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Mining Indaba 2024

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Partnerships for positive change

Check against delivery

Your Excellencies, Honorable Ministers, ladies, and gentlemen - good morning.

Before I start, I would like to speak briefly about a recent tragedy that happened in Canada that has deeply affected us across Rio Tinto.

As some of you will know, on 23 January, a plane crashed just after takeoff from the town of Fort Smith, en route to our Diavik diamond mine, killing four of our people and two crew members.

The cause of the accident is still unclear, and the Canadian authorities are leading an investigation into this.

The safety of our people is always our top priority, and this incident is a tragic reminder of why this is the case.

Just last week I was in Yellowknife and Fort Smith, where I met with the team from Diavik, the local community and family members of the deceased, to offer our support as we collectively grieve this devastating loss.

You will also all have heard, just yesterday, His Excellency Geingob of Namibia sadly passed away. This is a loss not only to the continent, but also to the mining industry.

Now, to pay respects, may I ask that we have a moment of silence.

Thank you.

Ladies and gentlemen, I am pleased to be back in South Africa and at the Indaba - particularly this Mining Indaba, as we celebrate its 30th anniversary.

Since 1994, Mining Indaba has been a centre of gravity for the mining industry and some of our most important partners.

The event has continued to pull diverse stakeholders from across the globe to convene in Africa and discuss the most pressing issues of the day.

I think I speak for everyone in this room when I say, this is an impressive milestone and one we are all fortunate to be a part of.

When I reflect on the last year, I am reminded of what a genuine privilege it is to be in a forum where the breadth of our diversity only enriches conversation, reinforces partnerships, and offers collaborative solutions to shared problems.

For many, 2023 was a challenging year, and for some, a year marred by tragedy.

This time last year marked a full year since the start of the war in Ukraine and since then, sadly, we have witnessed it intensify.

Since the tragic October 7 attacks in Israel, the world has watched a resurgence of violent conflict in the Middle East and an unfolding humanitarian crisis in the region.

Unfortunately, Africa has not been spared from this rise in conflict, and this is a worrying trend.

Global conflicts aren't just data points. They represent significant losses of life and even more displacements.

They remind us of the fragility of peace and stability, and the importance of collaboration and partnership, a reminder that continues to ring true for us all in our own sector.

In many ways, the mining industry is a microcosm of society; where conflict arises from inherited legacies, misaligned expectations, and all too often, a trust deficit between concerned parties.

At a local level, most of us here have experienced some form of tension, both within and beyond the gate, and managing this successfully will remain a continuing challenge.

In October last year, EY released their annual top 10 business risks for miners and of these, two of the top 3 were related to ESG. The first, our impact on communities and the environment and our ability to uphold human rights. And the second, License to operate – the evolving expectations, particularly for our host communities, that are rightfully placed on us .

These realities define our industry, and how we manage them will determine both our individual and collective successes.

This is what I would like to speak about today: partnership, and how, against growing divisions, we as an industry can rebuild trust, strengthen relationships, and deliver on what is expected of us.

To do this, let me start right here in South Africa and at our Richard's Bay Minerals operation in Kwa Zulu-Natal.

At RBM, we often say we are "so much more than mining". These words, that encompass our values of Care, Courage, and Curiosity, are a commitment to making a positive impact on the world around us, particularly with our host communities.

Some of this I spoke about last year; like our Supplier Development Program, that continues to support previously disadvantaged community businesses succeed in the Richard's Bay area.

Other elements of this have been covered by media, such as our continued work to improve RBM's four host community trusts and to ensure that they deliver as expected – providing broad-based benefits to all community members.

This work in particular has been challenging.

Change is often uncomfortable, and in some instances, a source of tension. However, being led by our values, I'm proud to say that our commitment has not waived.

Whilst we have not yet concluded this work, just over a week ago, we reached a significant milestone. The Pietermaritzburg High Court heard an application, brought by RBM, seeking to strengthen the RBM community trusts.

With this hearing, we hope the future of the trusts will be redefined in a way that improves governance, transparency, and accountability and ultimately leads to the delivery of increased broad-based public benefit.

And in January we were pleased to reach a settlement with the Trustees for the Sokhulu community trust and Sokhulu Inkosi to support the transparent and long-term empowerment of the Sokhulu community.

I would like to acknowledge the Sokhulu leadership for their willingness to work in partnership with us for the benefit of their community.

For us, trust reform means a step towards a commitment fulfilled. More importantly, for our host community members, this means an additional pathway to livelihoods improved.

As many of you will know from your own operations, mine community trusts have the potential to be truly transformational, funding projects, bursaries, and other public benefit initiatives that leave a lasting legacy.

Over the long term, we believe that by meeting this potential, we will be able to show tangible results that illustrate true partnership with our host communities.

Of course, we cannot predict the outcome of the hearing in Pietermaritzburg. And regardless of the judgment, success will depend upon the cooperation and support of the trustees and members of the communities.

What remains certain, however, is our commitment to being so much more than mining and to finding better ways to providing meaningful and transparent benefits to the Richards Bay area.

Another area of work coming from RBM that I would like to touch on is the courageous work done to deter criminal activity at our operation.

Much like the trend I described of growing conflict, in recent years, the mining sector has experienced its own rise in violence, but in this case, driven by sophisticated criminal groups. And RBM has not been spared.

From 2022 through most of last year, we learned that criminal activity, including the theft of our product, had been occurring at RBM and in the local area.

We also came to recognize that this was contributing to the instability in the region, risking the safety of our people and our host communities.

