore price continues to confound most market commentators’ predictions. This was driven by a surge in global demand whilst supply struggled to keep pace. China’s first half steel demand was up 9% year on year, with the construction and automotive sectors both performing well. Consumption was also robust across the rest of the world, where demand recovered by 15% compared with the first half of last year.

Meanwhile, iron ore supply from the majors continued to lag expectations, with high cost production balancing the market. Scrap is now recovering from the lows in 2020, with global first half consumption set to rise 18% as crude steel output and scrap availability improve.

These factors led to the iron ore price more than doubling in the first half of 2021. However, with tightening credit conditions and a softer housing market in China, coupled with expectations for rising seaborne supply, it seems unlikely that such elevated pricing will persist.
Turning to our other commodities.

Aluminium has been supported by tight physical markets with elevated LME and premia, and strong demand in global semis, up 8% vs last year. Supply disruptions in China and limited restarts elsewhere have translated into price gains of around 41%.

Copper prices have rallied 66%, driven by multi-year weakness in supply growth, with mine supply up just 1%, and a strong recovery in global demand.

We also saw strong end use demand for TiO2 across all regions, with pigment prices and utilisation rates increasing throughout the first half.
Now on to our financial results. We’ve announced a very strong set of financials against the backdrop of an unprecedented recovery in global demand. It was also a very clean set of results, with few exceptional items and no impairments. Starting with revenue. The 71% increase was mostly driven by price, in particular iron ore. The resultant increase in profitability lifted our return on capital to 50 per cent and underlying earnings to $12.2 billion, just below the level we recorded for the 2020 full year. Free cash flow amounted to $10.2 billion. This was after a $1.2 billion outflow related to working capital, mostly as a result of higher price levels flowing through receivables, and $3.3 billion on capital expenditure, up 24% year-on-year. The Board was therefore able to declare total dividends per share of 561 US cents, which I’ll come onto a bit later. Let’s now take a closer look at the underlying drivers of profitability and cash flow.
As ever, the biggest driver has been commodity prices. These boosted EBITDA by $12.8 billion in aggregate. The bulk of this was iron ore but aluminium and copper were also important contributors.

The appreciation in the A$ and C$ relative to the US$ reduced profits by $600 million. Lower volumes and product mix resulted in a $400 million reduction, mainly due to lower iron ore shipments from the Pilbara.

This in turn drove up unit cash costs through fixed cost inefficiencies. We also experienced higher demurrage costs due to adverse weather in the Pilbara and Queensland, and an increase in maintenance expenditure.

It was not a great half for our physical performance but we delivered strong financials. We maintained our tight controls despite this period of high prices, with continued focus on costs and disciplined allocation of capital, including working capital.

As Jakob stated earlier, we are not where we would like to be operationally. Nevertheless, due to our continued discipline and cost containment, we managed to retain over 90% of the benefit from higher prices and deliver EBITDA of $21 billion.
Let’s look at each division, starting with Iron Ore.

We experienced operational challenges in the first half. Namely a mix of prolonged wet weather, shutdowns to enable replacement mines to be tied in and the protection of heritage sites. Their combined effect, together with COVID-19 restrictions and labour shortages, was to lower production by 5%. This, in turn, led to a 3% reduction in shipments. We have maintained guidance for 2021, but it is now at the low end of the range. I should also stress that it is dependent on tie-in and ramp-up of the replacement mines, and ongoing cultural heritage management.

Our unit cash costs were also impacted, rising to $17.9 a tonne in the first half. Much of this increase was due to the 17% strengthening of the Australian dollar. However, around $1 per tonne can be attributed to weaker volumes and an increase in costs, including demurrage and labour. As a result, we have updated our guidance to between $18 and $18.50 a tonne for 2021.

Clearly, with the significant improvement in prices, we achieved very strong financials, with Underlying EBITDA of $16 billion and Free Cash Flow of $9 billion, both more than double 2020 first half.
Pilbara iron ore a stronger business beyond 2021

Average Pilbara shipments has been 331mt a year (100% basis) over the last 5 years

The completion of 90mt of replacement mine capacity and the commissioning of Gudai-Darri (43mt), our first new mining hub in nearly a decade\(^1\), will significantly strengthen our system and will provide optionality.

We will now focus on optimising system capacity with Gudai-Darri at full capacity in 2023 through:

1. Debottlenecking and productivity improvement across the integrated system: mines, plants, rail and port
2. Full integration of heritage management
3. Development plans for next phase of mine replacement capacity from 2023

System capacity will increase with Gudai-Darri, but the full potential will only be determined with experience and delivery of planned improvements.

\(^1\)Nammuldi below water table which came on stream in 2014

As we said at the Capital Markets Day in 2019, we recognized 2020 and 2021 would be challenging years where we had to run mines hard. However, we will come out of it as a much stronger business.

This year we tie in approximately 90 million tonnes of replacement mine capacity at our existing hubs in Robe Valley, West Angelas, and Tom Price through the Western Turner Syncline development. Furthermore, we commission Gudai-Darri, a 43 million tonne mining hub. Our first new hub since Nammuldi came on stream in 2014.

The tight labour market in Western Australia is adding complexity. Nevertheless, all projects are progressing and are still expected to achieve first ore in 2021, although completion will be slightly later than planned.

When Gudai-Darri achieves full capacity in 2023, we believe we will have the mine capacity in place to push the system and establish its sustainable capacity.

Our work will focus on synchronising mines, plant, rail and port. All these components need to operate efficiently, and simultaneously to maximise system output.

We will push productivity to offset a continued rise in the work index. And of course, we continue to face uncertainties around heritage and the construction of future replacement mines.
Like safety, heritage is a priority. We continue to engage with Traditional Owners regarding current and proposed mine plans and work through development scenarios together. The full impact of the reformed Aboriginal Heritage Act in Western Australia is still unknown.

Finally, we will always take into account the volumes and product quality that our iron ore customers demand.

System capacity will increase with Gudai-Darri, but its full potential will only be determined with experience and delivery of the improvements we are planning.
Moving onto Aluminium.
We saw the best financial performance from our aluminium division for over a decade. We delivered a significant uplift in EBITDA to $1.9 billion – more than double the first half of 2020 - and a substantial increase in operating cash flow to $1.4 billion. Free cash flow of $0.9 billion already matches 2020 full year cash flow. Notably, all Pacific smelters were cashflow positive in the period. Earnings were driven by a rebound in prices and higher aluminium sales – including heightened demand for value added products. This was underpinned by the stability of our smelting business.

