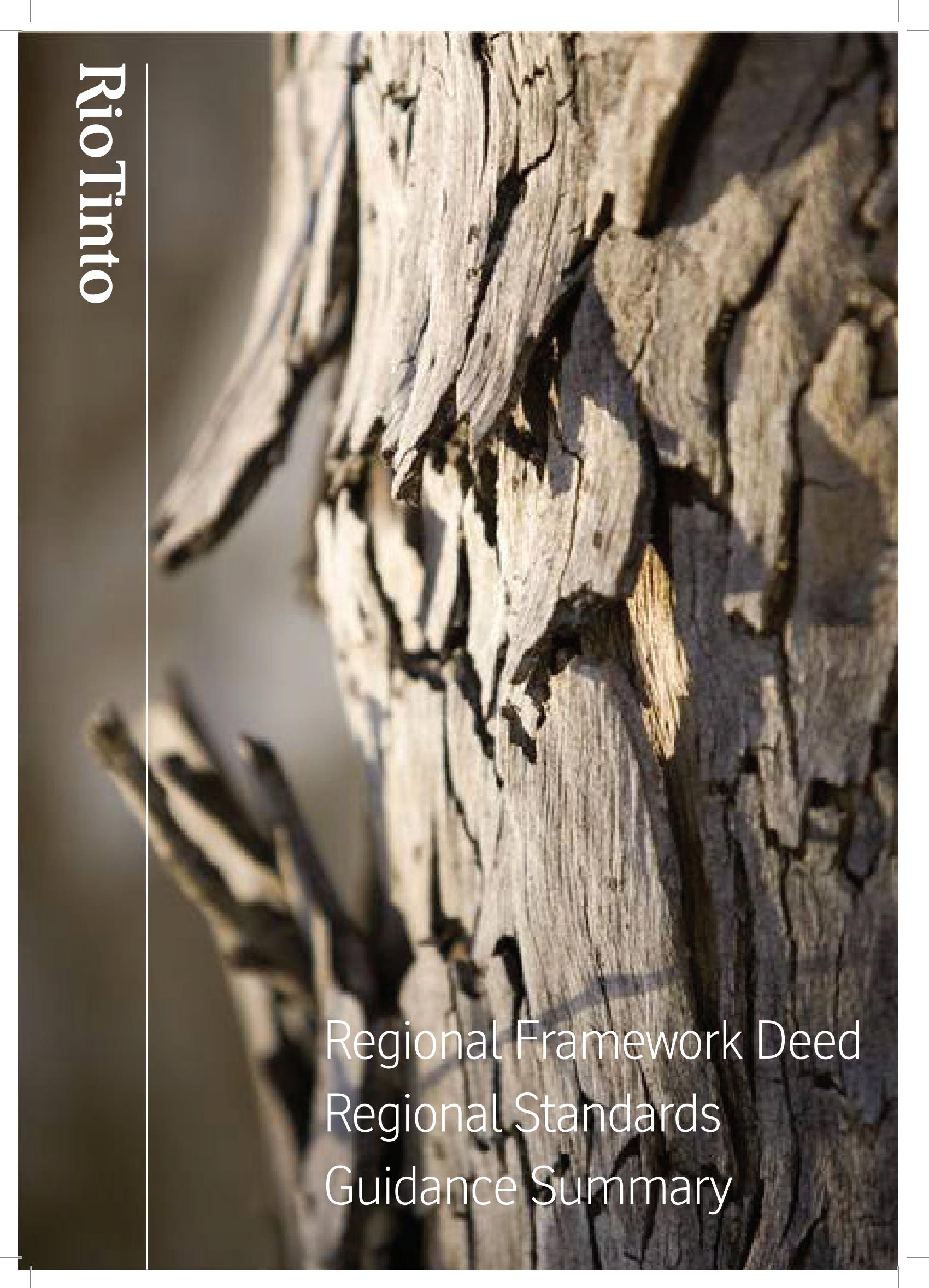


Rio Tinto



Regional Framework Deed
Regional Standards
Guidance Summary

In Western Australia, Rio Tinto has reached formal agreements with all Traditional Owners groups within Rio Tinto's Pilbara footprint.

The Regional Framework Deed is an agreement between Rio Tinto and Pilbara Traditional Owners with the aim to change how Rio Tinto operates in engaging with local Traditional Owners and for the purpose of improving the wellbeing of Aboriginal people throughout the Pilbara.

