

# 2017 Voluntary Principles on Security and Human Rights report

## 1. Commitment and endorsement

As a company committed to high standards across sustainability and to running a safe, responsible and profitable business, Rio Tinto is a proud founding participant of the Voluntary Principles on Security and Human Rights (VPSHR). Our company policies on security and human rights draw explicitly on the VPSHR and we are committed to fully integrating the VPSHR into all our security arrangements. We believe in the potential of the VPSHR to help companies to respect human rights. This is particularly important in regions where it is challenging to provide responsible security for mining operations, including where local private or public security providers may need both training and effective supervision to carry out their duties with respect for human rights.

It follows that we would like to see the VPSHR continue to develop into a truly global standard. This includes working towards both home and host governments strengthening their commitment to implementation and working together to ensure that companies in the extractive sector, and their security providers, are able to operate with respect for human rights.

Our commitment to the VPSHR is set out in Rio Tinto's Group-wide [Human rights policy](#) and [The way we work](#), our global code of business conduct. Our security and human rights work is guided by our broader human rights approach, which is set out in our [Human rights policy](#). This includes that we respect and support human rights consistent with the Universal Declaration of Human Rights. Our policies on Employment; Health, Safety, Environment and Communities; and Inclusion and Diversity also contain human rights commitments. We publish our annual slavery and human trafficking statement in compliance with the UK Modern Slavery Act 2015, which outlines the steps taken during the year to ensure that slavery and human trafficking are not taking place in any of our operations or supply chains. The statement is published online at [riotinto.com](http://riotinto.com). In addition to the VPSHR we have made voluntary commitments to the OECD Guidelines for Multinational Enterprises and the UN Global Compact. Our human rights approach is consistent with the United Nations Guiding Principles on Business and Human Rights (UNGPs).

The actions we take to respect human rights help us maintain our licence to operate by building strong relationships with local communities, employees and business partners. Our [human rights performance](#) is referenced in our online [Annual report](#) and [Sustainable development report](#). You can also read about how our VPSHR commitment ties into our communities and social performance work in [Why human rights matter](#).

To avoid human rights violations through our security arrangements, we continue to conduct security and human rights analyses of our security operations, and we ensure relevant employees and contractors are trained in accordance with these principles. We provide practical guidelines, toolkits, and training on implementing the VPSHR. Our online VPSHR training is also mandatory for all security personnel at high-risk sites, and is strongly recommended for all other Rio Tinto businesses. Security and human rights training is also included in our Human Rights Training Programme for our business leaders and managers.

We impose strict controls on the use of force and minimise the use of armed security on our sites. We work with external stakeholders, as well as public and private security forces, to promote understanding and implementation of the VPSHR.

In 2017, Rio Tinto Group Security and Business Resilience (Group Security) employed two people dedicated to supporting sites with VPSHR implementation, supporting conflict prevention, and continuing to strengthen Rio Tinto's security and human rights governance framework. Group Security is also part of a cross-functional human rights working group, and works closely with our Corporate Relations team implementing Rio Tinto's broader human rights approach.

## 2. Transparency

We report annually on our human rights performance (inclusive of security and human rights implementation) through our online [Annual report](#), [Sustainable development report](#) and [Slavery and human trafficking statement](#). Rio Tinto's VPSHR report is available to Voluntary Principles Initiative (VPI) members and will be made publicly available annually from 2018.

## 3. Engagement in the VPI and VPSHR

In 2017, Rio Tinto participated in the following VPSHR activities, meetings, and working groups:

- Attended the Annual VPI Plenary Meeting in Ottawa, Canada (March 2017)
- Attended the VPSHR Plenary Security Managers Meeting, Canada, and co-presented with Shell on the results and lessons learned from 2016/2017
- VPSHR peer review between Rio Tinto and Shell International (March 2017)
- Participated in the UK VPSHR Cross Pillar Group meetings hosted by the UK Foreign & Commonwealth Office (March, June, September, and November 2017)
- Participated in online Corporate Pillar Meetings (throughout 2017) and attended the Corporate pillar face-to-face meeting in London (September 2017)
- Formed part of the Corporate Pillar Training Working Group and contributed to the design of a VPSHR training package for private security personnel and public security forces (work to continue in 2018)

## 4. Efforts to promote awareness of the Voluntary Principles throughout the organisation, including within the value chain

2017 efforts to promote VPSHR awareness throughout Rio Tinto included:

- Ongoing site visits and engagement with high risk sites on security and human rights issues by our Group Security team
- Supporting priority sites with security risks analysis and management (inclusive of security and human rights risks)
- Delivering and maintaining VPSHR training for business leaders, persons responsible for security, private security personnel, and public security forces (see Section 13 for details)
- Conducting security and human rights workshops with newly appointed site persons responsible for security (security managers) – specifically on security and human rights governance, requirements, guidance notes, and tools
- Providing guidance to sites and business resilience teams (BRTs) on conflict prevention and mitigating security and human rights risks (eg South Africa, Guinea, Namibia, Madagascar, Jamaica, Peru, Indonesia)
- Supporting sites with the vetting, selection, contracting and training of private security providers
- Developed our new Security assurance protocols that will be used to assess site compliance on *Rio Tinto Security standard* implementation (inclusive of security and human rights requirements)

## 5. Efforts to promote and advance implementation of the VPSHR internationally

2017 efforts to globally promote and advance VPSHR implementation included:

- Benchmarking our security and human rights training with Shell International (January and February 2017)
- Participating in International Council on Mining and Metals Security and Human Rights Network meetings and presenting on Security firearms decision reviews (March, June and October 2017)
- Presenting at the UN Annual Forum on Business and Human Rights (November 2017)
- Making a formal submission to the Australian Parliament's Joint Standing Committee on Foreign Affairs, Defence and Trade regarding its inquiry into establishing a Modern Slavery Act in Australia (April 2017) and the Australian Government's consultations on draft legislation (November 2017).

2017 also marked the fourth year of Rio Tinto's participation in the four-year multi-stakeholder research project on conflict prevention in the mining sector called "Global Actors and Community-Level Security: Developing Best Practices". This partnership focuses on four priority areas to address the security dimension of corporate social responsibility (CSR): 1) human rights and security; 2) the role of private security companies; 3) relations with local law enforcement and the military; and 4) the impact of corporate activities on regional stability.

Rio Tinto is proud to work on this project with the International Committee of the Red Cross, the Geneva Centre for the Democratic Control of Armed Forces, the Queen's Centre for International Defence Policy and the Montréal Centre for International Relations. The main output of the project will be a report for practitioners outlining best practices and international security guidelines related to CSR.

Our Group Security and Corporate Relations functions continue to engage with stakeholders such as governments, civil society and investors on our security and human rights approach including through publications, briefings, participation in broader business and human rights events and responses to general and specific queries.

## 6. Relevant policies, procedures, and/or guidelines

Further to our [Human rights policy](#) and [The way we work](#), implementation of the VPSHR is supported by the following:

- The *Rio Tinto Security standard*: Outlining the Group-wide requirements to protect our people, assets, information (non-digital) and reputation in line with the VPSHR and respecting the rights of those affected by our security arrangements.
- The *Rio Tinto Security and safety weapons and firearms Group procedure*: Specifying the site requirements for authorisation, management, strict control, and mitigation of the risks of the presence and use of weapons and firearms for security and/or safety purposes.
- The *Rio Tinto Security and human rights guidance notes*: Providing guidance on effective and risk-based implementation of the security and human rights principles (VPSHR and use of force, weapons and firearms) wherever Rio Tinto operates. Specifically, our *Security and human rights guidance notes* oblige our sites to implement the performance objectives and key performance indicators relevant to their security arrangements.
- Our [Communities and social performance \(CSP\) standard](#): Guidance and processes on social risk analysis and environmental and social impact assessment make it clear that security and human rights risks should be included as part of community and social performance practices.

- The *Know your supplier procedure*: A standardised integrity due diligence process to identify the potential legal, ethical or reputational risks of engaging or renewing a supplier, including around security and human rights, with particular requirements around due diligence on private security providers.
- The Rio Tinto *Security and human rights toolkit* comprising tools, templates and checklists including tools on compiling VPSHR training plans, templates on security and human rights clauses for agreements with security providers and checklists on private and public security weapon and firearm controls.
- Rio Tinto *Security and human rights training* (see Section 13 for details).

## **7. Efforts to increase employee awareness and implementation of the VPSHR**

Group Security uses a combination of engagement tools to drive employee implementation of the VPSHR. These include site visits, coaching and mentoring. Group Security continues to report to a member of the Rio Tinto Executive Committee on the status of armed public and private security support at high and critical risk locations.

Our *Security training guidance notes* provide sites with clear direction on when and how to train colleagues, including business leaders, on security and human rights. For more details on our security and human training, please refer to Section 13.

## **8. Company procedure to conduct security and human rights risk assessments**

Group Security continues to provide implementation support to all Rio Tinto sites where security and human rights assistance visits have been conducted in the past seven years, and to all sites considered to be at high or critical inherent security and human rights risk. A combination of security and human rights reviews, firearm decision reviews, business risk analysis and business impact analysis, incident reporting and analysis, and annual security risk analysis and management is used to identify and assess potential security and human rights issues.