To support the higher value-added volumes we have now rebuilt the working capital that we released in the first half of 2020.

The positive drivers were only partly offset by the impact of stronger local currencies, some normal cyclical raw material price increases for coke and alloys, and weaker bauxite shipments.

Overall, the underlying EBITDA margin for Aluminium increased to 36%. Return on capital improved to 12% and the exit rate in June was significantly higher, demonstrating that this is the best global integrated aluminium business. Long term we continue to work on finding solutions to reduce the carbon footprint of our business and make our Pacific smelting assets more competitive. The partnership with ARENA to study whether hydrogen can replace natural gas in our Queensland alumina refineries is an important step to reduce emissions in such a hard to abate process.
At $2.0 billion, underlying EBITDA from our Copper business was almost three times more than the first half of 2020. The stronger market environment was the key driver – boosting underlying EBITDA by $1.3 billion, with a 66% increase in our realised copper price to 415 US cents per pound.

We also benefited from higher sales volumes of refined product, driven by a solid smelter performance at Kennecott - following the extended maintenance shutdown of last year - and higher gold grades at Oyu Tolgoi.

While refined copper output was up at Kennecott, mined tonnes were lower following an anticipated slope failure. It will slow us down a little and push some of those anticipated higher grade tonnes from the South Wall into 2022.

We saw lower volumes at Escondida, where ongoing preventive measures in response to the resurgence of COVID-19 continued to impact workforce availability.

Our C1 unit costs, at 71 cents per pound, were 43% lower, with the effect of reduced volumes from Escondida more than offset by higher gold credits at Oyu Tolgoi.

Free cash flow was positive at $0.6 billion, even after paying $0.4 billion to the Mongolian Tax Authority in relation to disputed tax items in the period 2013 to 2018, and higher inventory as COVID-19 restricted the transfer of product across the border to China.
Minerals
Strong demand across all products especially high grade iron ore

$2.4bn commitment to fund Jadar. Low cost, long life asset, entry into battery materials at scale

IOC - prices boost financials but labour and equipment availability impacted production

RBM significantly hampered by security issues. Operations ceased until safety of our people and assets can be guaranteed

QMM in Madagascar operating well delivering consistent production

Borates: robust demand for products. Diavik: strong price recovery during Q2

<table>
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<tr>
<th>Operating metrics</th>
<th>H1 2021</th>
<th>H1 2020 comparison</th>
<th>2021 guidance</th>
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</thead>
<tbody>
<tr>
<td>IOC pellets price$\dagger$</td>
<td>$218/t</td>
<td>+ 86%</td>
<td></td>
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<tr>
<td>TiO$_2$ slag price$^2$</td>
<td>$762/t</td>
<td>- 1%</td>
<td></td>
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<tr>
<td>Production – IOC</td>
<td>5.1Mt</td>
<td>- 5%</td>
<td>10.5-12.0Mt</td>
</tr>
<tr>
<td>Production – TiO$_2$</td>
<td>0.6Mt</td>
<td>+ 4%</td>
<td>NA$^3$</td>
</tr>
<tr>
<td>Production – Borates</td>
<td>0.2Mt</td>
<td>- 4%</td>
<td>-0.5Mt</td>
</tr>
<tr>
<td>Production – Diamonds</td>
<td>1.5Mt</td>
<td>+ 2%</td>
<td>3.0-3.8Mtc$^3$</td>
</tr>
</tbody>
</table>

Financial metrics ($bn)

| Revenue                                                | 3.3     | + 41%              |               |
| EBITDA                                                 | 1.4     | + 96%              |               |
| Margin (product group ops)                             | 46%     | + 13 pp            |               |
| Operating cash flow                                    | 0.6     | + 47%              |               |
| Sustaining capex                                        | 0.2     | + 25%              |               |
| Replacement and growth capex                           | 0.1     | + 133%             |               |
| Free cash flow                                         | 0.4     | + 50%              |               |
| Underlying ROCE$\dagger$                                | 19%     | + 11 pp            |               |

$^1$Wet metric tonne | $^2$TZMI chloride slag assessment average for the first half estimate, excluding UGS | $^3$Full year Titanium dioxide slag production guidance has been removed as a result of risks around the timing of resumption of operations due to an escalation in the security situation at our Richards Bay Minerals operation in South Africa | $^3$2021 diamonds guidance is for Diavik only following the closure of Argyle in 2020 | $^3$Total Product Group including evaluation projects/other

Across Minerals, demand conditions were strong. Operationally we navigated challenges posed by Covid-19 at several assets. At IOC, reduced availability of labour and equipment reliability issues impacted production, but an 86% increase in pellet prices boosted the financial results.

Our operations in Madagascar are performing well. At Boron we completed a major planned maintenance program in May that should support strong second half performance.

At Diavik, production was slightly up and a sharp recovery in prices drive a return to profit.

At Richards Bay we ceased mining operations on the 30$^{th}$ of June to protect the safety of our people after a period of heightened security issues. On the 21$^{st}$ of July we fully shut down one of our four furnaces because of depleting feedstock. We continue to work with governments and communities to find a lasting solution to the current situation. However, if the situation does not improve, we could be forced to progressively shut down the other furnaces by the end of August.

Our overall underlying EBITDA of $1.4 billion was almost double 2020 first half, primarily reflecting a $0.9 billion benefit from higher pricing across the portfolio, especially for our Canadian iron ore pellets and concentrates.
Now, as both Jakob and I have said before, there is one thing that will not change at Rio Tinto, and that is our approach to capital discipline. You will have seen this slide many times before but it is important to point out that we remain fully committed to it.
We are determined to maintain that discipline during periods of elevated commodity prices.
We are convinced that growth has to be about value generation and building sustainable cash flow.
Investing to sustain our assets will always be core to what we do.
Beyond that we will rigorously review all replacement and development projects while we continue to shape our portfolio to keep on delivering commodities the world demands for the decades to come.
We still expect to invest around $7.5 billion in each of the next three years. Our guidance always included the Jadar lithium-borates project which we have now committed funding for. Jakob will cover this off in more detail later. COVID-19 remains a key risk for all our projects, driven by the challenges associated with interstate and international border access. This is having an impact on the availability and movement of people, particularly in Australia, Canada and Mongolia.
Balance sheet strength adds to our resilience

Balance sheet strength is an asset.
Offers resilience and creates optionality

Gearing -6%

Operating cash flow of $13.7bn

Invested $3.3bn and distributed $6.4bn to shareholders

Net debt adjusted for interim dividend is $6.0bn

Net debt has turned into net cash of $3.1 billion at the end of June. But let’s not forget that this is just one point in time: today we have made a $9.1 billion dividend commitment, which we will pay out in September, moving us back into net debt territory.