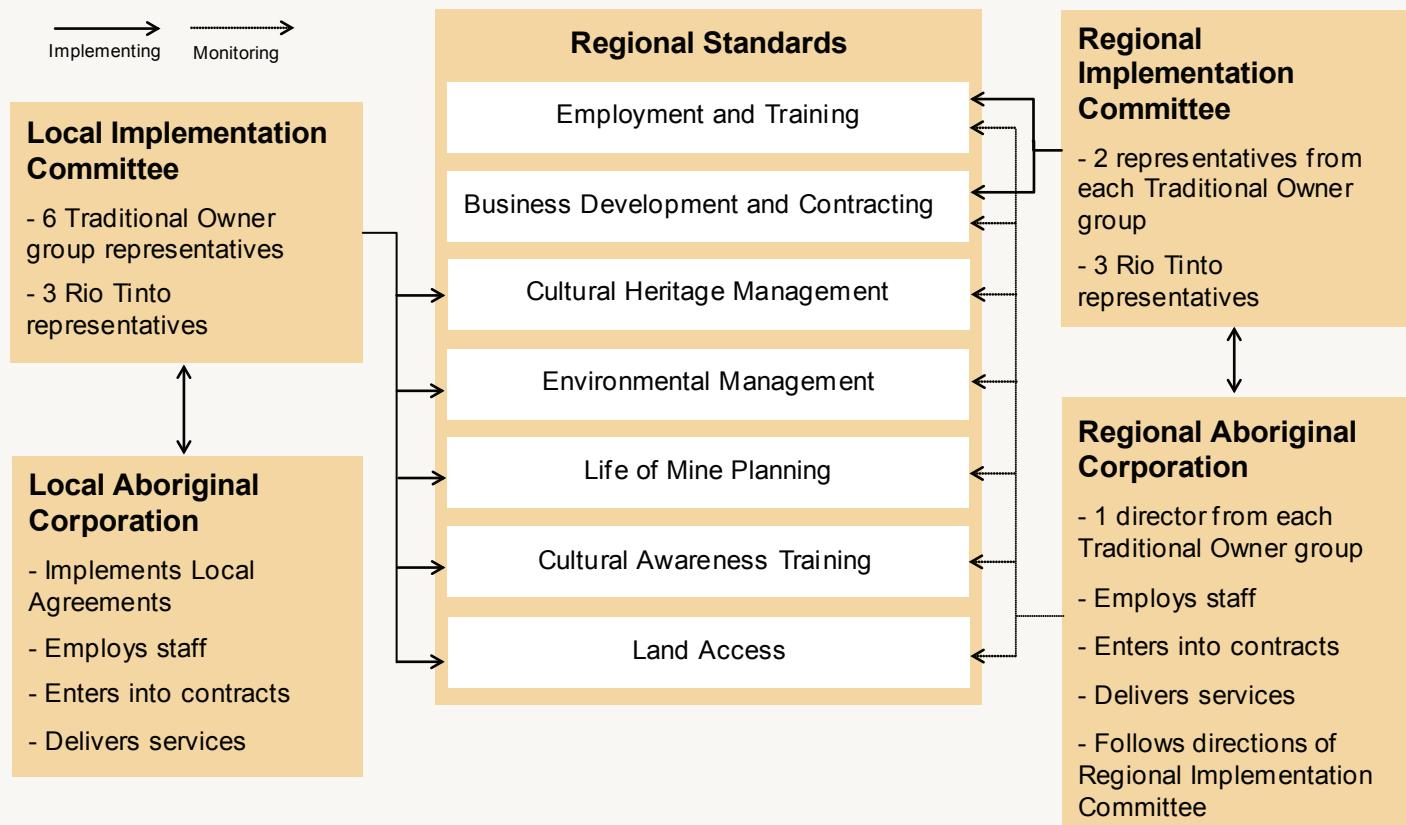
The Regional Framework Deed provides the opportunity for the establishment of a Regional Implementation Committee and Regional Aboriginal Corporation that provides a regional forum to address the commitments set out in the Regional Standards.

