Rio Tinto

Rio Tinto Limited Annual General Meeting

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Dominic Barton: Good morning to everyone here in Perth and also to those of you who are joining us virtually. As chair of Rio Tinto, I once again have the privilege of welcoming you to our 2025 annual general meeting, and it's great to be back in Western Australia. First, I would like to acknowledge the Whadjuk people of the Noongar Nation on whose traditional lands I'm speaking from today, and I pay my respects to all traditional owners and Indigenous people that host our operations around the world. It also gives me great pleasure to introduce Robyn Collard to perform a Welcome to Country. Robyn is a Noongar woman, a Noongar woman from the Whadjuk and Ballardong groups, and she's joined by her grandson, Tryse Rioli, a Noongar, Tiwi, and Larrakia man who will perform for us on the Didgeridoo.

[Welcome to Country]

Dominic Barton: Thank you so much, Robyn, for your welcoming words, and Tryse, for your wonderful didgeridoo playing, and to both of you for opening our AGM. Thank you. I hope we'll also be able to put some things in order in here as we go through the sessions today, but those were wonderful welcoming words.

It was devastating last year to begin with the plane crash near Fort Smith in Canada. At last year's AGM, we named and remembered our four colleagues and the two air crew members who died in that tragic incident. It was with deep sadness that we experienced another fatality in 2024 as well as a missing seafarer. In October, Morlaye Camara tragically lost his life in an incident at the SimFer port site in Morebaya, Guinea. And in December, Gel Aguaviva was reported missing from one of our bulk carrier ships near the Philippines.

Everyone has the right to go home safely every day. As we hold our colleagues and their loved ones in our thoughts, we want to assure you that we are learning from these events. They underscore why a relentless focus on safety is crucial, and I encourage us to take a moment to reflect on this.

Thank you.

Let me now introduce the members of our board who are with us today. Susan Lloyd-Hurwitz, Martina Merz, Jennifer Nason, Sam Laidlaw, Senior Independent Director and chair of our People and Remuneration Committee, Simon Henry, chair of our Audit and Risk Committee, Peter Cunningham, our chief financial officer, Jakob Stausholm, our CEO, Dean Dalla Valle, chair of our sustainability committee, Joc O'Rourke, Sharon Thorne, Ngaire Woods, Ben Wyatt, and Tim Paine, our Australian company secretary.

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We also have with us Trevor Hart from KPMG, who has been our lead audit partner for the past five years. This will be Trevor's last AGM in that capacity due to his retirement from the role in accordance with the auditor rotation requirements, and I would like to personally acknowledge Trevor for his great work over the past five years and your great counsel. Thank you.

In the last two years, I've spoken of our plan to renew the board skill mix. This has led to a temporarily larger board while our more experienced directors have supported the handover to newer members. As we come to the end of this transitional period, there are a few changes to note. Kaisa Hietala and Sam Laidlaw will step down as directors. At the conclusion of this meeting and are not seeking re-election today. Sam will be succeeded by Ben Wyatt as chair of the People and Remuneration Committee and by Sharon Thorne as senior independent director. In October 2025, Simon Henry will also step down. Simon will be succeeded as chair of our Audit and Risk Committee by Sharon Thorne. My thanks to Kaisa, Sam, and Simon for your incredibly valuable support and contributions, which are going to be greatly missed. That said, I'm happy about the breadth and experience that we currently have on the board.

AGMs, as you know, play a key role in fostering dialogue and in building a shared understanding of the context in which we operate. There are opportunities for us as your board to listen and learn from you, our shareholders, so that we can be better. In order to make today's proceedings as efficient as possible, I will now declare that voting on all resolutions is open. As usual, resolutions will be decided by poll.

As a board, we are very pleased to see Rio's progression over the past few years, Jakob and his executive team have been cultivating a mix of skills and knowledge, project growth, and social licence. The newest members, Jerome Pécresse in aluminium, Katie Jackson in copper, and Georgie Bezette in our people function have all hit the ground running. We are also pleased to welcome Paul Graves as CEO of Rio Tinto Lithium, as we seek to build a world-class business off the back of the Arcadium acquisition, as Jakob will discuss later.

We have an increasingly diverse portfolio of materials the world needs, including for the energy transition, and this is supporting our finances and profitable growth journey. Our financial performance in 2024 was strong. Sales volumes and net operating cash flow were both up 3% year on year while overall production grew 1%. The financial performance combined with strict capital allocation and our healthy balance sheet has enabled us to return six and a half billion US dollars of dividends to you, our shareholders, a 60% payout at the top of our range and for the ninth year running.

As Jakob and the team set out at our Investor Day in December, we have a clear path to a decade of stable, sustainable, profitable growth through our major projects, supported by continuous improvements to our existing operations. Last year I told you how excited I was about these projects, which we are executing in challenging environments on time and on budget. They've not disappointed. We are on course for 4% production growth this year, largely underpinned by Oyu Tolgoi underground. Oyu Tolgoi has a 97.5% Mongolian workforce. We recently launched the South Gobi Underground Mass Mining Institute to help ensure that outstanding engineering, technological and safety expertise continues to be developed locally.

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In Argentina, the Rincon project went from greenfield to first lithium production in only 32 months. The board was very pleased to approve an investment late last year to expand the plant, where we will continue developing direct lithium extraction techniques, or DLE, that support water conservation and reduce waste.

Next, there's Simandou, a one-of-a-kind grade iron ore project being delivered by a team that is over 80% Guinean. Simandou is complex, but we firmly believe it will be transformational for Guinea and its people.

And in the Pilbara, our development pipeline extends well into the next decade and beyond, with new mines and projects, including Western Range, West Angelas, Hope Downs 1, Greater Nammuldi, and Brockman 4 expansion. In fact, over the next three years, we expect to invest more than 13.3 billion US dollars in new mines, plant and equipment in the Pilbara. 13.3 billion. This builds on about US dollars 8.5 billion of investment in the region over the past three years. This is very much the heartland of Rio Tinto. We're also studying Rhodes Ridge, which may one day become the biggest iron ore mine built in Australia, potentially producing more than 100 million tonnes per annum. In fact, we are executing more projects worldwide than we ever have before, and the skills we are gaining as we do so are helping us improve our organisation overall.

We are making progress when it comes to operational performance, as Jakob will outline shortly. The Safe Production System is yielding results. We are getting consistently stable operating performance. For example, last year we delivered record bauxite production at Gove and Amrun. We have more work to do to drive improvements across all our assets, but I'm confident we're going to get there.

Workplace culture is a key enabler of our performance. My years in business have taught me that culture is not a nice-to-have or a fad. It's foundational, which is why we are determined to continue to build a safe, respectful, and inclusive environment where people feel comfortable to share their ideas and make continuous improvements.

A respectful culture, social licence, and strong environmental, social, and governance credentials go hand in hand with delivering shareholder value. Actually, it tells you something about the culture that when I recently visited Richards Bay Minerals, or RBM, in South Africa with Sinead, I was asked a lot of questions from our frontline colleagues on our culture and our performance. This was in November, around the time we published the Everyday Respect Progress Review, and I was reassured that they felt free to speak up about any topic and wanted to see Rio succeed. If you do not know, RBM supplies the raw materials for titanium metal used in advanced manufacturing and titanium dioxide. I don't think we realise how many everyday items rely on this mineral, from paint to toothpaste. The leadership at RBM is 100% South African, and many live in communities close to the mine and have progressed to management roles after first joining the company as graduates.

Besides RBM, as a board, we've been fortunate to visit a wide range of other sites over the last year, including our Matalco recycling business and our primary aluminium business in Canada. We also visited Kennecott in the US and Simandou in Guinea.

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Engaging with employees and communities where we operate deepens our understanding of our challenges and opportunities as well as our societal role and responsibilities. We are, of course, by no means perfect, but while we focus on running our operations, a common thread that we are providing through this are jobs, training, and other opportunities, while also working on our environmental performance where we operate. However, we need good partnerships to be able to do so.

In March, I had the privilege of spending time with the leaders of the Puutu Kunti Kurrama and Binigura people on their country in the Pilbara. One of the topics we discussed was how a traditional owner group and a mining company can most efficiently work together.

We have relationships with over 60 Indigenous and land-connected groups across the globe. Many of these are very positive relationships, while a small number remain challenged. In any case, we are committed to working together to achieve positive long-term outcomes.