There is still a lot of uncertainty in the world. Our balance sheet strength ensures we are able to continue to invest in the business, to provide superior returns to our shareholders, and create optionality.
Finally, onto shareholder returns. Our policy, well known to most of you, dates back to 2016. We commit to returning 40 to 60 per cent of underlying earnings on average through the cycle, with additional returns to shareholders in periods of strong earnings and cash generation.

As you can see from this chart, over the last five years we have consistently exceeded our policy, with an average pay-out ratio of 73%.

The first half of 2021 is no exception. We have always said that the key decision point is around the final dividend. However, given the strength of our balance sheet and the extremely buoyant markets, we have announced today an interim ordinary dividend of $6.1 billion and a $3.0 billion special dividend. This brings the pay-out ratio for this year to 75% per cent.

On that note, let me pass back to Jakob.
Jakob Stausholm
Chief Executive

Gobi desert, Mongolia
Thank you Peter.
During the past twelve months, governments around the world have become increasingly aligned in their focus on the transition to a lower carbon world. This transition will require more of everything we produce and underpins the demand for our commodities for decades to come.

The images on this slide demonstrate exactly why. Many people see solar cells, wind turbines, transmission lines and electric vehicles. I see a huge need not just for copper, aluminium and battery materials, but also iron ore. This is additional or new demand, supplementary to long-established expectations of ongoing population growth and urbanisation, the main drivers of historical commodity consumption.

What is also becoming clearer in my mind is that societal expectations of how these materials are extracted will continue to evolve, driving scrutiny around transparency, Co2 footprint, and how companies treat customers, communities, suppliers and employees.
It reinforces why we have decided to focus on the four key areas I highlighted earlier. Our operational performance clearly isn’t where it has been in the past, or where we want it to be. Ensuring we once again become the best operator is about restoring Rio Tinto’s DNA.

Similarly, we have a proud track record of delivering projects, on time and on budget, and deploying our balance sheet to create long term value and shared prosperity. Today’s strong financial performance reflects the courage of leaders decades ago to invest in the iron ore business, which was not as profitable then as it is now.

Finally, and importantly, we need to ensure that we are seen as a crucial and integral part of society.
Becoming more outward looking

To truly unleash our full potential, we need to be more outward looking. This is firstly about earning and protecting our social licence. Clearly this must happen wherever we operate. However, given the significance of Australia to Rio Tinto, I spent three and a half months there earlier this year. I engaged extensively across Australia – from our Traditional Owners in the Pilbara and the Northern Territory to key government representatives, business leaders and our shareholders. I also met many current and former Rio employees. It was an opportunity to listen, to learn, and understand how we need to adapt. While some meetings were confronting, a key thing for me is that I did not meet a single person who did not want to see Rio Tinto succeed. I have also met stakeholders in China, New Zealand, South Africa, Serbia, Canada and Brussels. We have taken the insights from these meetings and are applying them to how we behave and operate globally. This isn’t just about building capacity and strengthening governance, which are clearly important, but it is also how we engage, in a respectful and collaborative manner. It’s going to take time and great effort to rebuild trust. But I am absolutely committed to doing this.
One of the attributes that attracted me to Rio Tinto was the company’s longstanding commitment to how it operated – beyond the financial performance. I am often challenged, internally and externally, about exactly what I mean by ‘impeccable ESG credentials’. What I do know is that safety has always been core to how we operate. I know that every Rio Tinto employee recognises good, bad and impeccable safety performance, and nothing short of impeccable is acceptable.

I want to bring the same focus we have on safety to all areas of ESG. We will focus on real engagement with our communities, understanding their experience and never forgetting that, in so many places, we are guests on their land.

By being more transparent and modernising multiple agreements, I recognise there will be some tension and testing times ahead. But it is vital that we get this right.

When I sat down to choose my leadership team, getting people with the right values was crucial to ensure we build a stronger and more engaged organisation.

But it needs to go deeper into the business. We are therefore implementing leadership and cultural awareness coaching to an extended team.
Building on our strengths

Safety always our priority

Rio Tinto Safe Production System a bottom-up, people centric approach

COO organisation established including governance, scope and people at the assets

Focus on long term sustainable benefits measured as combined impact on safety, engagement, productivity and financial value

Identified first pilot sites for design and deployment to prove value and build momentum. Also addressing specific processes across several product groups

The key to achieving consistent operational excellence is our people. We will start by unlocking real and sustainable improvements at each asset. This is a great opportunity, which we are pursuing with rigour. Focussing solely on top-down process and system solutions will not deliver sustained value. We will lead in a more supportive, inclusive and people-focused way. Each of our product groups have contributed to the early framework design and identified pilot sites where the Rio Tinto Safe Production System will initially be rolled out.
Turning to our portfolio. We need to remain relevant and be well placed to meet the commodity needs of future generations. We will build the capabilities in project development, evaluation and execution. Our portfolio should not be seen through a quarterly lens, but in terms of decades. Our history has demonstrated an ability to renew the portfolio and we will continue to do so, within our capital allocation framework.

In addition, we continue to further strengthen our project pipeline through our sector-leading exploration activity.
Turning to Oyu Tolgoi, despite considerable COVID-related challenges the team has done a great job. We have made considerable progress and all project-related technical criteria to support undercut commencement have been achieved. We are working on other elements, such as government permitting, that will enable us to proceed.

We continue to engage with the Government and have remodelled our negotiations team following the recent Presidential elections. There remains a clear shared goal, as expressed by the Government, to move Oyu Tolgoi forward.