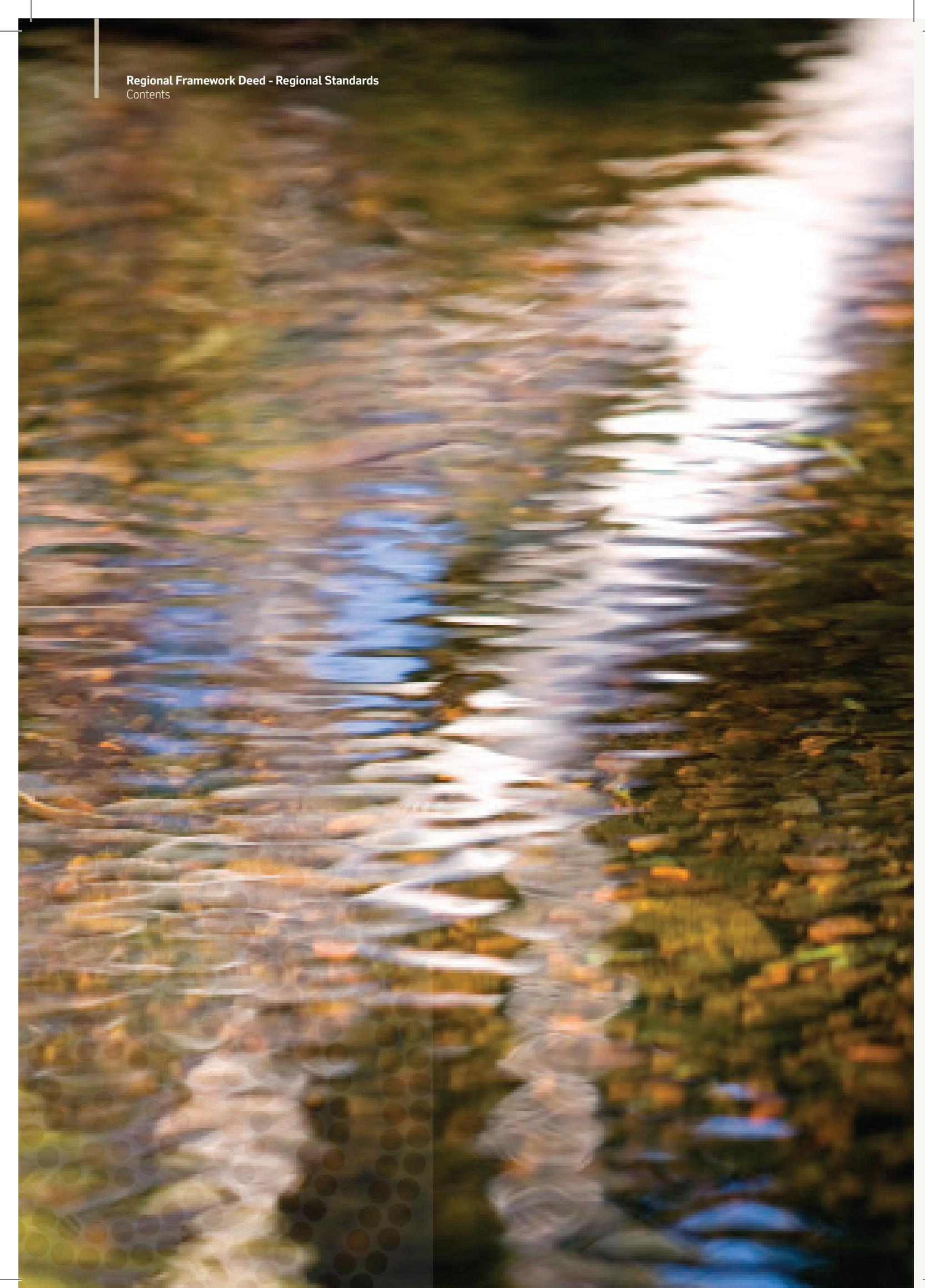
INTRODUCTION

The Regional Standards are a mutual contract between Rio Tinto and the Traditional Owner groups who have opted-in to the Regional Framework Deed (**RFD**). Within the RFD are seven regional standards relating to:

Employment & Training; **Business Development & Contracting;** **Cultural Heritage Management;** **Environmental Management;** **Life of Mine Planning;** **Cultural Awareness Training; and** **Land Access.**

The regional standards set out goals, commitments and implementation strategies for Rio Tinto and Traditional Owners groups.





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Employment & Training

Joint Goals

- A fundamental joint goal is to increase rates of employment of Pilbara Aboriginal People at Rio Tinto's Pilbara Iron Ore Business to a level proportionate to the Aboriginal population of the Pilbara region.
- Improve work readiness, retention, career advancement and employee training for Pilbara Aboriginal People at Rio Tinto's Pilbara Iron Ore Business to levels at least similar to that of non-Aboriginal residents of the Pilbara.
- Improve literacy, numeracy and employment and training opportunities for Pilbara Aboriginal People.



Rio Tinto's specific commitments

Rio Tinto:

- must assess and report to the Regional Implementation Committee (**RIC**) on whether the joint goals have been met in February each year;
- must review its budget allocated to Indigenous employment and training if the joint goals are not achieved in three years;
- must provide funding for scholarships per annum for Pilbara Aboriginal People, until the joint goals have been achieved;
- must provide people involved in competitive bid processes with a copy of this standard;
- will employ, directly or via contract, a minimum of one person per Traditional Owner group to the position of Implementation Officer to ensure compliance with the seven regional standards; and
- will provide each employed Pilbara Aboriginal Person, in addition to their leave entitlements, five days of paid special leave each year for the purpose of attending to Aboriginal cultural commitments and obligations.

Implementation

- An implementation plan will be developed by Rio Tinto and the Traditional Owner groups through the RIC.
- Issues associated with the goals and commitments will be discussed by the RIC, including early childhood development and education, family and community issues affecting employment and job retention, and strategies for eliminating racial discrimination in the workplace.

Specific commitments are enforceable through legal proceedings.

Implementation commitments are reviewable only by an independent expert.

Rio Tinto's implementation commitments

Rio Tinto:

- must employ a Pilbara Aboriginal Person in preference to a non-Aboriginal person if both meet the job requirements for an advertised job and report on this each year;
- must assess and apply a weighting to bids that helps meet the commitments in this standard and must report on their compliance with the standard;
- employees who hold a position of superintendent level or higher at the Pilbara Iron Ore Business will have their performance in relation to the standard measured at their annual review;
- employees at superintendent level or above will receive training at least every two years to help them develop skills and strategies to meet the commitments outlined in the standard;
- must ensure a work environment at its Pilbara iron Ore Business is conducive to the recruitment and retention of Aboriginal people by seeking views of Aboriginal employees, providing cultural awareness training, and taking prompt disciplinary action (including dismissal) against any employee who behaves in a racially discriminatory way towards another employee or contractor;
- will measure and record the information associated with the standard and, subject to confidentiality and privacy, provide the information to the RIC;
- agrees to give preference to a Traditional Owner group member to receive work readiness training and Rio Tinto training courses over people who are non-Pilbara Aboriginal people, even when the need for training of both is equal; and
- when directly training Pilbara Aboriginal People, Rio Tinto will consult the RIC as to where training should take place, who should be involved in designing and delivering it, how it is carried out and what the goals should be.