Our business is growing, but we need to do this in a sustainable way, and that requires us to build solid and trusting relationships and be consistent in our approach. Much of what I have said today may sound familiar, and that's because we have a clear strategy, one that we are focused on delivering with consistency. This is not to say the context we find ourselves in is the same as the last time we were here together. We are a complex business operating in a complex world full of complex challenges, geopolitics, tariffs, community relations, industrial relations, and lengthy permitting.

While industries as ours must be nimble and constantly be building new capabilities and technologies to continue growing productivity, when the world looks ever more complex, a consistent approach can be powerful. We are a long-term company following a consistent strategy, and the long-term picture is positive in terms of the demand for what we do. The fundamental drivers of our demand are all in place, population growth, economic development, and a significantly increasing need for materials that support energy security.

As the world grows, so does its energy demand, including from electricity. From today to 2030, the International Energy Agency expects electricity to grow at six times the pace of overall energy demand, which itself is growing. There is enormous demand. This mass electrification requires more aluminium, more lithium, more copper, and more iron ore for steel. For example, we expect that by 2040 the world will need three times more copper than today for end use in renewable grid investment, energy storage, electric vehicles, and other parts of the global energy system. If this future world wants a stable supply of these materials, then it will have to build new mines and innovate and develop new technologies. We are doing all that we can to support this future, lithium being a case in point, while ensuring that we also continue creating value for our shareholders.

In short, there will be challenges in the years ahead, but we believe we are well-placed to navigate them and make the most of the opportunities ahead of us. We are determined to consistently deliver sustainable production growth and shareholder value even in a complex world.

Thank you for listening to me, and with that, I'll hand over to our CEO, Jakob Stausholm.

Jakob Stausholm: Thank you, Tom, and hello everyone. I would also like to acknowledge and pay my respect to all traditional owners and First Nations people that host our operations around the world.

Dom has made my job easy today because he has already set out how we are delivering our plan for a decade of sustainable, profitable growth and our ability to create further shareholder value. We're making good progress. Our financial performance is strong, the portfolio is evolving, production is growing. We are honing our technical and leadership skills and becoming even more disciplined in cost management.

Meanwhile, the world is growing. Its energy use is rising and, therefore, so is demand for the materials we produce. Yes, there are uncertainties, but while we are engaged in the short-term horizon, we tend to think 20, 30, even 40 years ahead. The long-term outlook is positive, and I'm confident that we have the right strategy and objectives to deliver value today and into the future.

With that in mind, I've spent much of 2025 visiting our operations across the world, learning more about our challenges and opportunities and listening to our employees and external stakeholders about how we can find better ways to provide these materials. Allow me to give you an impression of where we are from my perspective based upon these visits, and of course, the best place to start is probably with our new lithium business. Completing the acquisition of Arcadium Lithium in March was a significant moment in our history and a clear example of how we are evolving the portfolio in line with the commodities where demand growth is the strongest. The long-term picture for lithium is very attractive.

I was in South America when the transaction closed, getting to know our new colleagues and learning about our sites in Argentina. There was a strong shared commitment to ensure the success of the Rio Tinto Lithium. The new business has the combined scale, technical, operational, and commercial expertise to be a truly world-leading business. It was also impressive to see the progress we are making to expand the Rincon lithium plan, which demonstrates our deepening project-building and technical expertise.

As you have heard, 2025 is a pivotal year for our major projects. Simandou in Guinea is on track for first iron ore production at the mine gate by the end of the year. And production at the Mongolian Oyu Tolgoi copper mine is expected to grow by more than 50% this year.

It has been remarkable to witness Oyu Tolgoi's development as it ramps up to peak production of 500,000 tonnes of copper a year. In March, I visited the underground mine with the Mongolian president, who described it as one of the most exciting developments he has ever seen. Because Oyu Tolgoi is a modern, safe, and sustainable mining operation built by 20,000 Mongolians, it demonstrates best operator excellence in action.

We are determined to achieve this excellence everywhere, to safely and sustainably realise that full potential of all our assets. As you have heard from Dom, we made good progress on our best operator objective last year, and we are moving further and faster this year. We still need to stabilise existing assets, including Kennecott, Rio Tinto Iron & Titanium, and the Iron Ore Company of Canada, which all represents huge opportunities to unlock further value.

When I visited IOC earlier this year, I could tell that its history of excellence lives on. Like so many parts of Rio, the Safe Production System is simply helping us to tap into our DNA. The dedicated teams at IOC are identifying and addressing issues essential to continuously improve safety and productivity. Moreover, they are actually really welcoming the challenge.

I've also seen excellent determination here in Western Australia and in the Pilbara, where the Safe Production System has helped stabilise our iron ore operations. Every time I visit, I'm just impressed by the passion and professionalism of the people who work in our mines here, often in extreme weather conditions. And there's no denying we have been challenged by intense cyclones this year, but still we are proving resilient.

And I will never forget my engagements with traditional owners here in Western Australia. It's not up to us to judge our progress on social licence, but I will say that each time I'm on country, I see the positive evolution of those most important relationships. There's more to do, but we are committed to stay the course and continue rebuilding trust.

We are deeply committed to the communities here because we know we cannot operate without their trust. Last year, we boosted spending with suppliers in WA by 1.5 billion Australian dollars to a record of 10.3 billion Australian dollars, as we continue to support local businesses to develop our pipeline of new Pilbara mining projects, such as Western Range.

We work with roughly 2,400 suppliers here each year, a symbol of our ongoing commitment to support jobs and deliver shared success. Of course, societal factors heavily influence our ability to operate. That's why we will continue to move the dial on impeccable ESG performance in ways that simply make good economic sense.

For example, decarbonizing our business is deeply physical and complex, but we had a record year for our emissions reduction in 2024. What I'm most proud of is that we are starting to deliver projects that reduce our emissions and provide us with a secure supply of energy while retaining and even creating value.

The same goes for our culture. I'll echo what Dom said, that culture is foundational to how we realise the full value of our assets. That is because so much of our performance is about mindsets and behaviours. We will stay the course to create a culture where everyone feels safe, respected, and empowered to bring their best every day.

Everything I've seen so far tells me we are building on the considerable momentum we created heading into 2025. We have all the building blocks in place for an incredible, robust, diversified, and growing business. We will continue taking actions that ensure we remain resilient in the short, medium, and long-term while creating value for you, our shareholders, through our commitments to consistent returns and a strong balance sheet. We will achieve that by maintaining a laser focus as we go deeper with the Safe Production System, deliver improved cost management, and learn from executing complex projects, and we will improve our culture, safety, and environmental performance as part of this accelerated drive towards best operator. That way we know we can grow and build our portfolio of materials the world needs in a safe, sustainable, and competitive way.

Thank you. Back to you, Dom.

Dominic Barton: Thank you, Jakob.

We're now going to move to the formal business of the meeting. The notice of meeting containing the text of each resolution to be put to this meeting was published on our website and made available to shareholders on the 4th of March. I will take the notice as read. Resolutions 1 to 19 and 21 will be dealt with under the joint Electorate Procedure. Resolution 21 is the corresponding resolution of Resolution 24 on the Rio Tinto PLC Notice of Meeting. Rio Tinto PLC shareholders have cast their votes on these Resolutions at the corresponding meeting we had in London on the 3rd of April. Resolution 20 will be voted on by Rio Tinto Limited shareholders only. Your Directors are unanimously of the opinion that resolutions 1 to 20 proposed in this notice are in the best interests of shareholders and of Rio Tinto as a whole. Accordingly, we recommend that you vote in favour of Resolutions 1 to 20.

I wanted to make a couple of points in relation to the shareholder requisition Resolution Number 21. Firstly, as you will be aware, the Board does not support the resolution for the reasons we've set out in the notice of meeting. The Board is very focused on strong governance and this extends to the Board's work on reviewing a unification of our DLC. We've considered this topic regularly and objectively over many years, and completed a further detailed review in 2024 with the benefit of five expert third-party advisors. We looked at the benefits and the costs. All of this work showed that a unification of the DLC would be value destructive for the group and its shareholders. And specifically, just to highlight three areas in a DLC unification.

One, there would be one-off costs related in particular to long-arm capital gains tax in the mid-single-digit U.S. dollar billions, significantly above what Palliser's analysis shows. Two, given how our portfolio is shaping, there would not be sufficient franking credits for our Australian shareholders in the future. And three, we would not see an increase in the overall share price of Rio Tinto. Our financial advisors would expect the unified company's share price to move downwards towards the weighted average of the PLC and limited share prices. Given the findings of the 2024 Board review on this topic, the Board unanimously believes that the Resolution is duplicative and unnecessary. There is no basis for expecting that an additional review would lead to a different conclusion.