I am confident we will be able to find a mutually acceptable solution to allow this impressive development to deliver for all stakeholders, including the people of Mongolia.
Strengthening our portfolio with commitment to fund Jadar

Continue to work closely with stakeholders in Serbia. Subject to award of final permits and approvals, construction will commence in 2022, with first saleable production expected in 2026.

Capital investment expected to be $2.4bn; Low cost (1st quartile), long life (~40 years)

Full ramp-up expected in 2029 to ~58kt of battery-grade lithium carbonate, 160kt of boric acid (B₂O₃ units) and 255kt of sodium sulphate. 25-35% p/a demand growth over next 10 years.

Jadar could supply all necessary lithium carbonate for 71 GWh of batteries, powering over one million EVs per year. 1% direct and 4% indirect contribution to GDP of Serbia. ~2,100 jobs in construction and 1,000 ongoing jobs when operational.

The Jadar project marks an exciting entry for Rio Tinto into battery minerals, at scale. The market fundamentals for lithium are strong, with 25 to 35 per cent demand growth per annum projected over next 10 years, driven by the global energy transition. As one of the world’s largest new greenfield lithium projects, on the doorstep of the European Union, Jadar will be well placed to meet this demand.

Jadar will produce battery-grade lithium carbonate, a critical mineral used in large scale batteries for electric vehicles and storing renewable energy. It could power over one million electric vehicles a year.

It will be a direct and indirect catalyst for the Serbian economy, creating over 2,000 construction jobs and 1,000 ongoing jobs when operational.

We are working hard to establish trusting and respectful relationships with local communities, including landowners, the Serbian Government, and other stakeholders. Subject to receiving all relevant approvals, licences and ongoing engagement with local communities, construction will commence in 2022 with first production in 2026.

We are excited about lithium and developing the Jadar project.
So, let me summarise.
Our safety performance remained strong. But we are not complacent. Our people and world-class assets delivered outstanding financial results, driven by very supportive commodity markets. Our balance sheet enables us to invest in a disciplined way, where we see attractive opportunities, like Jadar.

There is definitely room for improvement, to build on these foundations.

We have identified and are addressing what needs to be done and I look forward to providing further insights at our Capital Markets Day later in the year. In the meantime, we are all focused each day on making Rio Tinto even stronger. We are now happy to take questions. Operator can we please have the first caller on the line.
Appendices
Our portfolio is well positioned for the low-carbon transition

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<th>Carbon in product sold and widely substitutable today</th>
<th>Carbon in product sold but hard to substitute today</th>
<th>No carbon in product sold but CO2 intensive processing today</th>
<th>No carbon in product sold but low around CO2 intensity and critical enabler of low-carbon future</th>
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<tbody>
<tr>
<td>Thermal coal, oil and gas</td>
<td>Metallurgical coal</td>
<td>Iron ore fines &amp; lump, bauxite &amp; alumina for coal-based aluminium</td>
<td>Copper, Aluminium, battery materials</td>
</tr>
<tr>
<td>0%</td>
<td>0%</td>
<td>66%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Over 95% of our 2020 revenues are from assets with favourable operational carbon intensities

Around 22% of our revenues and 93% of our growth capital in 2020 are in the segment with the least low-carbon transition risk

2020 Climate change report includes detailed scenario analysis including specific CO2 prices

*Excludes sustaining and replacement capex. 2020 full year. The 2020 Climate report can be found at riotinto.com
Our portfolio to perform strongly in scenarios with proactive climate action

Our Scope 3 goals to guide our partnerships
- Technology for reductions in steelmaking carbon intensity of at least 30% from 2030
- Breakthrough technologies to deliver carbon neutral steelmaking pathways by 2050
- Develop breakthrough technology enabling of zero-carbon aluminium smelting
- Ambition to reach net zero emissions from shipping of our products by 2050

Our targets1
- 30% reduction in emissions intensity by 2030 from 2018 levels
- 15% reduction in absolute emissions by 2030 from 2018 levels
- Our growth, overall, between now and 2030 will be carbon neutral

2020 Highlights
- Reduced emissions by 1.1Mt CO2e or 3% vs 2018 baseline, though flat in 2020
- $98m, 34MW solar plant at Gudai-Darri approved
- $14.5m Baowu-Tsinghua partnership & Tsinghua University
- $140m committed of the $1bn announced for climate-related projects

Governance
- The Board intends to put the climate report to an advisory vote at 2022 AGMs
- Strengthened link between executive remuneration & our ESG performance forming 35%2 of Short Term Incentive Plans

Underpinned by approximately $1bn climate-related spend
Ultimately our ambition is for net zero emissions from our operations by 2050

1 Targets are for scope 1 and 2 GHG emissions, for managed and non-managed operations on an equity basis. 2 Short Term Incentive Plan: 20% weighting to safety (unchanged) and 15% to ESG performance.

The 2020 Climate report can be found at riotinto.com
ELYSIS zero carbon metal meets new market demand

Scaling up ELYSIS™ technology
- ELYSIS has achieved stable cell operation, producing commercial metal grade
- Completed construction of new Industrial R&D Center in Saguenay-Lac-St-Jean for next steps in technology scale-up
- Commissioning in full swing to produce metal at scale similar to small, industrial-sized smelting cells
- Technology expected to reach commercial maturity in 2024

Strong market demand emerging
- **Q3 2020:** Apple’s 16” MacBook Pro is world’s first device manufactured using ELYSIS metal, delivered through Rio Tinto’s commercial network.
- **Q4 2020:** Rio Tinto supplied ELYSIS metal to AB InBev as part of partnership to produce their most sustainable can – piloted with Michelob ULTRA
- **Q2 2021:** Selected our Alma smelter in Saguenay-Lac-Saint-Jean, Quebec, for the first installation and demonstration of its inert anode technology at a commercial size of 450 kiloamperes (kA) and start of construction of the first prototype cells.
Oyu Tolgoi delivers substantial economic value to Mongolia

**FDI:** OT accounts for one-third of Mongolia’s GDP; 70% of Foreign Direct Investment

**Jobs:** Country’s largest private-sector employer, workforce of 12,000 is 96% Mongolian

**Taxes:** Since 2010, OT has spent US$12.7bn in-country in the form of salaries, payments to Mongolian suppliers, taxes and other payments to the Government of Mongolia.

Since 2010, OT has paid US$3.4bn in taxes, fees and other payments.