Traditional Owner groups' commitments

Traditional Owner groups:

- with respect to early childhood and adult development, will look to improve attendance rate, literacy and numeracy, grades at primary and secondary school, secondary school completion rate, and rates and levels of post school qualifications for Pilbara Aboriginal students;
- will provide a home environment that is supportive and conducive to the success of students, trainees and employees;
- will work with Pilbara Aboriginal People to improve fitness for work and general health, and attendance rates at work and job readiness training;
- will work with Rio Tinto and provide information about Pilbara Aboriginal People to Rio Tinto in the Pilbara Iron Ore Business, including details of their employment, preferences, personal details, experience and qualifications;
- will use their best endeavours to support the employment of female Pilbara Aboriginal People;
- ensure both male and female Pilbara Aboriginal People are encouraged to take advantage of training and employment opportunities; and
- must, with help from the RIC, assess and report their performance in respect to these commitments on an annual basis.



Business Development & Contracting

Joint Goals

- The overall joint goal is to increase the total spend on contracts awarded to Pilbara Aboriginal Businesses to build Aboriginal prosperity and increase our pool of local suppliers as part of a strong regional economy.
- Rio Tinto commits to ensuring its expenditure on Pilbara Aboriginal Businesses reaches a level that is proportionate to the Aboriginal population of the Pilbara region.
- Pilbara business expenditure is confined to Rio Tinto's expenditure on Pilbara businesses that either have their principle place of business in the Pilbara, or the majority of their employees are Pilbara residents.
- For the first 10 years, a Pilbara Aboriginal Business is a business that is not less than 25 percent owned or controlled by either members of a participating Traditional Owner group (wherever they reside) and/or Aboriginal people who reside in the Pilbara.



Rio Tinto's specific commitments

Rio Tinto:

- must assess and report to the RIC on whether the joint goal has been met every February;
- has three years to achieve the joint goal after which time it must review its annual budget allocated to supporting Pilbara Aboriginal Businesses;
- must help Pilbara Aboriginal Businesses with the tender process, procurement requirements, prequalification processes, and becoming a prequalified vendor;
- must conduct general information sessions at least annually for Traditional Owner groups about business opportunities, relevant corporate policies and contracting and procurement guidelines with respect to Pilbara Iron Ore Businesses;
- must, on request, provide practical feedback if a Pilbara Aboriginal Business is unsuccessful in an application for contract; and
- will put in place systems to measure and record its progress towards meeting its joint goals and, subject to confidentiality and privacy, provide the information to the RIC.

Specific commitments are enforceable through legal proceedings.

Implementation commitments are reviewable only by an independent expert.

Rio Tinto's implementation commitments

Rio Tinto:

- must, where practicable, advise Pilbara Aboriginal People through the Aboriginal Business Enterprise Centre (**ABEC**) about contracting opportunities at its Pilbara Iron Ore Business;
- must monitor the systems and practices used in the processes of engagement according to the standard.
- must promote the use of Pilbara Aboriginal Businesses with contractors who provide services to its Pilbara Iron Ore Business;
- when assessing tenders for contracts at its Pilbara Iron Ore Business, must apply a weighting in favour of tenders that involve a Pilbara Aboriginal Business or demonstrate a commitment to the employment and training of Pilbara Aboriginal People;
- must give preference to the Pilbara Aboriginal Business, where two or more expressions of interest or tenders are received for a contract at its Pilbara Iron Ore Business that are equally competitive including in relation to price and capability; and
- must ensure the people in the business responsible for awarding contracts for services in the Pilbara are aware of the existence and capabilities of Pilbara Aboriginal Businesses.

Implementation

- An implementation plan will be developed by Rio Tinto and the Traditional Owner groups through the RIC.
- Issues associated with the goals and commitments will be discussed by the RIC, including Rio Tinto developing a 'best practice' Indigenous contracting strategy and access to Rio Tinto development plans.
- In addition, Aboriginal contractor engagement guidelines have been developed as an internal document to assist the procurement team members in implementing our obligations under the Business Development and Contracting standard. The Aboriginal contractor engagement guidelines are stored on the Rio Tinto intranet and a presentation is also available to assist in informing team members of our business obligations in relation to purchasing and contracting decisions.

Traditional Owner groups' implementation commitments

Traditional Owner groups:

- to the best of their ability, must work to establish, develop and maintain Pilbara Aboriginal Businesses which are capable of contributing toward the joint goal;
- must demonstrate they have taken active steps to develop and maintain business skill and capacity, satisfy statutory requirements and obligations relating to governance and management, and comply with Rio Tinto's contracting and safety requirements;
- will provide ABEC with information about their members' businesses that wish to tender for contracts with Rio Tinto, including details of their employment preferences, personal details, experience and qualifications; and
- must, with help from the RIC, assess and report their performance in respect to these commitments annually.

Aboriginal Business Enterprise Centre (ABEC)

- The standard includes a number of joint implementation commitments for the establishment and maintenance of ABEC.
- Whilst the ABEC will initially be a product of Rio Tinto's relationship with Traditional Owner groups, it is envisaged that government and other major companies will support the development and operation of the ABEC over time.
- Rio Tinto will appoint a RIC nominated entity as the ABEC. The ABEC will help Traditional Owner groups develop their businesses and take advantage of business opportunities. The ABEC will not provide funding for new business, but will help Traditional Owner groups with developing business plans and tenders.
- Rio Tinto will provide the ABEC with funding and in-kind support each year for three years. Half of this funding will go directly to the ABEC while the other half will be spent by Rio Tinto to provide business development and administrative support relating to the implementation of this standard.