But I also want to be clear that we were open-minded about all routes that maximise value for you, our shareholders, and that's the lens through which we assessed this topic. We've also engaged widely with our shareholders whose interests we, of course, are resolutely focused on. Further, I would like to correct the assertion that has been made that Rio Tinto has underperformed our direct peer since the announced collapse of their DLC. In fact, since that announcement after adjusting for the de-merger of their petroleum business, Rio Tinto has outperformed this peer by 7% from a market capitalization performance perspective, despite headwinds from our commodity mix over that same period. We've listened to our shareholders carefully and we believe the direction to us is clear, the group's priorities should be on delivery against the widely supported strategy.

Nevertheless, this resolution has been validly requisitioned, and I want to give the requisitioners the opportunity in a moment to briefly introduce it. Hopefully, James is back on. First over, I want to explain the procedure for shareholders to ask questions on matters relevant to the business of the meeting. Then I'll come back to James Smith from Palliser so he can address the group from the online system. Broadly, only shareholders or their representatives or proxy holders are entitled to ask questions. For those in the room holding a white admission card, if you wish to ask a question, please raise your admission card and a microphone will be brought to you. And before asking a question, if you could please state your name and if you represent an organisation, the name of the organisation, that would be very helpful. Kindly return the microphone when you've asked your question.

For those attending virtually, you may submit written questions or ask them orally through the Lumi platform. To allow us to answer as many questions as possible, please try and keep your comments short and to the point. If we receive multiple questions on the same topic, we may, with your indulgence, aggregate them and provide a single answer to avoid repetition and to ensure the smooth running of the meeting. So now I would like to go back to Palliser Capital and make sure they have the opportunity to briefly introduce their Resolution. And I think James Smith is on the line. He was with us in person in London.

James, I hope you can hear me or hear us. And if you can, please go ahead.

James Smith: Yes, I can hear you, Dominic. Hopefully, the connection is clear on your side.

Dominic Barton: Excellent.

James Smith: Okay, well, look, good morning, everyone, and thanks to the chair for inviting me to speak. I'm pleased to have the chance to introduce Resolution 21 as the Chair has envisaged, which we co-filed with other shareholders for Rio Tinto's AGMs. It had been my intention to be in Perth in person, but late notice business commitments mean that I've been unable to travel this time, I apologise for that, and thank everyone for listening to me via this audio link. My name is James Smith and I'm the founder and CIO of Palliser Capital.

Our firm manages a global multi-strategy fund that adopts a broad range of investment strategies across the capital structure of companies and around the world. We prefer to collaborate with management teams to help improve the long-term value of the companies that we invest in for the benefit of all stakeholders. We co-filed Resolution 21, which seeks a fair, independent, and transparent review of a unification of Rio Tinto's complex and legacy DLC structure into a single Australian domiciled company because we feel strongly that this will provide shareholders with the information that they need to assess an opportunity that has delivered a great deal of value to shareholders in 12 precedent situations.

Two such examples, BHP and Brambles, were very similar in nature to Rio Tinto, will be familiar to many shareholders present and listening today given their UK-Australian structures. As the Chair has laid out, similarly to his comments at the group's UK AGM some weeks ago, management do not wish to do such a review. They have done their work, they say, and believe an independent process is not required and nor would transparent disclosure for such an assessment be an appropriate thing for shareholders to receive. And perhaps that would be acceptable to many if they were to provide details of their own review. The assumptions made relevant rules, laws, and costs that they've considered, things that their advisors have assessed, and the precise scope of the work that they have conducted. And if it included an assessment of their analysis as to the benefits of unification, not just the costs which they say are excessive, perhaps this would be helpful.

But they have not done this. "It's too confidential," they say, "it's too sensitive and it wouldn't be good for shareholders to see this information." And this is something that we struggle to credit as a position for them to have taken. It leaves us and perhaps others in the audience here scratching our heads. What analysis and views we have seen from management is, in our opinion, high level and unsubstantiated. And that's surprising to us because we've seen the company engage a very large team of expensive advisors to help them with their efforts to argue against our simple and reasonable resolution request.

So let's look at a number of relevant facts. Almost every DLC in the world has unified, each citing compelling rationales and reasons for their decisions to do so. That's 12 groups in fact. And as mentioned, it includes BHP and Brambles as two of them. There are, to our knowledge, only a small number of DLCs remaining in the world, perhaps three or four, of which Rio Tinto is by far the largest. Shareholder support in those 12 cases has averaged around 98% to 99%. By way of illustration, for BHP Limited, it was 98%. And in the case of Brambles, it was 99.9. Those Boards, numbering 136 directors, esteemed business folks, were all in favour of it. And global proxy advisors, ISS and Glass Lewis, who are subscribed to by I gather 90% or more of institution investors, in all but one case were in favour. In that particular case, their concern turned on a compensation issue that was not related to unification itself.

But despite this compelling backdrop of information, we've not been so bold or presumptuous as to put forward a resolution that requires unification. It's not a resolution to do it. It's simply a resolution to review it. But again, management says that such a process of independent analysis and transparent disclosure is not a worthwhile endeavour. Better we all ignore that idea, they suggest. Now, in the PLC AGM, I cited three quotes regarding unification, which together we felt summarised management's key arguments against unification. The first, "The DLC is not an impediment and management has the benefit of two acquisition currencies so long as the DLC remains in place.". Second, "Unification would be costly and with no material benefits.". The third, "Unification would result in a wastage of franking credits to Australian shareholders." And it went on to provide more colour on why these comments are unreasonable and lacking justification from our perspective, and I shall summarise that again today.

On the first, just to re-quote, "The DLC is not an impediment and management has the benefit of two acquisition currencies so long as the DLC remains in place," to this we say, can we really believe this statement when Rio Tinto has never since inception of the DLC used shares for acquisitions of target companies? Sure, they may cite a couple of obscure cases where a scrip alternative was offered alongside a primary cash proposal in the privatisation of a subsidiary 25 years or so ago intended to enable rollover relief to some folks who asked for it. But the fact is that 100% of M&A has been done with cash. For the peers, it's 32% in cash and 68% in scrip. Now, there may be at least some mixed views on mining company M&A more generally in the room, not least given a number of painful and value destructive deals in recent years, both at Tinto and across the industry.

But the reality is that the opportunity to use scrip is an important risk management tool. And by way of illustration, at one point, just a few days following the PLC AGM some weeks back, Rio's U.S. ADR shares traded 13% lower following all the tariff concerns. A stark reminder, if any was needed, of the value of risk sharing with a target company's shareholders through the use of scrip, which the data shows rather than being enabled by the DLC, as long as it remains in place, it actually impeded in all DLC experiences. Otherwise, on capital allocation, we find other impediments rather than none. We haven't seen a buyback since 2018 as the Ferb's rules, which we have no quarrel with, by the way, restricted. And if you can't issue scrip via M&A, how do you resolve that issue, given Chinalco's near 15% stake in Rio PLC?

On the second quote, "Unification would be costly and with no material benefits," we commissioned and made public a report by Grant Thornton Australia, the eighth-largest firm of its type in the Australian market, and similarly ranked globally and fifth ranked in the U.K. We engaged Grant Thornton Australia to work independently and based on public information. That report is available on a website that we created for folks to see all of our letters, presentations, and materials as transparently and as frequently as possible. That website is unifyrio.com, and the conclusions of the Grant Thornton work are clear. Unification would be at least value neutral for Limited shareholders and positive for PLC. A meaningfully greater quantum of franking credits would be distributed to shareholders. We've done our best to be clear and transparent with the work. All of those 116 pages of review from Grant Thornton Australia are available for all shareholders and other interested parties to look at on that website. And I'd encourage folks to read it.

Our Board will say it's not relevant that management work is better, more accurate, I suppose they mean, but it's not for sharing and must remain secret. The conclusion on costs from the report are also clear, and on this we fundamentally disagree with that second quote that unification would be costly and with no material benefits. And I'm going to come back to that with a question a little bit later on. There is no massive one-off lump sum cost. Transaction costs would be around $400 million U.S. of U.K. stamp duty, and ongoing taxes with ATO getting its full share of Australian corporate taxes rather than via the Singapore tax structure would increase by around $140 million per annum. It's a little bit less than a 2% increase on our numbers. And on no material benefits, we believe that just the ability to use scrip alone might've preserved $50 billion of book value over the last 30 years. And to unify will unlock many benefits, as we've seen in key peers such as BHP where there's been strong out performance through unification and afterwards.