**Local spend:** $3.7bn on national procurement spend since 2010; National procurement spend reached 72% of total spend in 2020. 770 suppliers of which 499 are national businesses.

Source: World Bank

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Resolution Copper: potential to produce up to 25% of US copper demand; critical to a low carbon future

We are continuing to work with the US Forest Service to review the Final Environmental Impact Statement (EIS) and draft Record of Decision. Mine studies continue to progress in parallel.

More than $2bn has been spent on the project from voluntary reclamation, sinking a second shaft, rehabilitating the existing shaft and deepening to mining depth, ore body study and evaluation, and the federal approval and public engagement.

We are committed to ongoing stakeholder engagement in our effort to seek consent from Native American Tribes consistent with the International Council on Mining and Metals (ICMM) Statement on Indigenous Peoples and Mining.

Resolution Copper has the potential to produce up to 25% of US copper demand each year, a critical step toward delivering a low-carbon future. The project has the potential to create approximately 3,700 direct and indirect jobs in Arizona.
**Significant Paterson footprint with potential beyond Winu**

Extensive portfolio of 100% owned tenure, majority owned joint venture (JV) tenure, and active earn-in opportunities

Continue to actively engage with the Traditional Owners and we plan to commence discussions on the initial scope and mine design, also in consultation with the Western Australian Environmental Protection Authority

Testing potential to leverage regional synergies with the Winu development

Sanction now targeted for next year and first production in 2025 partly due to COVID-19 constraints. Drilling, fieldwork and study activities continue to progress
We are committed to the Simandou project and Guinea

One of the world’s largest untapped and richest high-grade iron ore deposits, located in Guinea

- High-grade ores can support the transition to lower-carbon steel
- Strengthens Rio Tinto’s iron ore portfolio as well as our product offering
- Complements Rio Tinto iron ore operations in the Pilbara, Western Australia
- Competitively positioned as a mid-ranking producer on the cost curve
- Diversifies and strengthens the economy of Guinea and local communities
- There are factors coming together now to support its development with or without Rio Tinto
### Strong commodity pricing driving EBITDA

**Underlying EBITDA H1 2021 vs H1 2020**

$ million

<table>
<thead>
<tr>
<th></th>
<th>H1 2020</th>
<th>H1 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underlying EBITDA</td>
<td>9,640</td>
<td>12,833</td>
</tr>
<tr>
<td>Iron ore</td>
<td>9,874</td>
<td></td>
</tr>
<tr>
<td>Iron &amp; Titanium</td>
<td>44</td>
<td></td>
</tr>
<tr>
<td>Diamonds</td>
<td>41</td>
<td></td>
</tr>
<tr>
<td>Copper</td>
<td>1,193</td>
<td></td>
</tr>
<tr>
<td>Aluminium*</td>
<td>1,090</td>
<td></td>
</tr>
<tr>
<td>Other, net</td>
<td>591</td>
<td></td>
</tr>
</tbody>
</table>

*Aluminium includes alumina and bauxite and includes movements in market and other premia.

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Lower volume in iron ore driven by weather, mine tie-in work, plant availability and heritage management

Underlying EBITDA H1 2021 vs H1 2020

$ million

The volume variance excludes the profit impact of lost or gained volumes as a result of one-off events that have occurred either in this period or in the comparative period. This includes the pot-lining replacement at the Kitimat aluminium smelter and the impact from curtailment of operations at RBM in early 2020. Aluminium includes alumina and bauxite.
Iron Ore
Strong pricing supports EBITDA

Underlying EBITDA H1 2021 vs H1 2020
$ million

- Underlying EBITDA of $16.1 billion was 109% higher than 2020 first half, reflective of higher prices driven by strong global demand and constrained supply. This more than compensated for the lower sales volumes and higher operating costs, which were primarily driven by a stronger Australian dollar.

- Our Pilbara operations delivered an underlying FOB EBITDA margin of 79%.

- Gross product sales for Pilbara operations included freight revenue of $1.0 billion (2020 first half: $0.6 billion).

- We price the majority of our iron ore sales (79%) by reference to the average index price for the month of shipment. In 2021 first half, we priced approximately 12% of sales by reference to the prior quarter’s average index lagged by one month, with the remainder sold either on current quarter average or on the spot market. We made approximately 71% of our sales including freight and 29% on an FOB basis.

- We achieved an average iron ore price in 2021 first half of $154.9 per wet metric tonne on an FOB basis (2020 first half: $78.5 per wet metric tonne). This equates to $168.4 per dry metric tonne, assuming 8% moisture, (2020 first half: $85.4 per dry metric tonne) and compares to the monthly average Platts index for 62% fines converted to an FOB basis of $172.6 per dry metric tonne.

- Our iron ore shipments from the Pilbara decreased by 3% compared with 2020 first half, in line with lower production, which was attributable to sustained wet weather, particularly at the West Pilbara and Robe Valley operations, shutdowns to enable new replacement mines to be tied in, processing plant availability and cultural heritage management.

- 2021 first half Pilbara unit cash costs were $17.9 per tonne (2020 first half: $14.5 per tonne). Cost guidance for full year of $18.0-$18.5 per tonne represents an underlying cost increase of ~A$0.3 billion (on a 100% basis) relative to previous guidance of $16.7-$17.7 per tonne, or 4%. The updated guidance reflects price escalation of key input costs (diesel and labour), costs related to mine heritage management and COVID-related costs (~A$100 million, 100% basis, or US$62 million our share were incurred in 2021 first half; no COVID-19 costs included in previous guidance). It remains based on a A$:US$ exchange rate of 0.77.

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Our aluminium business delivered a significant uplift in underlying EBITDA and a substantial increase in cash flow, with free cash flow already at the same level as full year 2020. This was driven by a rebound in sales prices and heightened demand for value-added product (VAP) as markets recovered from the impact of COVID-19.

Underlying EBITDA of $1.9 billion was more than double 2020 first half. The benefit from the stronger pricing environment, in particular for primary metal and alumina, and higher aluminium sales driven by the stability of our Canadian smelting business were only partly offset by the impact of stronger local currencies, lower bauxite shipments and some cost inflation for coke and alloys.

This increased our industry-leading underlying EBITDA margin to 36%.