Cultural Heritage Management

Joint Goals

- Cultural heritage is an important part of Traditional Owner spiritual responsibility in maintaining their culture and heritage.
- Over and above our State and Federal legislative responsibilities, we have agreed to work on a high standard of heritage engagement as the basis of the fundamental agreement between Rio Tinto and the Traditional Owners.
- Rio Tinto and Traditional Owner groups will work together to minimise the impact of our operations on Aboriginal heritage but the business must have timely planning, development and operation.



Rio Tinto's specific commitments

Rio Tinto:

- will develop cultural heritage management plans for its Pilbara operations in consultation with the relevant Traditional Owner group and in line with this standard. In the case of two Traditional Owner groups covering the same mine, one plan will be developed in consultation with both groups;
- will employ or retain professional heritage staff and maintain a heritage management system that ensures the protection of Aboriginal cultural heritage throughout the life of the Pilbara Iron Ore Business;
- will develop and provide training to Traditional Owner groups to assist with providing access to its heritage geographic information system data;
- will provide education and training opportunities to increase the Traditional Owner groups' ability to manage heritage through on the job training, such as mapping and artefact recording; short term courses in heritage field techniques; and long term training opportunities, including tertiary and technical education;
- will provide reasonable support to Traditional Owner groups for cultural maintenance or continuity programs, such as storage facilities of cultural objects, oral history projects, recording and researching of sites of special significance, help with cultural activities, and the use of Aboriginal place names;
- must provide access to office and field equipment to increase each Traditional Owner group's ability to manage heritage independently; and
- before the Aboriginal Cultural Material Committee considers a notice under section 16 and 18 of the Aboriginal Heritage Act, Rio Tinto will consult with Traditional Owners in relation to avoiding or minimising the impact of the proposed use of the area that is the subject of the notice.

Rio Tinto's implementation commitments

Rio Tinto:

- will try to undertake heritage surveys at the earliest practicable stage of project development, including baseline heritage surveys;
- will work with Traditional Owners groups through the Local Implementation Committee (**LIC**) to identify sites of special significance and Aboriginal sites of immediate concern to ensure these sites are considered in the longer-term development decisions at the Pilbara iron ore Business;
- will, at the planning stage, consider the cumulative impact of the activity on Aboriginal cultural heritage and on Aboriginal sites, including their heritage values;
- will consult with relevant Traditional Owner groups where Aboriginal sites will be impacted about how heritage values of Aboriginal sites may be preserved or recorded, or where there is a cultural or scientific basis for doing so, how to mitigate the impact;
- will take all practicable steps to avoid sites of special significance. Where that is not possible, Rio Tinto will consult with the Traditional Owner group about how to preserve and record the heritage values or minimise the loss of these values; and
- together with Traditional Owner groups, commit to the following principles that will govern the balance between resource development and the protection of Aboriginal sites or sites of special significance.

Specific commitments are enforceable through legal proceedings.

Implementation commitments are reviewable only by an independent expert.

Traditional Owner groups' implementation commitments

Traditional Owner groups:

- must make suitable candidates available for any positions and opportunities that give effect to its commitments and this standard;
- must cooperate with Rio Tinto in completing approval processes and in the expeditious completion of heritage surveys, consultation processes and mitigation projects for Rio Tinto's Pilbara iron Ore Businesses;
- must provide information about Aboriginal cultural heritage to their representative on the LIC in a timely manner;
- must cooperate and help Rio Tinto meet its implementation commitments in this standard; and
- must actively work to take up and give effect to the opportunities offered by Rio Tinto in this standard.

Implementation

An implementation plan will be developed by Rio Tinto and the Traditional Owner groups through the LIC.

Issues associated with the goals and commitments will be discussed by the LIC including development of a set of categories which identify potentially affected Aboriginal sites and the level of priority or importance attached by a Traditional Owner group to that site.

Rights Reserved Areas

The RFD does not include Rights Reserved Areas. These areas are limited but special locations of high cultural significance have been mapped and recorded, which are agreed upon between Rio Tinto and Traditional Owners in their respective agreements. Any disturbance of these areas may constitute a breach of our agreement.



Environmental Management

Joint Goals

- Rio Tinto and Traditional Owners will work together to minimise the impact of Rio Tinto's Iron Ore Business on the environment.



Rio Tinto's specific commitments

Rio Tinto:

- must identify new major approvals, flora, fauna or other ecological / environmental surveys; outcomes of previous surveys, any reports associated with a major approval, and environmental monitoring associated with a major approval; mitigation of significant environmental impacts under a major approval, which may take the form of:

1. developing an environmental management plan;
2. detailed recording and preservation of cultural or scientific information;
3. field work to obtain oral and written records of places and values;
4. botany and ethnographic studies; and
5. technical information, including reports,

- must conduct social and environmental assessments in relation to developing new mines and substantial new infrastructure and any existing operations; and
- must involve each Traditional Owner group through the forum in key stages of each assessment process and provide a final report arising from the assessment.