We understand that these steps must include gaining a greater understanding of the security and human rights situation. Doing so occurs through a range of actions, from looking at security staff's readiness to respond to a security and human rights incident, to interviews with key external stakeholders, such as local government officials, local police and military commanders, our private security suppliers, and local community leaders. These interviews occur in consultation with local and global security and Communities & Social Performance teams amongst others to encourage both local ownership and alignment with Group-wide standards.

Mandatory annual site security risk analysis and management requires our sites to identify risks linked to abuse of force, weapons, firearms, and potential human rights abuse.

Our risk assessment methodology also involves the collection and review of relevant information, and the use of a multi-disciplinary team comprising site representatives from different relevant areas (eg Communities & Social Performance, Human Resources, HSE, Security, Operations, Procurement, and Security contractors (as required by the local context)) to help analyse security risks, as well as identify and analyse the potential for violence, conflict, and security and human rights abuses.

If relevant, sites are obliged to implement adequate controls to manage these risks effectively. Group Security also uses the results of security risk analyses to:

- Identify sites at high and critical risk to security and human rights abuses
- Monitor and support sites with control implementation (as required)
- Direct effort and prioritise support

Our procurement process for the contracting of security suppliers include a due diligence check and analysing the human rights records of all private security providers, as required by our *Know your supplier procedure*.

## 9. Engagements with security forces

*Procedure or mechanism to report security-related incidents with human rights implications by public/private security forces relating to the company's activities:*

Security and human rights incidents continue to be reported through our incident reporting system, as well as through [Speak-OUT](#) – a confidential, free, and independently operated multilingual whistleblowing service that allows employees, contractors, suppliers and customers of Rio Tinto to report suspicion of violations of Rio Tinto's policies and procedures, as well as human rights, to our senior management.

Under our [Communities and social performance \(CSP\) standard](#), all sites must have a complaints, disputes and grievance mechanism which may also be used to address security and human rights complaints. These procedures must be in line with the criteria of effectiveness for operational-level grievance mechanisms in the UNGPs. 2020 targets require all sites to have effective capture and management of community complaints, and year-on-year reduction in repeat and significant complaints. This includes being publicly available, locally appropriate and easily accessible to all community members affected by Group operations and businesses.

Any security and human rights incident reported is automatically escalated to the Group Security team. Our *Group procedure on HSEC incident management* provides direction and guidance to sites and Group Security on dealing with security incident reporting and investigation (including allegations or incidents involving security and human rights abuses).

*Procedure to consider the VPSHR in entering into relations with private security providers:*

Please refer to section 12.

*Procedure or mechanism to investigate and remediate security-related incidents with human rights implications by public/private security forces relating to the company's activities:*

Our *Security and human rights guidance notes* highlight how to address both security-related incidents with human rights implications and difficult issues at sites/projects where Rio Tinto does not have operating control. Our business leaders, Group Security, and Group Ethics & Integrity functions are committed to fully supporting and cooperating with any resulting inquiry or investigation, and we expect our security providers (private or public) to do the same.

Direction on the identification, reporting and investigation of potential breaches of [The way we work](#), our policies, procedures or laws by any Rio Tinto employee, contractor, or security supplier, or business partner are provided in our Group Ethics & Integrity's *Investigations procedure* and *Investigations manual*. This includes wrongdoing that impacts human rights.

In 2017, two additional members of our Group Security team were trained in [Essential Factors™](#) investigation methodology to help investigate security and human rights incidents.

## 10. Overview of country operations selected for reporting

In 2017, Rio Tinto VPSHR training was delivered to our business operations and/or security providers in South Africa, Namibia, Madagascar, Jamaica and Mongolia.

- South Africa, Johannesburg Office: In February 2017, Group Security briefed our Property Manager and the G4S Area Manager on *Human Rights and the use of force, weapons and firearms*, with specific emphasis on Rio Tinto requirements to manage the risk of force and human rights abuse during armed emergency security response.
- South Africa, Richards Bay Minerals operations: In February 2017, Group Security trained six armed response guards from Alpha security company. Training focused on Human Rights and the use of force, weapons and firearms and supported VPSHR implementation.
- Namibia, Rössing Uranium Offices: Group Security briefed G4S management in Windhoek (August 2017) and G4S management in Swakopmund (November 2017) on *Human Rights and the use of force, weapons and firearms*, with specific emphasis on Rio Tinto requirements to manage the risk of force and human rights abuse during armed emergency security response.
- Madagascar, QMM operations: A three-day French VPSHR course was delivered in October 2017 to 24 participants – including private security providers (G4S and Protech), public security forces (police, gendarmes and military), Search for Common Ground (NGO), the QMM Communities team, and representatives from the local community. The training supported VPSHR implementation at QMM operations and provided participants with the opportunity to discuss the difference in the mandate, roles and responsibilities of public security forces vs private security personnel. The training also highlighted Rio Tinto and international security and human rights standards.



