Jason Fairclough (Bank of America): Let's talk a little about China. I think you have around $25 billion of sales to China. You actually buy a lot of stuff from China. You should have a pretty decent insight into what is going on there. What are you seeing from your order books today? How should we think about the second half?

J-S Jacques: You are right. We have a high exposure to China. We sell around $25 billion [to China] if I look at the metrics last year. And we buy around $1.5 billion of goods and services from China and we have a pretty strong team on the ground with around 200 people based in China either in Shanghai or Beijing. By the way, both our offices in Shanghai and Beijing are up and running as we speak. Let me start with the macro. Overall we feel pretty confident about China. Full year GDP growth may be impacted from the shock in the first quarter but what we see is the industrial part of the economy is running in a normal way, I mean at full speed. And by the way, this part of the economy, or the recovery, if you want to talk about recovery, is proving to be pretty commodity intensive. Which is a great piece of news for Rio Tinto. Now it's fair to say that on the other side, the service economy, the leisure part of the economy, is under pressure and will take time to return to full activity. So, so far so good, and the demand for our product is strong and maybe I'll say a few words after on this one.

There are three key sources of uncertainty that we are watching very carefully. One is the extent that the current demand is restocking-driven. The second one is how much of this demand is pulled forward in anticipation of higher future activity levels. I think machinery is a good example of it. You could argue that it could be linked to China's national congress in a few weeks and some expectation that a stimulus package will be put in place. And at the same time, what could drive it the other way round is a potential drag on China's economy from weak exports. You could have a V-shaped recovery in China and the other part of the world is W, U or L, it is not the same. And then it is the ability for China to end any new wave of Covid-19.

So what it means for our key products, and maybe I will focus on iron ore. So, I will start with the steel demand which has been pretty resilient, driven by resilience in the property market, for example. Clearly we have seen an increase in infrastructure

spending and in machinery capex and some recovery, from a low base, in automotive. The important piece, if we look at the metrics, we have seen eight consecutive weeks in drawdown in steel inventories in China. Interestingly we have seen a restart in the EAFs (Electric Arc Furnaces) over the same period as well. For iron ore markets, which is one of our key markets, if I look at China, all our order books are full. Because steel demand has not been strong outside China, Europe is a good example, we have managed to reallocate some of our product from IOC in Canada to China.
So, to answer your question, are we overly concerned by China, the answer is no. Are we watching it carefully, the answer is absolutely yes. We have regular conference calls with our troops in Shanghai and Beijing to really understand what is happening with our customers top-down, the customers of our customers and suppliers as well because we are on both sides of the ledger, so that gives us lots of insight. And as I said from our iron ore business, at this point in time, we are working full speed ahead. We are ready, so that if market conditions were to change, we will take action. Value over volume. Jason, I think that is what I can say today.

James Redfern (Bank of America): Can you already envision ways in which the Covid-19 crisis will structurally change how Rio operates in the medium to longer term and also how to this tie into your ESG effort?

J-S Jacques: That's something we are already working on. At a macro level, resilience will be absolutely key. And the ability to adapt as well. Let me step back. All the companies, and Rio is no exception, and across many industries as well, all their business resilience models were based on one principle, which is the ability to move people around, including by the way, 80% of the case in terms of cyber security. And what we have realised in the last few days, weeks and months is you can't make this assumption any more. So we are going to have to develop from an operational standpoint, and we have been pretty good at it to be honest so far, a different type of resilience. But it's clear that financial and commercial resilience will be key. That's one aspect. The second aspect is, we have been talking about different scenarios, different forces at play, and that will have an impact on the industry and the economy in general. We talk about geopolitics, technology, society. There is no doubt that, as we are having this conversation, geopolitics is going to be the dominant force in the foreseeable future. So, that may lead to trade friction, maybe increased focus on near-term economic outcomes and less global coordination. That will have, I have to say, a negative impact on the economy and trade growth. Now, I think, from our perspective, clearly in order to deal with the lower growth environment, and other potential hurdles, we will need to be more agile, to move faster. We will have to be more agile in our approach to investment and also how we maintain access to markets and resources. And the last element, in order to be agile, to be more resilient, is going to be about partnerships. Partnerships will be the name of the game and it's about partnerships with customers, suppliers and peers. Our ambition has not changed, which is to build superior and sustainable value in the short, medium and long term.

Now, James, back to the second part of your question on ESG, I've got no doubt that how we create value and how we share value with different stakeholders will be absolutely essential. The performance in terms of environment, the fact that we are protecting our communities today, is going to be a key feature going forward. The other piece, if you take a long-term perspective, is issues like climate change and interestingly enough, the resilience of the assets under different scenarios has not disappeared and as far as we are concerned, and I've said it in the past and I think I've said it today as well, is all our assets now have climate change actions fully embedded. So climate change is business as usual, the way we look at it. But partnership will go beyond that. We need to strengthen the relationship with our customers and the customers of our customers. And I think a good example of what we are doing is the partnership we put in place some time ago with Baowu, which is now I understand the largest steelmaker in China and globally, and Tsinghua university, in order to fundamentally improve the environmental footprint including CO_2 emissions across the supply chain. I think the partnership we have put in place with Alcoa, one our peers in aluminium, and the governments of Canada and of Quebec, to develop a new technology for aluminium, will be essential. More in the pipeline but that is going to be the name of the game. So, lots of uncertainty. Uncertainty creates volatility. Volatility creates optionality that we need to be able to adapt to, and capture, that is very important and, as I said, resilience, partnerships and keeping on moving fast, adapting fast, having the right decision at the right level but never lose focus that we need to keep our business healthy. We need to continue to ensure that we understand and manage our critical risks, our critical hazards. I think that is what I would say, James, today.

Jason Fairclough (Bank of America): I'm going to be cheeky and ask a question from one of our clients. The client said "did J-S say we have growth opportunities in iron ore"?

J-S Jacques: We have growth opportunities across many of our commodities. And we shouldn't forget that we are moving one million tonnes of iron ore every day. Depletion is a reality and at some stage we will have to offset depletion.

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