Rio Tinto's implementation commitments

Rio Tinto:

- will work collaboratively with Traditional Owner groups through their forum and LIC to give effect to this standard;
- must, where practicable, seek to minimise the impact of its operations on the environment and where not practicable, maintain existing environmental values or minimise impacts on those values;
- will employ professional environmental management staff and maintain management systems; and
- must respond to and address questions raised by the forum regarding environmental impact.

Implementation

An implementation plan will be developed by Rio Tinto and the Traditional Owner groups through the LIC.

Issues associated with the goals and commitments will be discussed by the committee, including the process for Traditional Owner groups and Rio Tinto to work collectively to manage the environment across the

Pilbara Iron Ore Business.

Specific commitments are enforceable through legal proceedings.

Implementation commitments are reviewable only by an independent expert.

Traditional Owner groups' implementation commitments

Traditional Owner groups:

- will work with Rio Tinto to give effect to this standard and help obtain environmental related approvals;
- must cooperate with Rio Tinto in the timely completion of surveys, consultation and mitigation projects to facilitate smooth running of Rio Tinto's Pilbara Iron Ore Business;
- must, subject to reasonable cultural restrictions, provide information about social and cultural values relating to environmental issues in a timely manner; and
- must help Rio Tinto meet its commitments and actively work to take up and give effect to the opportunities, including regional project, training and employment opportunities offered in this standard.



Life of Mine Planning

Joint Goals

- To establish a Life of Mine Planning forum for Rio Tinto and each participating Traditional Owner group to work together to minimise the impact of Rio Tinto's business on the environment and Aboriginal cultural heritage.
- To exchange information and provide early notification and consultation regarding major approvals, including potential business opportunities.



Rio Tinto and Traditional Owner groups' specific commitments

Rio Tinto:

- will establish a forum for each Traditional Owner group made up by the LIC members and Rio Tinto representatives involved in the implementation of the regional standards;
- will meet with the forum twice a year, at the same time as the LIC and Rio Tinto will be responsible for convening the forum. Both parties must safeguard information that is commercially or culturally sensitive;
- must report at the forum on matters identified in each regional standard and on agreed matters relating to the development and operation of the Pilbara Iron Ore Business;
- must be provided by the Traditional Owner group with any concerns, feedback, submissions and recommendations as early as possible, which are consistent with development stages and agree to the use of this information by Rio Tinto;
- will consult with the Traditional Owner group through the forum about the development and implementation of Rio Tinto's community plans; and
- will, if requested through the forum, approach the State Government with Traditional Owner group to discuss retention and maintenance of infrastructure it does not wish to retain once mining finishes.

Rio Tinto and Traditional Owner groups' implementation commitments

- The forum will operate in accordance with a relevant implementation plan and Life of Mine Planning standard.
- Rio Tinto need only provide information at the forum in relation to matters raised at the immediate preceding forum that relate to pre-agreed matters with the respective Traditional Owner group.
- Rio Tinto may sell surplus light vehicles at salvage value to Traditional Owner groups.

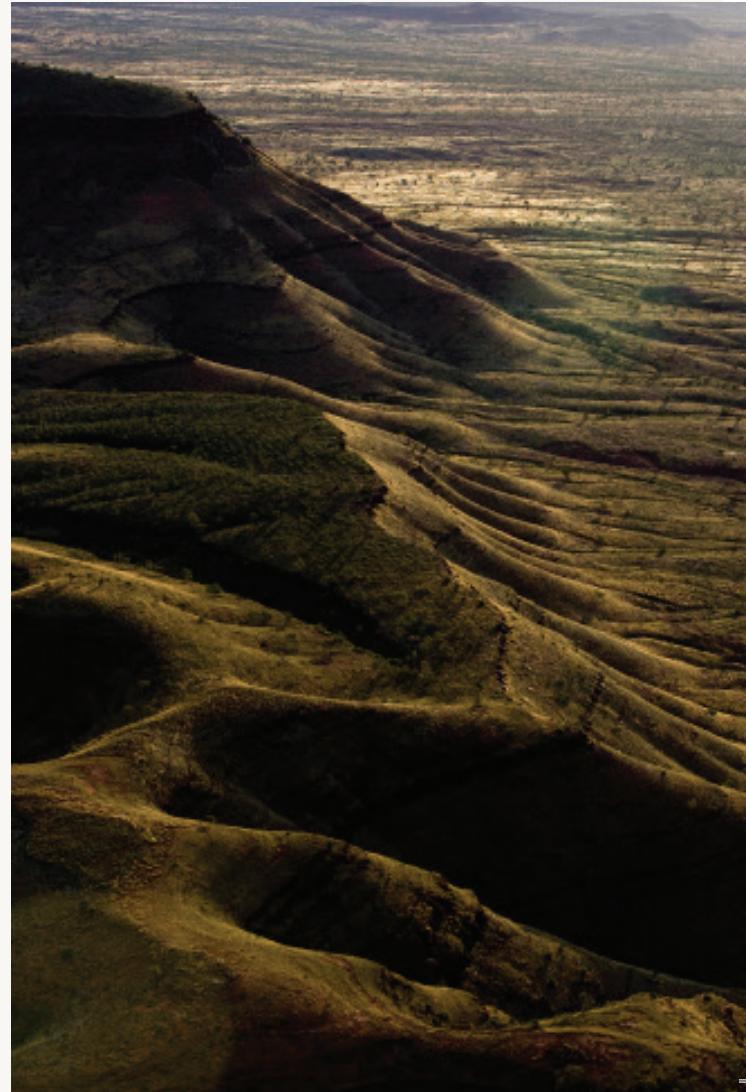
Implementation

An implementation plan will be developed by Rio Tinto and the Traditional Owner groups through the LIC.