There are other elements among management's claims, obscure capital gains taxes and far-flown jurisdictions also, our Board tells us. Our advisors and we have looked at all these relevant jurisdictions and their rules and regulation in as much depth based on every public piece of information we can possibly find. And we just can't locate any of these costs with our advisors and having taken advice and specialist input in every one of those jurisdictions. On the third quote that franking credits will be wasted, we think this makes no sense. As things stand, more than 80% of EBITDA is Australian, but only 23% shares. So Australian profit is used to pay U.K. dividends. Doing that burns franking credits because the process of journaling cash from limited to PLC has to attach them and the recipient PLC cannot use them. This destruction would be avoided through unification, and a question on that a little bit later on too.

Dominic Barton: James. Sorry, James could I just... This is great. I want to make sure you have the time, but I also want to make sure there's going to be time for other questions. So, if you could just take up the speed a tiny bit.

James Smith: Another two or three minutes.

Dominic Barton: Okay, thank you.

James Smith: So Grant Thornton sees long-term pre-tax profit as more than 50% Australian and your company's long-term payout ratio over the last 20 years has been in the 40s. That means clearly, fully frank dividends. In fact, we can't construct based on our analysis that there'll be any franking credit deficit post-unification before in the worst case into the 2040s. And just to step back, what is the issue with a review? I'm going to quote Glass Lewis and Bloomberg and the Board of Management at Herbert's before. In Glass Lewis's words, "If there's even a small chance that such a huge value will be unlocked, an independent review is a worthwhile endeavour." And Bloomberg said, "There's truly little risk other than a few bruised egos and some trivial costs to hire bankers and lawyers to allow an independent review. In Reagan's words, “Trust but verify”." Bloomberg says. And if we're right, that makes sense, because there's $20 to $25 billion of potential value release and perhaps the cost of review would be 0.1% of that.

So it seems to us, the rational decision, annoying as it may be, would be to just do the review. Now for those who listened to the U.K. AGM or have looked at the transcripts, they'll know what comes next, the reveal that those three quotes were in fact listed from BHP's commentary in response to Elliott's initial proposals, which myself and the Palliser team led as employees of Elliott at that time. And they're very similar to all the push-backs in this case. And we know how that situation was resolved, governance improvement, tax costs that it was thought might crystallise didn't. A unification was announced several years later in August 2021. But rather than dwelling on that, I'm going to end today with three questions that hopefully the Chair and the Board can get to as the proceedings develop.

The first question is to the Chair or Board colleagues, as he deems appropriate and refers to Rio's March 2025 Board Response Slide Pack at page 10. There is a prediction there of an 11% share price drop to a weighted average share price for a unified Rio Tinto. Can you please explain to the attendees the basis for that position, for that view that's been taken? That's my first question.

My second question to our new senior independent or Board colleagues, as he deems appropriate, the Rio Notice of Meeting says the Board expects tax costs of unification specific to how Rio has organised its business in the mid-single digit billions. Are we right to understand that the Board has reviewed a specific written advice that reaches that conclusion? That's the second question.

And the final question is for Mr. Wyatt or his Board colleagues, as he deems appropriate given his specialism and comments in the area of franking credits last time, and it's a question that I see was asked in the PLC AGM and was not fully answered.

Some follow-up was envisaged, which will have happened now, and I think it would be of great interest to the meeting attendees today to hear those views. And the question is, as mentioned in the March 2025 Board Response Pack, future growth is expected outside Australia that will increase PLC's ability to fund its own dividends rather than by drawing profits from Limited. In that case, and assuming as the Board suggests no unification, what would happen to the greatly increasing base of excess potential franking credits created at Limited? It seems to me these franking credits will then accumulate at an accelerated rate and will be very unlikely to ever be used. But I'd like to hear your view and for the attendees whether you agree or disagree with that statement. And as I look forward to hearing some answers on those three questions, I want to take the opportunity to thank the Chair again and to thank the Board and to thank the audience for listening to my views and comments. I appreciate all their efforts in arranging and coordinating the meeting today. Thank you, Dominic.

Dominic Barton: Thank you very much, James. That was very clear and I think everyone could hear you well. So thank you. Again, I don't want to spend the whole bulk of the meeting on this because I know we have a lot of questions on other topics and issues that people have. But in the spirit of your questions, I might ask some of my Board colleagues.

Sharon, I might start with you first on the cost and the tax liability side of it, and then go to you, Ben, on the franking credits, and then Jennifer to you on the valuation. And then I think we'll close. Again, we've had many, many conversations with shareholders and interactions and I think the votes are now in, if you will, on it, but I think it's still good if we could just briefly cover those three areas. So Sharon, over to you.

Sharon Thorne: Thanks Dom, and thanks James. The tax position, as you all know, is very complex. Rio is a huge global company with operations around the world and most of our assets outside of Australia are owned by the PLC, which is different to BHP. And unification creates significant tax events. So the Board asked EY, one of the largest professional services firms in the world, to review the tax exposures that we faced. They were given full access to Rio's internal information, which clearly was not something that Palliser has been able to have, and Grant Thornton. And EY concluded that the tax costs that we would face would be mid-single-digit billions of U.S. dollars, which would reduce net asset value for shareholders.

Now, I did review the detailed paper, James, that was produced by EY. It was produced by a very senior tax partner based in the Brisbane office, who has enormous experience working with oil and resources companies across the world. And his conclusion, as I said, was very clear about the exposures that we face. And publishing this information, we believe, would be highly prejudicial to our shareholders and to your interests. And so we don't think it is right to do it, but I can assure you that I have been through it in detail and I'm very comfortable with the conclusions that EY reached.

Dominic Barton: Thank you, Sharon. Ben, over to you on the franking credits topic.

Ben Wyatt: Thanks, Dom. Thanks, James. And for the benefit of those in the room, it's often, it is for me anyway, to think about Rio Limited, the Australian company, if you like. It's holding all the Australian assets. There are some small exceptions, what I'm about to say, holding the Australian assets, Rio PLC, the London listing holding the global assets. That's the fundamental difference, just coming back to one of the comments by James between us, between Rio and BHP, for a start, where the assets are held. Now, for those in the room here, we're all limited shareholders. We all, assuming we're all Australian tax residents, get the benefits of the franking credits that come attached through the Rio Limited shareholding. Now, ultimately, there are two points, and James, I'm coming to your specific question. There are two points.

Obviously, if you collapse into Limited, you bring a lot of non-Australian tax residents into the shareholding. The franking credits effectively still flow, but, of course, can't be utilised by non-Australian tax residents. So you see a faster dilution of franking credits across a much broader shareholder base that is outside of Australia who don't pay tax in Australia. Now, the second point, I think the point you're raising, James, is, if we assume that we are moving from, say, 70% EBITDA coming out through Limited, through to say 50/50, and you look at our Capital Market Day in December last year, you are seeing an increase in EBITDA coming through PLC. Then, as a result, that transfer, if you like, of dividends from Limited to PLC reduces and therefore franking credits will build up in Limited. James, I guess it depends on your assumptions, particularly around the iron ore price. And if you're assuming a long-term, quite high iron ore price, there will be a build-up of franking credits.

But ultimately, I'm not sure I agree with your proposition that they will never be utilised, but certainly I prefer them be utilised through the Limited line to Australian tax residents, who, of course, can take the tax advantage of those franking credits as opposed to diluting through to shareholders who don't have that advantage. Hence, why the Board has come to a position around for the Limited shareholders in particular, and this is fundamentally different from BHP because the nature of the revenue and the assets within both companies means that Limited effectively are ring-fenced to take advantage of those franking credits. Hopefully, I've answered your question, James.

Dominic Barton: Thank you, Ben. I should have just mentioned a bit of the background. You probably know, but Sharon used to be the Chair of Deloitte, so she knows something about accounting and tax issues. Ben, as you know, is a former Treasurer, has a lot of experience in this area. And Jennifer Nason was the Head of Investment Banking at JP Morgan. So Jennifer, if you want to talk maybe a little bit about share price.