We achieved an average realised aluminium price of $2,626 per tonne, 42% higher than 2020 first half ($1,849 per tonne).

The cash LME price averaged $2,245 per tonne, 41% higher than 2020 first half. In our key US market, the mid-west premium duty paid recovered 28% to $318 per tonne (2020 first half: $249 per tonne).

VAP volumes represent 50% of the primary metal we sold (2020 first half: 40%) and generated product premiums averaging $207 per tonne of VAP sold (2020 first half: $208 per tonne).

Although we are broadly balanced in alumina, approximately 2.1 million tonnes of our legacy alumina sales contracts are exposed to a fixed linkage to the LME price. These contracts date back to 2005 or earlier, and the majority expire between 2023 and 2030. The opportunity loss from these legacy contracts was negligible in 2021 first half, compared with around $50 million in 2020 first half.
Copper
Higher prices & volume, albeit impacted by COVID-19

Underlying EBITDA H1 2021 vs H1 2020

$ million

- The improvement in our financial performance was driven by stronger market conditions and higher refined sales volumes, driven by a solid smelter performance at Kennecott and higher gold grades at Oyu Tolgoi. These compensated for lower volumes at Escondida, where ongoing preventive measures in response to the resurgence of COVID-19 continued to impact workforce availability.
- At $2.0 billion, our underlying EBITDA was almost three times higher than 2020 first half.
- The stronger market environment, which rebounded from the impact of the global COVID-19 pandemic, drove underlying EBITDA $1.3 billion higher, with a 66% increase in our realised copper price to 415 US cents per pound, before taking into account the provisional pricing benefit to revenues of $202 million in 2021 first half.
- Our C1 copper unit costs, at 71 cents per pound in 2021 first half, were 43% lower than in 2020 first half. Lower throughput and grades at Escondida and higher royalties, in line with stronger prices, at Kennecott and Oyu Tolgoi were offset by higher production of copper and, in particular, gold at Oyu Tolgoi, driven by higher grades.
- We incurred additional costs related to our response to COVID-19, higher energy costs, notably in the US driven by weather conditions, and higher royalties at Oyu Tolgoi, in line with higher volumes and prices. These were offset by an improvement in refined copper volumes at Kennecott due to the non-recurrence of two significant events in 2020 - the earthquake in March and the planned smelter shutdown that commenced in May.
- Strong cash from our operating activities of $1.2 billion benefited from the same drivers as underlying EBITDA and $0.5 billion higher dividends from Escondida. This was partly offset by a $0.4 billion tax prepayment which was required by the Mongolian Tax Authority and is being disputed by Oyu Tolgoi through international arbitration.
- Free cash flow of $0.6 billion was net of $0.7 billion of capital expenditure, which included ongoing activities at the Oyu Tolgoi underground project and the payment of $0.4 billion tax to the Government of Mongolia in relation to disputed tax items for the period 2013-2018.

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Minerals
Strong pricing across portfolio supports EBITDA

Underlying EBITDA H1 2021 vs H1 2020
$ million

- The business was generally stable from an operational perspective, while continuing to comply with government-imposed COVID-19 restrictions, notably in Canada.
- The one significant exception was at Richards Bay Minerals (RBM) in South Africa where operations were significantly hampered by a deterioration in the security situation. As a result, we declared force majeure on 30 June, with the cessation of mining activities and curtailment of the smelter.
- On 21 July, we announced that we would shut one of the four furnaces due to depletion of available feedstock. We continue to work with national and provincial governments as well as community structures to find a lasting solution to the current situation. However, if the situation does not improve, then we could be forced to progressively shut down the other furnaces by the end of August.
- At IOC, force majeure declared in April was lifted 9 weeks later following the temporary cessation of ship loading due to a fire in March at one shiploader when the second shiploader was undergoing planned maintenance activities.

- Underlying EBITDA of $1.4 billion was almost double 2020 first half, primarily reflecting a $0.9 billion benefit from higher pricing across the portfolio, with prices achieved for iron ore pellets and concentrates for sale being the main contributor.
Other movements in underlying EBITDA

Underlying EBITDA impact

<table>
<thead>
<tr>
<th>$ million</th>
<th>H1 2020</th>
<th>FXI price</th>
<th>Energy &amp; Inflation</th>
<th>Volumes</th>
<th>Cash costs</th>
<th>E&amp;E</th>
<th>Non-cash</th>
<th>Other</th>
<th>H1 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other operations</td>
<td>1</td>
<td>260</td>
<td>9</td>
<td>17</td>
<td>6</td>
<td>-</td>
<td>-54</td>
<td>-243</td>
<td>-4</td>
</tr>
<tr>
<td>Exploration &amp; Evaluation (net)</td>
<td>-121</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>18</td>
<td>-17</td>
<td>-</td>
<td>-</td>
<td>-120</td>
</tr>
<tr>
<td>Other</td>
<td>-261</td>
<td>-76</td>
<td>-8</td>
<td>72</td>
<td>-68</td>
<td>-</td>
<td>-</td>
<td>62</td>
<td>-269</td>
</tr>
<tr>
<td>Total</td>
<td>-381</td>
<td>184</td>
<td>1</td>
<td>89</td>
<td>-34</td>
<td>-17</td>
<td>-54</td>
<td>-181</td>
<td>-393</td>
</tr>
</tbody>
</table>

Other operations include our 100% interest in the Gove alumina refinery (under rehabilitation), Rio Tinto Marine, and the remaining legacy liabilities of Rio Tinto Coal Australia. These include provisions for onerous contracts, in relation to rail infrastructure capacity, partly offset by financial assets and receivables relating to contingent royalties and disposal proceeds.

- From 1 January 2021, Uranium moved from Minerals to Other operations.
- From 1 January 2021, Argyle Closure is reported as part of Other Operations.
- We have a strong portfolio of projects with activity in 19 countries across 8 commodities in early exploration and studies stages. We have followed government COVID-19 requirements and guidelines at all our projects while focusing on protecting the health and well-being of local communities. The bulk of our central exploration expenditure in the half was prioritised on copper projects in Australia, Canada, Kazakhstan, the United States and Zambia, and diamond projects in Canada.