Issues associated with the goals and commitments will be discussed by the committee, including the effective communication of information relating to the forum.

Specific commitments are enforceable through legal proceedings.

Implementation commitments are reviewable only by an independent expert.



Cultural Awareness Training

Joint Goals

- The history and culture of the Traditional Owner groups is communicated to all Rio Tinto employees and contractors.
- Improve awareness of Aboriginal culture across the business.
- Provide Traditional Owner groups with opportunities to provide training to Rio Tinto employees and contractors on a service for fee basis.



Rio Tinto's specific commitments

Rio Tinto:

- must provide cultural awareness training to new employees and new long term contractors within a year and for existing employees, within four years;
- employees must receive refresher training every four years;
- must provide specialised training for mine managers aimed at improved outcomes in Aboriginal workforce management and development;
- must ensure training is a high quality, consistent across the business, be tailored to suit operational requirements, recognise Traditional Owner groups' cultures and values, incorporate Traditional Owner groups' social values and practices, and be provided by skilled Traditional Owner facilitators; and
- must make available funding for the purpose of helping Traditional Owner groups in preparing cultural awareness training programs.

Rio Tinto's implementation commitments

Rio Tinto will work collaboratively with Traditional Owner groups through their LIC to develop cultural awareness training programs.

A commercial agreement may be developed for delivery of this training.

Traditional Owner groups' implementation commitments

Traditional Owner groups will:

- consult with Rio Tinto through the LIC to develop cultural awareness training and develop skills and capabilities to deliver the training effectively, including delivering the training as a Traditional Owner group business;
- must confine their training to the area covered by the group's agreement. Where two or more Traditional Owner groups have overlapping agreements, they must co-operate so a single cultural awareness training package is available; and
- may apply to Rio Tinto for funding for the development of cultural awareness training programs and training for their members to deliver the programs.

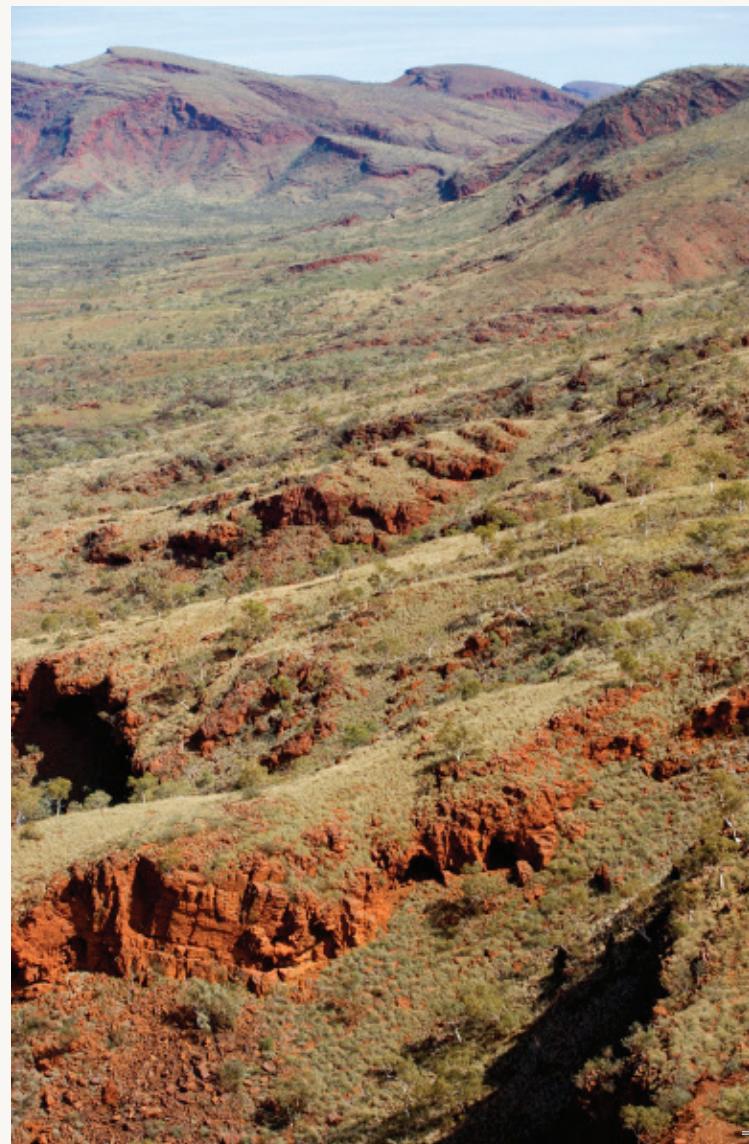
Implementation

An implementation plan will be developed by Rio Tinto and the Traditional Owner groups through the LIC.

Issues associated with the goals and commitments will be discussed by the committee, including establishing guidelines regarding content of training programs and the way training programs may be delivered.

Specific commitments are enforceable through legal proceedings.