Jennifer Nason: Sure. And just quickly to round out the response here, I am an independent director and I just retired after 40 years at JP Morgan where I chaired the investment bank. So I've spent a long career in the capital markets actually focused among many other things on the costs and benefits of various jurisdictions and listing and the impact that has on trading performance and value creation. So I personally have raised this issue as a director on this Board since I've been on the Board. And it's something that we have discussed many, many times and recently done the detailed work and it is something that we will continue to evaluate, but I am more than satisfied with the analysis, the independent analysis we've done as an independent director around these issues. And today, the costs just outweigh the benefits. That's not to say those circumstances might not change in the future and we will continue to evaluate it. But in terms of where we would expect the stock to trade were we to unify, the advice we've had is that we would more likely than not trade to sort of the average of the two and in fact, we would need substantial incremental Australian demand to have any chance of trading to the limited level demand that would equate to the average of the entire issuance in the Australian market over the last 10 years. So we've had detailed advice on that and I just want to assure everybody that as an independent director and my fellow independent directors, we have done an independent analysis. Thank you.

Dominic Barton: Thank you, Jennifer. And thank you again, James for your comments earlier. I would like to shift on. As I said before, I just want to reiterate from a board point of view, we are agnostic about where we're listed. We want to get the best value for our shareholders and where it is. Someone teased me here about, I mentioned we'd be comfortable going to Greenland if we could get a good price. Obviously, there's not really a market there, but I'm just saying we're open and we will continue to review this on a regular basis. So maybe I'll stop it at that. We can have conversations after the sessions as well, but I'd love to be able to get to the broader questions in the room.

And so with that, I would actually like to go to the audience first. And as I mentioned, if you could just put your hand up or your card, someone will come by and get a microphone to you and I'll try and go back and forth a bit between the audience and then, we have some people online and then we have some written questions. So I'll just try and go back and forth in that way. So if we could ask the audience any questions. Start right here in the front.

Ros Ferguson: Thank you.

Good morning. Ros Ferguson, representing the Australian Shareholders' Association with proxy votes from 516 shareholders representing about 568,000 shares. Firstly, we would like to thank you Chairman for your team meeting with the ASA monitoring team and providing further insight into some of our concerns. We would also like to congratulate Rio Tinto on a strong year and acknowledge your progress towards decarbonising your operations. In particular, ASA will vote for Resolution 19, the 2025 Climate Action plan and we will vote against Resolution 21, the shareholder-requisitioned resolution.

My comment relates to director re-elections. We note that many directors currently have relatively low levels of share ownership. Specifically ,four directors with four or more years of service hold shares valued at less than 40% of their total 2024 board and committee fees. ASA maintains the view that the value of shares held by a director should exceed the total annual fees earned with this threshold being met within three years of their appointment. While we acknowledge the practical challenges directors may face in timing their share purchases, one potential solution could be the implementation of a policy whereby a set percentage of director fees are withheld and invested in company shares during defined trading periods.

Our question then is, would Rio Tinto consider adopting a minimum shareholding policy requiring directors to accumulate shares equivalent to at least one year total fees within three years of their appointment?

And further to the remuneration report, our concern lies with the long-term incentive, which allows for a maximum payout equivalent to five times the base salary. This significantly exceeds the ASX listed company norm whereby LTI payouts are typically capped at two times base salary. We believe that enabling a potential total annual payout of up to eight times base pay reaching £10.28 million in 2024 and potentially £11.28 million in 2025 is inappropriate given prevailing market practices. Hence, ASA will vote against the remuneration report.

And our second question is relating to the 2025 Climate Action Plan. While limiting carbon credit use to 10% of the 2018 baseline is commendable, reliance on credits and nature-based solutions raises concerns. Rio Tinto has indicated that it will not meet its 15% reduction target by 2025 without offsets, and credits are integral to 2030 goals. Has Rio explored alternative strategies to reduce absolute emissions and avoid dependencies on credits and is there a long-term plan in place to phase out reliance on offsets in favour of direct reductions?

Thank you.

Dominic Barton: Thank you very much, Ros, and thank you to you and your group for all of the engagement and the ideas that you've brought forward to us. What I'm going to do is I'll take a shot at your first question on the director's fees and then I may turn it to Sam on the remuneration side of it. And then on the 2025 Climate Action plan, I might make some comments, Jakob may jump in as well on the carbon credits, if you will. So first on the shares, we are very much committed to wanting to ensure that our non-executive directors have a stake in the company. And in last November, we actually changed the basis on which NED's share ownership targets are set. And we did that to align with the approach we have for the executive committee members, the management. We're expressing shareholding targets as a fixed number of shares that ensures the targets remain constant even in the event of fluctuating share prices.

And to your point, the required shareholdings are set based on a target of one times the base fees and these are reviewed every two years. That target is in line with what's been adopted by other major listed companies in the ASX and the London Stock Exchange, and we think it's a reasonable target. We are also of the view, as you mentioned, there's sometimes restrictions because of an acquisition that's occurring or other issues. And actually in the last six weeks, we've seen acquisitions of shares by the four directors that you've mentioned because people are keen. I think they're irritated with me because we don't allow them to, at times, to be able to do it. But we are very committed to ensure that we do have shareholdings or skin in the game, if you will.

And I think we should take your idea of being able to be paid in shares. Different markets have different views. I come from the Canadian system where we were actually paid half in shares as opposed to in the fees, but there are different rules and regulations, but we will look at that because we are keen that we have that, the skin in the game from all of us where we are.

Sam, could I turn it over to you on the remuneration?

Sam Laidlaw: Certainly. Ros, a very good question and an important question. Obviously, what we are aiming to do is to ensure that our remuneration structures are both attractive and retain the best talent, but also are competitive in the marketplace, but are not excessive. And actually the change to which you refer, which is moving to five times base pay on the long-term scheme, was actually something that we did last year rather than this year. And the reason we did it was that we did extensive benchmarking actually at the end of 2023 and the market has continued to move since then. And at that time, it was very clear that our primary benchmark against which we measure, which is the London FTSE and the UK market, in contrast to Australia, had moved to five times long-term pay and this was quite normal.

There is a big difference to our structure compared to our principal competitor in that we have much more performance-related pay and a much longer duration of payout. So if you look actually at 2024 in terms of the outcome, because our pay is very performance related, 85% of our pay structure actually is paid out in terms of performance pay rather than fixed pay. Our fixed pay and short-term pay is much lower than our competitors. So what we have chosen to do is reward performance. And of that performance, in the long term, that you describe, 80% of that is actually attached to share price performance. So only in the circumstance that actually our share price performs extremely well, both against the mining peer group and against the broader MSCI index, do we get to the sort of levels of compensation that you are describing? We never have during my tenure of eight years on the board and I think if we did, that would be a phenomenal result that all shareholders would participate in.

The other thing we did last year, which was why the resolution last year got 97% support from shareholders was that in addition to increasing the quantum, we attached that further one turn of long-term compensation to decarbonisation measures. And I think that's been very broadly welcomed. We only will achieve the five times if we actually manage to achieve some extremely stretching decarbonisation targets that are linked to our ambition of reducing our scope 1, scope 2 emissions by 50% by 2030. So only if the share price performs really well and only if we manage to achieve all the decarbonisation do we get anywhere close to the maximum figures that you described. If you actually look at the outcome for 2024, actually CEO pay was down 57% because our share price did not perform as well as we would all have wished. So I think that illustrates the leverage there is to performance in our structure relative to many others in the Australian market.

Dominic Barton: Thank you, Sam. And just on the carbon credit point and the Climate Action Plan that you referenced to, I think we feel very good about the progress that we've made. And if this was two years ago, I think we would've been worried. There was also worrying about where the technology was and where things were moving. But as we said in that report, we're very close to hitting the 2025 target, 14% actual carbon emission reductions. And what I might do is ask Jakob to comment on, we feel very confident also about the 2030 just given what we've been doing at Boyne in Queensland and so forth where we've been decarbonising in a very significant way through the 2.2 gigawatts of renewable energy and improving the cost position of those assets. So this is why we say this is in the shareholders' interest. So we feel very confident on what we're doing directly to remove carbon, but I don't know, Jakob, if you want to talk about the...