Image 1: Rio Tinto VPSHR course participants – 9 to 11 October 2017, QMM, Port Dauphin, Madagascar.

- Jamaica, Mt. Rosser Remediation Site: In December 2017, a two-hour *Human rights and the use of force, weapons and firearms* training session was delivered to eight Marksman armed response security guards. Recommended controls and requirements for armed security response were also explained to the Marksman area manager.
- Mongolia, Oyu Tolgoi (OT) Mining Operations: In June 2015, the OT Security team integrated Rio Tinto's security and human rights programme, translated Rio Tinto's VPSHR training into Mongolian, and established a VPSHR training capacity comprising of OT Security trainers and Bambai security company trainers that delivered VPSHR training to 851 attendees in 2017. This included pre-employment VPSHR training and refresher courses with the result that most individual guards will attend more than one VPSHR session a year.

## 11. Engagements with stakeholders on country implementation

Please refer to sections 4, 5, and 10.

## 12. VPSHR considerations in the selection of private security providers and formulation of contractual agreement with private security providers, as well as arrangement with public security forces

Rio Tinto's *Security supplier management guidance notes* expand on Rio Tinto procurement and supplier management requirements, and give further guidance to sites on engaging with suppliers providing security-related services. Specifically, our sites are required to assess relevant security supplier pre-qualification requirements, including:

- Criminal background checks on personnel providing services to Rio Tinto.
- Management system that contains security procedures, a drug and alcohol policy, and code of conduct.
- Employee selection procedure that includes: pre-employment medical screening, assessment and fitness for work evaluation, and confirmation of employee competencies and qualifications.
- A formal process for reporting and investigating incidents.
- Legal and/or regulatory compliance to provide professional or security-related services (eg security provider registration, weapon and firearm licensing).
- Results from due diligence investigation conducted by Group Ethics & Integrity as part of our *Know your supplier procedure*, including potential for past human rights abuse.
- Security-related technical capabilities and competencies (includes training).
- Adequate control measures to manage weapons used for security purposes (if applicable).
- Adequate control measures to manage firearms used for security purposes (if applicable).

Our sites must also ensure that all contractual agreements with security suppliers include clearly defined roles and responsibilities of both Rio Tinto and the supplier, as well as the competencies and training required. Contractual agreements with suppliers providing guarding services will also include a mandatory signed *Security and human rights addendum* (in use since December 2015) to be respected by the security provider, with specific focus on security and human rights training requirements, technical skills and proficiency, ethics and conduct, as well as controls for the use of force, weapons and firearms by private security personnel. In addition, we hold all security suppliers to our [Supplier code of conduct](#) which includes a human rights section.

Group Security continues to support sites (as needed) with the selection and contracting of private security suppliers.

Before assessing whether it might be necessary to use a public security force, sites are required to conduct a holistic risk analysis (as set out in our *Security and human rights guidance notes*) to ascertain whether internal security resources or external private security providers could be used, before working with a public security force. As a general rule, we believe we have far greater influence over contracted private security suppliers than public security forces.

If the risk analysis shows that the site may need public security support in the case of a highly threatening incident, with potential human rights impacts, we ask our site to proactively establish arrangements with the local public security force(s), so that controls are in place facilitating VPSHR implementation for any future support.

In some instances we may be asked to provide support to a public security force, such as accommodation. Before implementing a decision to provide support to a public security force, the plan must be agreed by Rio Tinto's head of Group Security and our Executive Committee. Any support Rio Tinto provides to public security forces, including support arranged or delivered through third parties, must be limited to accommodation, offices or storage facilities, basic living necessities, transportation, non-lethal equipment, and non-military/police style training support.

Support to public security must be part of a written protocol (also known as a Memorandum of Understanding (MoU)) between the site and the appropriate public security organisation(s). The protocol must be drafted by the site's legal team and include all aspects set out in our *Security and human rights guidance notes*.

Support to public security forces must also be developed in collaboration with the site's Community & Social Performance team to ensure the communities strategy and programmes are aligned with short-term security needs and longer term development of a community-based security approach.