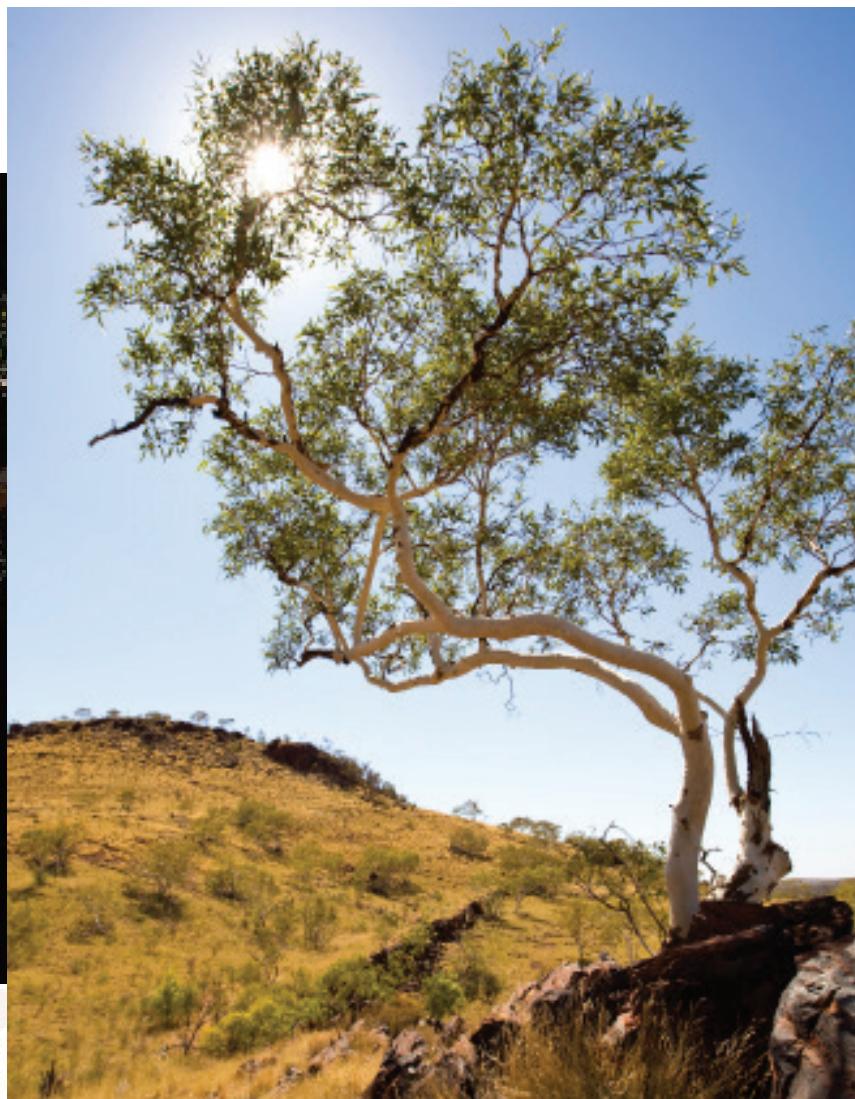
Implementation commitments are reviewable only by an independent expert.



Land Access

Joint Goals

For Rio Tinto and Traditional Owner groups to work together to create and implement a process for improving Traditional Owner groups' access to Rio Tinto Managed Land.



Rio Tinto's specific commitments

Rio Tinto:

- must grant access to Traditional Owner group members and their immediate families access to Rio Tinto Managed Land;
- may limit or refuse access to Managed Land for safety and/or operational reasons;
- may, acting reasonably, declare an area of Managed Land to be Designated Areas where access is not permitted for reasons of safety or reasonable operational requirements which are unlikely to change in a period of six months or more;
- must provide Traditional Owner groups' Local Aboriginal Corporation (**LAC**) with plans that identify Designated Areas;
- where Rio Tinto subleases a pastoral lease, it must ensure that the sub-lessee is subject to this standard such that the Traditional Owner group concerned will maintain their access to the area; and
- where a Traditional Owner group holds native title in relation to a pastoral lease that is Managed Land, but not covered by a mining lease, the Group may elect to rely upon their determined native title rights and interest to access the pastoral lease.

Specific commitments are enforceable through legal proceedings.

Implementation commitments are reviewable only by an independent expert.

Traditional Owner groups' specific commitments

Traditional Owner groups:

- commit to only accessing Rio Tinto Managed Land in accordance with this standard;
- must maintain a contact person or organisation for two way communication in relation to Rio Tinto Managed Lands;
- agree to a process of protocol in relation to access to Managed Land;
- must access Managed Land in a manner which is consistent with Rio Tinto's rights and obligations in respect to the land, as well as, where relevant, in accordance with determined native title rights and interests;
- acknowledge that access to and use of Managed Land can be hazardous and must take responsibility for their own safety; and
- will ensure that any member of the Traditional Owner group will refrain from making a claim against Rio Tinto for any loss suffered as a result of accessing Managed Land, unless it arises from Rio Tinto's negligence or carelessness.

Implementation

An implementation plan will be developed by Rio Tinto and the Traditional Owner groups through the LIC.

Issues associated with the goals and commitments will be discussed by the committee, including the process for seeking approval from Rio Tinto to access Managed Land and the appointment by Traditional Owner groups of a land access contact person.