Jakob Stausholm: No, thank you, thank you, Dom. Yes, we actually feel quite proud because when we announced the minus 50%, which is almost four years ago, three and a half years ago, we were quite nervous because obviously when you set yourself a stretched target, you cannot know all the details. And we also had to inform you, the shareholders, that it would cost a lot of money. But the experience have been that we have built a lot of expertise, we are getting the results now. Don't forget, one thing is we have reduced by 14%, but in that meantime, the world has gone up by 15%. So we are de-linking ourselves from the trend of the world significantly. Today, we are in a situation where we have line of sights, time will tell, is it minus 45 or is it minus 52, but towards the minus 50% in 2030. I'm barely aware of any big industrial company that has such a stretching target and the best of it for you shareholders is it actually generates value.

We are able to do some re-powering with renewable energy nowadays that are cheaper than coal-fired power. So I'm, on that hand, very optimistic I have to say. Ultimately, long-term, beyond 2030, we depend on where the world is going and the world is not progressing as much as what was agreed on various COPs. And that will longer term be a challenge for us. But so far, it goes in the right direction. Thank you.

Dominic Barton: Thank you. I hope that gets at your questions, Ros. I'm going to go online for a second because we have some people related to QMM where it's very either late in the night or very early in the morning, however you want to define it. And then I'll go to number to paddle number two in the room after that. But, Yvonne, I think, can you hear us? And I'm not sure if Valery is on the line from Madagascar, we don't see him on the system. But Yvonne, if you would like to start, that would be great.

Yvonne Orengo: Yeah, thank you, Mr. Barton. Valery tells me by contact that he is online at the moment waiting to come in. Shall I go ahead with my question or do you want to find Valery first? Can you hear me?

Dominic Barton: Yeah, we can hear you. Why don't you... Do we have Valery or we don't? We don't seem to... Could you go first while we try and figure out how to get that connection?

Yvonne Orengo: Yes, thank you. If you can hear me okay, I'll start. So my name is Yvonne Orengo and as an individual shareholder in Rio Tinto PLC, I'm deeply concerned about what Rio Tinto is telling its investors about the QMM mine in Madagascar, which I know gets very little exposure in Australia. Rio Tinto says it cannot operate without the trust of its host communities and as you know, you do not have this trust in Madagascar due to years of social and environmental failings and conflicts. Civil society in Madagascar and beyond are trying to address this problem by calling for an independent assessment of the QMM mine, but the company has been and is still resisting these calls. It does so by claiming that its recent water and radiation studies are carried out by independent agencies and/or are reviewed by similar. So therefore it argues there is no need for any further third-party scrutiny of QMM.

Aside from the fact that issues around QMM are multiple and include conflict over loss of land and natural resources, labour issues, inadequate compensation, lost livelihoods, human rights violations among many others, So they're not all answered by water and radiation studies. But there are also issues with the studies themselves, which the company has been resolutely ignoring. For example, independent experts commissioned by the Andrew Leeds Trust, the British charity have analysed them, raised serious questions about their conclusions, and demonstrated that the claims that Rio Tinto is making off the back of these studies, such as no health concerns around QMM, are simply not supported by the evidence.

Adding to this, the company is making promises and assurances at its AGMs over a number of years that appear to be aimed at assuaging investor concerns that are frankly quite hard to reconcile with reality. For example, at the PLC AGM in London, we were told the company has, and I quote, "Requested a peer review of the JBS&G study through the UN Natural Radiation Committee," by which it means it is referring to study Rio Tinto commissioned into the radiological impact of the mine, the committee being the UN Scientific Committee on the Effects of Nuclear Radiation, otherwise known as UNSCEAR. What transpires is that Rio Tinto has simply submitted the study to the UNSCEAR annual review, a process that gathers all available radiation data from all around the globe. This is not a peer reviewed process for a private company's report. Any suggestion by Rio Tinto that its submission to UNSCEAR could be considered a peer review or an indeed an endorsement of JBS&G's findings on QMM would not only be very incorrect, but extremely misleading.

And this is not the standalone transparency issue. At the 2022 AGM, we were promised a study and report about hundreds of fish deaths that followed two tailings dam failures at QMM that year, which the company now refuses to share. Rio Tinto gave us also to understand there would be an independent external evaluation of those tailings dam failures at QMM. There never was anything that remotely resembled one. Before that, in 2019, investors were assured that QMM's breach of an environmental buffer zone, which placed QMM's toxic mine tailings into a local estuary system had, I quote, "No significant impact." It then transpired there never was any study by Rio Tinto, by QMM, or by the regulator that could begin to support any such conclusion or claim. These water contamination issues are now the focus of a human rights legal action against the company, all of which leads me to my two questions regarding transparency deficits and the company's presentations around QMM.

My first question is, on what grounds do you believe it is reasonable to dismiss the independent scientific peer review analyses of the company's recent water and radiation studies of QMM without any full process or full discussion? And the second question is, and forgive me, is it a deliberate act of obfuscation or simply incompetence that leads Rio Tinto to say things at its AGMs, which could encourage investors into hoping and believing one thing only to discover the reality of something quite different further down the line? And how do you intend to address this problem in order to avoid formal complaints against the company about its integrity, vis-à-vis transparency and its obligations, both to investors and the Malagasy people who host your mine?

Thank you.

Dominic Barton: Thank you, Yvonne. Valery has now joined, so with everyone's indulgence, I'd like him to be able to ask us a question and then we will try and respond.

Valery, can you hear us? I know you're calling from Madagascar.

Valery Ramaherison: I can hear you.

Dominic Barton: Please go ahead.

Valery Ramaherison: Can you hear me?

Dominic Barton: We can hear you very well.

Valery Ramaherison: Okay. So I would like to continue on the community social programme of QMM Madagascar. So we know that Rio Tinto QMM has started investing in community social programmes since the period it started mining in Madagascar.

So it's around numbers, I have been said that it's around $20 million loss of investment in the social programme. In the meantime, we have documented all those impacts that Yvonne mentioned previously, and it turns out that QMM has not done an independent evaluation of the use of this investment of 20 million plus in Madagascar. And from what we have found in our report, we suspect that the performance of this investment in community social programme does not relate what we can find on the ground.

And in addition to that, we have, starting in 2023, we have a renewal of the contract with the government of Madagascar and it is included that $4 million per year will be allocated for the community social programme. QMM also, Rio Tinto also plans to expand the extraction into other region of Anosy and this causes some issue, some concern for us that for example, the first question that I would like to ask for Rio Tinto is that wouldn't it be appropriate to firstly evaluate, do an independent audit of the impact of the first phase of this social programme prior to moving to the investment of the $4 million per year? The second question is, has Rio Tinto explored to readjust its QMM community social programme approach for the company to respect higher standards on the ground because we have found these transparency issues and some governance issues here from the ground.

Thank you.

Dominic Barton: Thank you very much, Valery. And thank you again for doing it in the middle of the night for yourself, we appreciate it. I'm going to start and then I might ask Sinead to jump in and correct me or provide any more detail if you'd like, but I think there's a number of points in response. I think, first of all I would just say that we deeply value the community relationships and the importance of those in what we do in QMM. I've visited the site myself and talked with local government, with the national government, and the community groups to try and understand where we are and what we can be doing differently. I think on the waterfront we have a different view, Yvonne than you. We believe we have been using externally accredited laboratories such as Eurofins here in Australia for analysing the water quality and we make that data available in the annual water report, we published the latest last month. And those results, by the way, are consistent with those that we noted last year in terms of water quality upstream and downstream.

WSP, an independent environment expert, has been onsite three times in the last year to progress the receiving environment study, which aims to expand our understanding of the aquatic health in the surrounding environment on that. I think on the community investment comments you made, Valery, those are very good comments to make, we'll look into that. We have made a commitment, as you mentioned, to providing $100 million over 25 years that is focused on providing medical care to about 20,000 community members, agricultural supplies to 12,000 farmers, and education supplies. There's no question I'm sure that we can be doing some things differently, but I would say that our relationship with the local governments and the communities that we involve with, we feel quite good about. I would also mention that our employee engagement at that site is literally one of the highest we have in the world in terms of where people are.

But Sinead, you may want to correct or add anything to what I've said.

Sinead Kaufman: Thank you, Dom, and thanks, everyone. Yvonne and Valery, thank you for dialling in. I know what it's like to have late night calls to the other side of the world, so appreciate that. I think maybe a comment, Dom, to build on what you said, I think at QMM, so we've been operating at QMM now for over 25 years, and as Yvonne has said and Valery, we've just updated our fiscal agreement for another 25 years with Madagascar. One of the challenges that I think, Yvonne, I have to call out and recognise your dedication to is that we publish our water data and all of our raw information and we know that we've had concerns in the past related to the quality of water and the quality of sampling in the area. And so we have listened to that feedback very carefully. We've changed how we do our water analysis. We now use independent laboratories. It takes a lot longer to do that, and that frustrates me, but we have very good independent data and we publish that regularly on our website.