- Other comprises: central pensions, share-based payments, insurance and derivatives; restructuring, project and one-off costs; other central costs; and inter-segment transactions.
- Central pension costs, share-based payments, insurance and derivatives were a $119 million credit compared with a $102 million credit in 2020 first half mainly due to higher insurance premiums in 2021 first half with a lower offset from claims than 2020 first half, coupled with lower costs associated with share based payments.
- Restructuring, project and one-off central costs were 50% lower than 2020 first half mainly due to provisions recognised in 2020 in respect of legacy operations.
- Other central costs of $346 million (pre-tax) were 27% higher than 2020 first half mainly attributable to stronger local currencies, and also includes a modest increase in costs associated with progressing our CSP and ESG objectives.
## Group level financial guidance

<table>
<thead>
<tr>
<th></th>
<th>FY2021</th>
<th>FY2022</th>
<th>FY2023</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CAPEX</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Group</td>
<td>~$7.5bn</td>
<td>~$7.5bn</td>
<td>~$7.5bn</td>
</tr>
<tr>
<td>Sustaining Capex Group</td>
<td>$3.0 - $3.5bn</td>
<td>$3.0 - $3.5bn</td>
<td>$3.0 to $3.5bn</td>
</tr>
<tr>
<td>Pilbara Sustaining Capex</td>
<td>$1.2-$1.6bn</td>
<td>$1.2-$1.6bn</td>
<td>$1.2-$1.6bn</td>
</tr>
<tr>
<td><strong>Effective tax rate</strong></td>
<td>30%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Returns</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total returns of 40 – 60% of underlying earnings through the cycle</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Product group level guidance

<table>
<thead>
<tr>
<th>Product Group</th>
<th>2021 Production Guidance</th>
<th>2021 Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iron Ore</td>
<td>325 - 340mt (100% basis)</td>
<td>$18.0-18.5/wmt (FOB), based on an Australian dollar exchange rate of $0.77</td>
</tr>
<tr>
<td>C&amp;D</td>
<td>500 – 550kt&lt;sup&gt;1&lt;/sup&gt;</td>
<td>C1 Copper unit costs 60-75 US c/lb</td>
</tr>
<tr>
<td></td>
<td>210 – 250kt</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.0 – 3.8m carats&lt;sup&gt;4&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td>Alumina</td>
<td>56 – 59mt&lt;sup&gt;2&lt;/sup&gt;</td>
<td>Modelling guidance provided for Canadian smelters only (see slide 49)</td>
</tr>
<tr>
<td></td>
<td>7.8 – 8.2mt</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.1 – 3.3mt</td>
<td></td>
</tr>
<tr>
<td>Minerals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TiO₂</td>
<td>10.5 – 12.0 mt&lt;sup&gt;5&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td>iOC</td>
<td>N/A&lt;sup&gt;3&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td>B₂O₃</td>
<td>~0.6mt</td>
<td></td>
</tr>
</tbody>
</table>

1. Rio Tinto share unless otherwise stated.
2. At the low end of the range.
3. At the low end of the range.
4. 2021 diamonds guidance is for Diavik only following the closure of Argyle in 2020.
5. Full year titanium dioxide slag production guidance has been removed as a result of risks around the timing of resumption of operations due to an escalation in the security situation at our Richards Bay Minerals operation in South Africa.
6. Total production of pellets and concentrates – this can flex depending on marketing demands.
Debt maturity profile
30 June 2021 debt maturity profile*

Average outstanding debt maturity of corporate bonds at ~12 years (~ 9 years for Group debt)

No corporate bond maturities until 2024

Liquidity remains strong under stress tests

$7.5bn back-stop Revolving Credit Facility extended to November 2023 and remained undrawn throughout the pandemic

*Numbers based on June 2021 accounting value. The debt maturity profile shows $1.1 billion of capitalised leases under IFRS 16.
## Modelling EBITDA

### Underlying EBITDA sensitivity

<table>
<thead>
<tr>
<th></th>
<th>Average published price/exchange rate for 2021 first half</th>
<th>US$ million impact on full year 2021 underlying EBITDA of a 10% change in prices/exchange rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Copper</td>
<td>413c/lb</td>
<td>478</td>
</tr>
<tr>
<td>Aluminium</td>
<td>$2,245/t</td>
<td>784</td>
</tr>
<tr>
<td>Gold</td>
<td>$1,805/oz</td>
<td>77</td>
</tr>
<tr>
<td>Iron ore realised price (62% Fe CFR freight-adjusted)</td>
<td>$168.4/dmt</td>
<td>4,180</td>
</tr>
<tr>
<td>A$</td>
<td>0.77US$</td>
<td>665</td>
</tr>
<tr>
<td>C$</td>
<td>0.80US$</td>
<td>249</td>
</tr>
<tr>
<td>Oil (Brent)</td>
<td>$65/bbl</td>
<td>112</td>
</tr>
</tbody>
</table>

Note: The sensitivities give the estimated effect on underlying EBITDA assuming that each individual price or exchange rate moved in isolation. The relationship between currencies and commodity prices is a complex one and movements in exchange rates can affect movements in commodity prices and vice versa. The exchange rate sensitivities include the effect on operating costs but exclude the effect of revaluation of foreign currency working capital.
# Modelling aluminium costs

## Canadian* smelting unit cash** cost sensitivity

<table>
<thead>
<tr>
<th>Input Cost</th>
<th>Impact of a $100/t change in cost on H1 2021 Canadian smelting unit cash cost of $1,262/t</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alumina (FOB)</td>
<td>$191</td>
</tr>
<tr>
<td>Green petroleum coke (FOB)</td>
<td>$27</td>
</tr>
<tr>
<td>Calcined petroleum coke (FOB)</td>
<td>$36</td>
</tr>
<tr>
<td>Coal tar pitch (FOB)</td>
<td>$8</td>
</tr>
</tbody>
</table>

* Canadian smelters include all fully-owned smelters in Canada (Alma, AP60, Arvida, Grande-Baie, Kitimat, and Laterrière), as well as Rio Tinto’s share of the Becancour and Alouette smelters.