Clear guidelines are provided to sites with regards to the approval process to engage in a contractual agreement with public security and for the use of armed private security guards (with weapons and/or firearms). Use of firearms (from private and public security) in support of Rio Tinto security must be explicitly approved by both our head of Group Security and Business Resilience and the relevant product group or function chief executive. Use of weapons other than firearms must be explicitly approved by the site's most senior leader and the head of Group Security.

Strict preconditions and controls must exist before Group Security approves the use of weapons and firearms (through private and public security agreements). These preconditions include the presence of security risks that pose a direct threat to the life of Rio Tinto employees, contractors and/or security personnel in support of sites/projects and ensuring that other conflict prevention strategies are ongoing (eg community and employee engagement).

Our controls work to ensure that the use of firearms must be the last resort to protect people when all other possible security countermeasures have been implemented and it must be in line with the VPSHR and other relevant commitments.

Group Security is accountable, through a rigorous on-site assessment process, for advising on the need to use firearms, and to request explicit approvals if the use of public security and/or firearms is justified in a given context. This process requires that Group Security returns on-site every two years to re-assess and report on the need to use (or not) firearms in the site security arrangements. Group Security conducted seven site firearm decision reviews in 2017.

### **13. Examples of supporting outreach, education, and/or training of (i) relevant personnel, (ii) private security, (iii) public security, and/or (iv) civil society (eg local NGOs, community groups)**

We communicate our human rights policy internally and externally. Our Group-wide human rights online training programme was mandatory for all employees in 2017 and includes a section on security and human rights including our VPSHR commitments. Rio Tinto also has a range of security and human rights training products for different target audiences:

- In-person course on the VPSHR (three days) for security personnel delivered by Group Security (available in English, French and Mongolian) – strongly recommended for high- and critical-risk locations and compulsory for armed guards.



- Multimedia training package on the VPSHR (one hour) for security personnel (available in English and French) – mandatory for all security guards at critical- and high-risk sites, and strongly recommended for all others. Also available to public security forces.
- Rio Tinto VPSHR Training of Trainers Course delivered by Group Security (two days) for sites (available in English) – to build local VPSHR training capacity. The course provides knowledge and skills to effectively facilitate the delivery of the three-day in-person course.
- Web-based security and human rights training animation for all employees, business managers and leaders (six minutes) (available in English and French) to promote awareness of the VPSHR.
- Online use of force, weapons and firearms training for persons responsible for security (one hour) (available in English) provides the knowledge and understanding required to perform security duties and use force, weapons and firearms in a manner that protects and respects human rights.

#### **14. Company procedure to review progress on implementing the VPSHR at local facilities**

Among our processes/activities used to monitor security and human rights implementation:

- Our security risk analysis and management approach includes assessing the adequacy of controls used to mitigate security and human rights risks.
- Security and human rights assistance visits conducted by Group Security are aimed at reviewing and optimising local VPSHR implementation.
- Our site weapon and firearm decision review processes include a holistic review of security and human rights issues with specific emphasis on strict controls to mitigate the risk for the use force, weapons and firearms.
- Regular dialogue between Group Security and other key functions including Procurement, External Affairs and Communities and Rio Tinto's Human Rights Working Group also helps to identify Group-wide and local issues in implementing the VPSHR.

In 2015, our board requested a security and human rights audit. This audit was conducted by Rio Tinto Group Audit and Assurance with assistance from KPMG, and an independent subject matter specialist. The audit considered the Group's overall design and effectiveness of governance and internal controls to manage human rights risks relating to security arrangements. Findings of this audit showed that Rio Tinto's overall internal control on security and human rights is "satisfactory". The report noted that minor control weaknesses existed in certain areas, and recommended improvements including:

- The design and implementation of a governance and assurance structure to include monitoring, measurement and auditing of security providers.
- The need to develop an assurance framework and accountability model to ensure compliance with the Group Security guidance and site assurance visits and firearm decision reviews documents.
- A need for risk assessment and consistent authorisation processes supporting the use of weapons (excluding firearms).
- More consistent reporting of site security and human rights incidents.
- VPSHR guidance, tools and templates that support a fit-for-purpose Group-wide approach to security and human rights.
- More informative security training for management of high-risk sites.

All control weaknesses identified were addressed during 2015 and 2016 and used to strengthen Rio Tinto's security and human rights control framework.

## **15. Lessons and issues**

Starting February 2018, our newly developed Security assurance protocols will be used as part of Group-wide HSEC Business Conformance Audits (BCAs) to assess site compliance on implementing Rio Tinto's Security standard (inclusive of security and human rights requirements) at selected sites. Findings of these audits will be used by Group Security to continue strengthening our security and human rights framework and to support our business operations in addressing identified security and human rights gaps.