We've also taken the feedback around the concerns on radiation impacts in the community and hence we commissioned the study in, I think it was 2018 from another independent company, JBS&G around radiation impacts in the community. And we did a study over many years to publish the sample results of ingestion pathways for people in the area through dust, fish, plants, water, soil to understand if there's any anomalous information. And again, that's available on the website. And we have indeed submitted that to the UN. It's not because we're seeking validation. It's simply, it's a scientific study. It's not about QMM, I think it's about the actual broader question around radiological impact on natural environments globally.

Across, I think all of that time, the feedback we've also received from NGOs locally like Transparency International, Publish What You Pay has been that they're concerned about our ability to work through the resolution of long-term concerns on land compensation. And they're concerned about the engagement that we have around investment in the community. And we agree and accept those findings. And over the last few years, we've spent time to do a lot more around community engagement, so less reliance on working through third parties and also doing direct engagement. So we engage with government, we engage with NGOs, we also engage directly with people in the communities. We now do a lot of outreach to the communities. We also do a lot of engagement on where to spend the money from the fiscal agreement outcomes. We've done over 36 meetings in the communities. Everyone's got a different view of what we need to spend that money on. And again, coming to a resolution on that has been very important. So, I think at QMM we're very clear that we have work to do around improving our community engagement. We've listened very carefully to what we've heard from people over the years and we are continuing to accept that feedback and improve year-on-year.

But I'm certainly not suggesting we're perfect. I think we're really focused on how do we engage with people on the ground and hear the voices locally and directly to understand what the concerns are. Thank you.

Dominic Barton: Thank you, Sinead. And I should have introduced Sinead. She's the CEO of our minerals business and so spends quite a lot of time in Africa in that work. Could I move to paddle two?

Deanna McGowan: Good morning to the board. My name is Deanna McGowan. I am a Robe River woman. Standing beside me, of course, is more of the Robe River Kuruma leaders. We're here to like everybody else, post a question and I would just initially ask the board for some leeway in terms of I need to provide a summary before I get to the question, so I hope that's fine.

For the last 50 years, our country has been mined by Robe River Joint Venture Robe Valley Operations operated by Rio Tinto. Our past relationships with the Robe River Joint Venture and mining is traumatic. We have an aspiration to reach a solid working relationship with Rio, but we face an uncertain future.

As part of my question today, again, like I just said, is a short summary of what it means when we talk about traumatic past and uncertain futures. It is nearly five years on since the Juukan Caves destruction and we are no closer to modernising our agreement with Rio Tinto.

We're still waiting for Rio Tinto to commit to remedying past failings. Mesa J, your largest mine on our Country, has been operating for 30 years. You have paid us for three years. 20 years ago when we were about to sign our agreement with Rio Tinto, our old people were told when asked, "Why isn't Mesa J included in this agreement?"

"Oh, don't worry about it. We're going to close that mine." And here we are now some down the track, I think, what's the timeline? Oh, sorry. This is very nerve-racking for me and it's like I've got a lot of weight on my shoulders from my people, my old people that went before us.

It is now 17 years of payments that Rio has cheated us out for Mesa J. Rio Tinto is destroying our sacred Bungaroo Valley. You extract seven gigaliters of water a year to supply your coastal operations. Your own expert advice says to you, you need to reduce consumption to at most three gigaliters now. However, Rio Tinto refuses to make operational sacrifices to do this.

Country cannot keep waiting for a desalination plant. Our Country is dying. Our culture and our heritage at Middle Robe lies in ruins. 1980 mining practises destroyed our storylines and our places. Our people live with this daily. Mesa faces lie in piles of rubble, continuing to pollute our social Jaduwata River and bringing pain to our people.

You reached a remedy agreement to rehabilitate Juukan Gorge. When will you do this to commit to do the same for Middle Robe? Robe River people respect and honour our past. We do not forget. We cannot forget. Rio Tinto's past is our present. Until you remedy your past, it stains our future together.

My question is, when will Rio Tinto face and respond to these truths so we can move forward in partnership?

Dominic Barton: Thank you very much Deanna, and for your statements and also your question. And I'll try and respond to some of the points you made. I may ask Simon Trott who leads our iron ore business to follow up as well on it.

But the first point I just want to make is we are very committed. We want to be able to get to an agreement and a resolution in working with you. We've had, I know, a number of conversations that we'll be having after this meeting as well, but there is a very, very strong commitment to work through these issues with you.

I want to focus particularly on the water issue because we acknowledge and recognise that this, the mining activity and what's been happening in the region is having a severe impact on water and we are very committed to trying to be able to help rectify and improve that.

As you know, we've invested about $395 million in a four gigalitre desalinization plant, which will be operational in 2026 and that will lead to the abstraction of water from the Bungaroo bore field to about three gigalitres annually and that will reduce it to half the current levels.

We think there's a pathway to zero abstraction from Bungaroo, but the Western Australian government will be a key part of that. And as announced in February, the government's water corporation is committed to developing a further climate independent water sources through construction of an additional large-scale desalinization plant by 2030.

So we are very committed to work on that as well as the other issues that you mentioned too at Mesa J as well. But Simon, is there anything you'd like to add?

Simon Trott: Thanks Dominic, and welcome to all the peoples from Robe River Kuruma and thanks for coming along to the AGM and for your question. Firstly, to acknowledge many of the issues that you've raised as Dom's outlined in terms of the impact on Country. Mining does stretch back over many, many years and water, we are taking actions. We have a pathway to zero.

I've been out on Country with Dominic and with Jakob and with some of the representatives that are here today. The desal plant construction is progressing well. We'll turn that on next year. That will get our draw on the aquifer down below three. We do acknowledge that the climate has dried.

The original licence out there for 10 gigalitres was put in place when there was more frequent cyclonic events and we haven't seen that over the last few years. And so we are taking actions that will get our consumption down below three gigalitres and then we'll look to further solutions to be able to reduce that impact on the aquifer further.

There are a number of areas where we need to work together and you've outlined some of those here today, some of the past mining practices, the mining benefits payments and some of the return to Country and some of the impacts that we are having on Country.

And we really look forward to working with you to be able to progress those discussions and find a way through to rectify those as well as continuing to work on water and some of the draw that we've had on the Bungaroo aquifer. Thank you.

Dominic Barton: Thank you, Simon.

I'm now, with your indulgence, we've had a number of written questions, so I just want to make sure we go through those. I'm going to start with a question that came from Mr. Antonio Ferroni and Mr. Patrick Hart. And their question's on the acquisition of Arcadium Lithium. And I'm just going to read the question.

"Rather than pay billions for the overseas lithium acquisition, would it not have made more economic sense to acquire Pilbara Minerals Limited or Mineral Resources Limited? And what has been the impact on the Rio share price subsequent to the acquisition of Arcadium Lithium?"

So, I'll say a couple of things you may want to jump in too, Jakob, on it. First, when we looked at the lithium opportunity, we literally started by looking at the periodic table to look at what elements are going to play an important role in the energy transition and have the scale to matter for shareholders and lithium clearly was on that.

And then we looked again at supply and demand. We looked at the cost curve structure of lithium and we also looked at what we thought demand would look like in recycling. There was a very rigorous detailed approach, so we went through it.

And then the management team literally looked at asset by asset on the lithium side of things to be able to then determine that Arcadium was actually the best fit for us and where it is and actually has quite a lot of contiguity between our assets in Quebec and also in Argentina. But Jakob, do you want to?

Jakob Stausholm: Yeah, thank you. I suppose right now, although it's a big company, it's a small part of our market cap, so any impact from Arcadium on our share price will have been fairly limited. You can never establish that exact number. But I like to just elaborate further on what Dom says, what's the logic.

Strategically, we concluded quite quickly that we were very keen, according to our purpose statement of finding better ways to provide the materials the world needs is to provide the materials of lithium. We were interested in producing battery-grade lithium and not just spodumene and therefore be independent upon the next part of the chain, namely the processing towards lithium.

That's the real difference between Arcadium and now you mention Pilbara Minerals. So, we looked at all companies and we just realised that we both strategically achieved to produce the final materials to battery makers, to EV makers with Arcadium.

And secondly, the overriding things for a global company like Rio Tinto is geology, and a deep belief about cost curve. Where is it most efficient to extract various materials?