** The smelting unit cash costs refer to all costs which have been incurred before casting, excluding depreciation but including corporate allocations and with alumina at market price, to produce one metric tonne of primary aluminium.
Application of the returns policy

<table>
<thead>
<tr>
<th>Capital return considerations</th>
<th>Comments</th>
</tr>
</thead>
</table>
| Results for H1 2021           | - Operating cash flow of $13.7 billion  
- FCF of $10.2 billion\(^1\)  
- Underlying earnings up 156% to $12.2 billion |
| Long-term growth prospects    | - Focused on Oyu Tolgoi and Jadar  
- Investing in replacing high quality assets in Pilbara, and Kennecott  
- Ongoing exploration and evaluation programme – Winu |
| Balance sheet strength        | - Strong balance sheet with net cash of $3.1 billion |
| 40-60 per cent of underlying earnings through the cycle | - Pay-out of 75% based on (i) Record financial performance in H1 2021 (ii) strong balance sheet |
| Balanced between growth and shareholder returns | - Defined growth pipeline and a strong balance sheet providing capacity for shareholder return |
| Outlook                       | - Expect continued global recovery with most key indicators of economic activity back to pre COVID-19 levels. We remain watchful of risks, in particular variant infection and vaccination rates.  
- China’s economic growth is becoming more balanced on fading stimulus-related demand and tightening credit conditions. Consumption and non-real estate demand has continued to recover.  
- Rising inflation is primarily being driven by the current imbalances in supply and demand, as industry producers adjust activity following some disruption.  
- Potential for continued price volatility |

\(^1\)Free cash flow is defined as net cash generated from operating activities less purchases of PP&E less lease principal payments plus sales of PP&E.
Group Income Statement and Cash Flow Statement

<table>
<thead>
<tr>
<th></th>
<th>Rio Tinto Group</th>
<th>Oyu Tolgoi and Turquoise Hill¹</th>
<th>Proforma Rio Tinto Group (excluding OT and TRQ)²</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Jun-21 YTD US$m</td>
<td>Jun-20 YTD US$m</td>
<td>Jun-21 YTD US$m</td>
</tr>
<tr>
<td><strong>Consolidated sales revenue</strong></td>
<td>33,083</td>
<td>19,362</td>
<td>844</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>12,313</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>755</td>
</tr>
<tr>
<td><strong>Profit after tax for the period</strong></td>
<td>13,068</td>
<td>3,451</td>
<td>428</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>12,098</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>12,098</td>
</tr>
<tr>
<td><strong>Alternative performance measures (as per Financial Information by Business Unit)</strong></td>
<td>21,037</td>
<td>9,640</td>
<td>528</td>
</tr>
<tr>
<td><strong>Underlying EBITDA</strong></td>
<td>12,166</td>
<td>4,750</td>
<td>152</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>18,810</td>
</tr>
<tr>
<td><strong>Cash flows from operations</strong></td>
<td>(3,336)</td>
<td>(2,693)</td>
<td>(460)</td>
</tr>
</tbody>
</table>

¹ Oyu Tolgoi (OT) and Turquoise Hill Resources (TRQ) are fully consolidated in the Rio Tinto accounts – Rio Tinto’s economic ownership is 33.5%. These tables are provided to be able to see the OT/TRQ accounts on a stand-alone basis.

² Represents the amounts shown in the subsidiaries’ financial statements prepared in accordance with IFRS under Rio Tinto Group accounting policies, including fair value adjustments, and before intercompany eliminations.

³ Includes income and expenses arising in other Rio Tinto group companies from transactions with Oyu Tolgoi and Turquoise Hill.
# Group Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>Rio Tinto Group</th>
<th>Oyu Tolgoi and Turquoise Hill(1)</th>
<th>Proforma Rio Tinto Group (excluding OT and TRQ)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Jun-21 YTD</td>
<td>Dec-20 YTD</td>
<td>Jun-21 YTD</td>
</tr>
<tr>
<td></td>
<td>US$m</td>
<td>US$m</td>
<td>US$m</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>77,676</td>
<td>76,535</td>
<td>11,789</td>
</tr>
<tr>
<td>Current assets</td>
<td>25,765</td>
<td>20,855</td>
<td>1,533</td>
</tr>
<tr>
<td>Total assets</td>
<td>103,441</td>
<td>97,390</td>
<td>12,822</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>90,619</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>(12,076)</td>
<td>(11,607)</td>
<td>(530)</td>
</tr>
<tr>
<td>Non-current liabilities(2)</td>
<td>(33,196)</td>
<td>(33,880)</td>
<td>(4,392)</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>(45,272)</td>
<td>(45,487)</td>
<td>(4,922)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(40,350)</td>
</tr>
<tr>
<td>Net assets</td>
<td>58,169</td>
<td>51,903</td>
<td>7,900</td>
</tr>
<tr>
<td>Equity attributable to non-controlling interests</td>
<td>5,194</td>
<td>4,849</td>
<td>2,050</td>
</tr>
<tr>
<td>Equity attributable to owners of Rio Tinto</td>
<td>52,975</td>
<td>47,054</td>
<td>5,300</td>
</tr>
<tr>
<td>Total equity</td>
<td>58,169</td>
<td>51,903</td>
<td>7,900</td>
</tr>
</tbody>
</table>

Alternative performance measures (as per Financial Information by Business Unit)

<table>
<thead>
<tr>
<th></th>
<th>Operating assets</th>
<th>Net debt</th>
<th>Equity attributable to owners of Rio Tinto</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>49,835</td>
<td>47,718</td>
<td>52,975</td>
</tr>
<tr>
<td></td>
<td>47,118</td>
<td>8,834</td>
<td>47,054</td>
</tr>
<tr>
<td></td>
<td>8,834</td>
<td>8,111</td>
<td>3,053</td>
</tr>
<tr>
<td></td>
<td>8,111</td>
<td>3,053</td>
<td>50,269</td>
</tr>
</tbody>
</table>

Oyu Tolgoi (OT) and Turquoise Hill Resources (TRQ) are fully consolidated in the Rio Tinto accounts – Rio Tinto’s economic ownership is 33.5%. These tables are provided to be able to see the OT/TRQ accounts on a stand alone basis.

1 Represents the amounts shown in the subsidiaries’ financial statements prepared in accordance with IFRS under Rio Tinto Group accounting policies, including fair value adjustments, and before intercompany eliminations.

2 Rio Tinto plc has provided a guarantee, known as the completion support undertaking (CSU), in favour of the Oyu Tolgoi LLC project finance lenders. At 30 June 2021 and 31 Dec 2020, US$4.3bn of project finance debt was outstanding under this facility.