We have since reinforced our internal controls, making us less susceptible to such activities. Significant efforts continue at site to ensure that our people and partners are safe, and that the integrity of our business is safeguarded.

More than anything, we could not have achieved this without the partnership with the national government and the South African Police Service, whose support has been instrumental.

With this support of the government, we have seen a significant decline in criminal activity affecting our business and more importantly, an improvement in the security situation in the Richard's Bay area.

I would like to use this opportunity to sincerely thank our colleagues in government for their support.

Effective and sustainable redress of criminality will of course require significant and sustained commitment.

Rio Tinto's top priority is always the safety and security of our people. It drives our decisions and underpins our actions.

The relationship we have built with our government partners to help us meet this priority continues to sustain our commitment to South Africa and unlock future growth opportunities.

As is the case in South Africa, Madagascar, where we have our QMM minerals sands operation, is another example of where we have built strong partnerships with our government stakeholders and how this partnership continues to support our host communities.

In many ways, our presence in Madagascar has been defined by this partnership. Since 1998, Rio Tinto and the government of Madagascar have been 80:20 partners in QMM.

Together, we established a world class operation that employs 2,000 people, 98% of whom are Malagasy, supports the town of Fort Dauphin with the provision of power and has supported over 200 local businesses and over 4,500 people through training and funding.

Our partnership has become the bedrock of the local economy and has delivered critical infrastructure, such as roads and a port facility, to Madagascar's southernmost region.

In August last year, Rio Tinto and the government of Madagascar renewed this partnership with the signing of a new fiscal agreement, which extends our relationship with the government and importantly, increases our contribution to the people of Madagascar and to the area where we operate.

As part of this agreement, we have committed to double our spend on social projects that are co-developed with our host communities in Fort Dauphin for the next 25 years.

Given our appreciation of the uniqueness of Madagascar's biodiversity and the strong connection our host communities have to the land, a portion of this will be spent on reforestation activities.

We are also contributing to the improvement of critical infrastructure, allowing for better movement of people and goods. One such example is with the national road, RN13, which will allow greater access to the port facility in Fort Dauphin.

Our environmental impact remains a genuine concern for our host communities. For example, we have heard from our communities that it is challenging to understand our water management and that greater transparency around management is required.

In response, in partnership with the communities and an independent external party, we are co-designing a monitoring program which supports independent community-led monitoring of environmental aspects that are recognized as important to communities. This program is about what is of concern and meaningful to them; not focused on the standard QMM regulatory monitoring needs.

As part of this increased transparency, last year Rio Tinto disclosed its latest and historical annual water usage across all its operations.

Additionally, to this, at QMM we issued our 2021-2023 Water Report, where we shared data on key aspects of water and set out our strategy in full.

As with any project of the scale we are talking about in this partnership, much of this will take time and we will need to walk this journey together. However, based on what we have managed to achieve together so far, I am confident that this new agreement and deeper connections we are making with our stakeholders will make a lasting impact on the economy, the environment, and the livelihoods of the people of Madagascar.

Now I would like to turn to Guinea, where we are progressing the Simandou project, the world's largest integrated mine and infrastructure project.

We are not doing this alone. Through the efforts of the government of Guinea, the Simandou project has become a partnership with Rio Tinto, CIOH, a Chinalco-led consortium, Winning Consortium Simandou (WCS) and Baowu, China's largest steel maker.

The potential of this world-class project is significant.

Simandou is forecasted to deliver a significant new source of high-grade iron ore that, in addition to our iron ore businesses in Canada and Australia, will strengthen Rio Tinto's portfolio for the decarbonisation of the steel industry.

In addition to this, with the over 600km multi-user trans-Guinean rail, and new port infrastructure, the project will make a significant contribution to the country's economic development.

Already, just through Rio Tinto Simfer, our joint venture with CIOH and the Guinean government, we have employed over 6,000 people, 85% of whom are Guinean. We are also working with over 300 Guinean companies.

Just like in South Africa and Madagascar, our partnership here extends to our host communities. Last year, as an example, we invested US\$5 million regional economic development, and we plan a further US\$15M for 2024.

Finally, our explorations activity has also seen us build new partnerships here in Africa, including in countries like Angola, Namibia and most recently, Rwanda.

Just last week, Rio Tinto signed an MoU with the Government of Rwanda for the exploration and mining of lithium in the country's Western province.

With this partnership, we are helping to unlock the potential of Rwanda's mining sector to play a key role in the provision of minerals critical to the energy transition.

As I said earlier, the last 12 months have been a stark reminder of the importance of partnership and collaboration.

And for us in the mining sector, these virtues will continue to be essential for the foreseeable future.

What is also clear is that, in the context of growing tensions and increasing conflict, these virtues themselves will be tested.

As an industry, we need to continue refining our partnerships and strengthening our relationships where we can.

This may mean finding compromises and middle grounds, even with our fiercest critics, whilst remaining true to our values.

It means having the care to truly listen, the courage to challenge our own assumptions, and the curiosity to find new and better ways of working together.

At some point, each of the partnerships we have built here in Africa have been tested.

Sometimes this has created skepticism from on lookers, while other times it has tested the commitment of the parties involved.

This will continue. But, together with our partners, here in this room, in our host communities, and across the various countries we operate, I believe that we can bridge most divides.

Ladies and gentlemen, the thirty-year anniversary of Mining Indaba has come at a precarious time for the world and our sector, but also a time of real opportunity, particularly if we are brave enough to embrace the power of positive disruption.

And very few things are as positively disruptive as a commitment to partnership.

Thank you.

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