There is amazing mining opportunities here in Western Australia, but when it comes to lithium, the opportunity in the lithium triangle of Argentina, Chile and Bolivia is second to none.

And we believe that we have acquired in a way the same mentality as the Pilbara, these long-lived assets at the low end of the cost curve that will create a very robust business for decades to come.

So, we didn't know when we started, but the more we analysed and clearly today we are absolutely still convinced that we have acquired exactly the right company. Thank you.

Dominic Barton: I'm going to do one more of the written because we do we have 12 of them and then I'm going to go to four in the audience. This is a question from Mr. Julio Albores. "What is the effect of US tariffs on the company's share price?" It's a tough exam question to give us.

What I'd say on that is that, and I commend the management team, there's a lot of analysis that had been going on actually before President Trump was elected in November as a scenario what might happen.

And looking at not only the direct tariff impact in terms of if the United States puts tariffs on countries in which we're operating or on the materials that we're providing and where we're operating, but also looking at the second order and third order effects of that if you will.

Because when someone puts in tariffs, someone will probably put counter tariffs. How would that affect our business and also our supply? Where do we get materials from because you could have a double whammy of your tariffs are going up on products that you produce and then there's a countervailing tariff on the inputs that we get for that.

And then there's looking at the broader growth impact. So, a lot of analysis was done at the asset-by-asset level to be able to look at it. And what we're finding is that clearly tariffs when you put a 25% tariff on aluminium, we get concerned on that. The fact that that's across the board is better than when it's specifically in a particular country.

But there are also elements. We have a very, as you know, substantive copper business in the United States. We have one of only two smelters on the copper side and that can provide opportunity. So, we've been looking at things in a very granular basis and obviously it's very dynamic, can often change day-by-day.

But I'd say that the organisation is very ready in dealing with those contingencies and there's basically being puts and takes on it. Jakob, if you?

Jakob Stausholm: No look, you said it already, Dom. But I think that the only other dimension I would like to add, and I was trying to say it in my speech earlier today, we are a long-term company and tariffs have changed quite a lot from day-to-day. We see the little bit as short-term noise and we are trying to figure out what is it nations are trying to achieve long-term.

And what we understand in the US is a desire to build more extraction and more manufacturing in the US and maybe that's where we should focus our effort. At the end of the day, tariffs are between nations and the thing I want to just convey a message to you shareholders is we can manage that. Some tariffs might be in our benefit and some might be adversely to us, but in aggregate it is of limited impact.

Dominic Barton: Thank you, Jakob. Four.

Paul Slyth: Good morning Mr. Chairman and directors. My question simply is, has geothermal come under your watch so far? Geothermal energy is a clean energy, renewable energy aligning with the global push for reducing carbon emissions and transitioning to low carbon economy.

Geothermal power plants can operate continuously unlike solar and wind, making them a reliable source of base power according to the Geoscience Australia.

In Western Australia, the largest geothermal power plant is being built over the next 12 months in Western Australia here and it'll be north of Perth. And the main thing is that it is offering an alternative to wind and of course solar.

What I'm asking is... Another little section here, sorry for taking time. Is there a risk when the EVs decline, which is currently happening right now, that hydrogen use will be required because EVs are proven to cause more pollution than reducing pollution.

And there are different metals of course planned with EV. These will require most likely using something like, I've forgotten the name of it, but I think it's platinum, one of the metal that would be required.

So, the question is, has Rio Tinto looked at this? Have they studied into it and worked at what will happen as progressively lithium will not be required in the future as much as it is at the moment.

Dominic Barton: Thank you very much. And Jakob's keen to answer that.

Jakob Stausholm: Okay, thank you. That's actually excellent questions. And yes, we would not be doing our job if we were not looking into those things. Myself, when I visited our aluminium smelter at Iceland last year, went and looked at a number of geothermal projects. They are really leaders up there.

And by the way, part of the power that goes into our aluminium smelter on Iceland is geothermal. I think, in general, I would say we are always trying to look for non-CO_2 emitting energy and particularly energy that is firmed.

Are major user of hydropower in our aluminium smelters all around the world, but whether it's hydropower or geothermal, both are in a way equally good and it's really good to combine it with things like solar and wind as well.

And I would say one last thing as well is that really helps on getting the sustainable energy system to work is that the prices of battery storage has gone down so much that is actually getting easier and easier to firm renewable electricity grids.

We are actually probably the Western world's largest user of electricity. So I'm very pleased to say that we have a number of scientists who are really looking at this and I think the latest solution on buoyant smelter is a good example of a leading edge solution.

If we get the last bits and pieces in place, it will probably be the first aluminium smelter in the world that runs on solar, wind and battery.

Now, to your other question on hydrogen. That's we also looking at hydrogen with great interest. Not so much on mobile equipment, but one thing is we know how to get to our minus 50% by 2030, but from 2030 to 2050 we should get net zero.

That means we will have to change a number of manufacturing processes and it's very likely that hydrogen will be part of the solution in those manufacturing processes. But it's still in early days. It's at the research and development level.

But yes, your questions are highly relevant and are being worked by great people in view every day. Thank you.

Dominic Barton: Thank you. I'm going to take one more of the written and then I'll go to two. From Mr. Cletus Matthias and Mr. Silvana de Matina. They're asking about the dividend for the coming year and whether the company would increase dividend payout rates.

So, I think that as has been mentioned in our talks before, the board expects total dividends over the long term to be in the range of 40 to 60% of underlying earnings in aggregate through the cycle. And as I mentioned in my talk in 2024, the company paid a full-year dividend of 6.5 billion dollars or 60% payout. And that's again the ninth year in a row. So, we look at that very closely and want to adhere to that.

Acknowledging the cyclical nature of the industry, it's also the board's intention to supplement the dividend with additional returns in periods of very strong earnings and cash generation and we have no plans to change the policy. So, I hope that's clear. Can I go to two?

Mia Pepper: Hi, thanks for taking my question. My name's Mia Pepper. I'm here with a proxy representing the Mineral Policy Institute.

I'm the campaigns director at the Conservation Council of WA and just want to pay respects and acknowledge the questions raised around water abstraction in the Pilbara. We absolutely agree that there's big issues around water abstraction in the Pilbara, but my question today is on behalf of the Mirarr people at Kakadu.

I think it's actually 20 years in a row that in some form of representation in both London and Australia, this issue has been raised. And want to thank Rio Tinto for listening and for the commitments made about the rehabilitation at Ranger Uranium Mine in Kakadu and the commitments not to mine uranium at Jabiluka. My two questions relate though to these issues.

Earlier this year there was a study by Lonergan Edwards and Associates that concluded any acquirer of Energy Resources Australia, the company that operates Ranger Uranium Mine and Rio Tinto owns 98% of, would have to take responsibility for the rehabilitation of Ranger and fully commit to funding the rehabilitation.

So we're seeking today confirmation that Rio Tinto agrees with that assessment and commits to that funding and rehabilitation work.

And the second question is around Jabiluka. ERA, the company again, who operates Ranger, has been leading a deeply divisive legal action seeking to mine Jabiluka and that's explicitly against Mirarr's wishes. They've made it very clear that Jabiluka should never be mined.

Rio Tinto

We would like to ask why Rio Tinto is tolerating the behaviour of ERA and does Rio Tinto remain committed to respecting the Mirarr wishes not to mine Jabiluka? Thank you.

Dominic Barton: Thank you, Mia. And thank you both for the comments on water and the challenges over there, which we fully agree with you. On Jabiluka, just a couple of comments I just say in the first one, the answer is yes, we fully agree with that.

If someone were ever to acquire that they would have to recover, pay for all the rehabilitation and that. I think, I hope, and I'm going to repeat what I've said now, I think in every one of these AGMs I've been in our commitment to not, we do not want to do any mining in Jabiluka and we're committed to that.

There are some legal matters as you alluded to that relate to the Northern Territories government decision not to renew the Jabiluka mineral lease. That's being managed by the ERA independent board committee. We're not a party to those proceedings.

But we are moving ahead on the compulsory acquisition of all the remaining shares in ERA that we don't already own and we've lodged the necessary documents and provided them to ERA shareholders. And the ERA shareholders have until May 19th, so less than three weeks from today to submit an objection.

When that process is complete, we will control the company and again, we are completely aligned with the Mirarr on the permanent protection of the Jabiluka.

We are also very focused on the rehabilitation of the Ranger Mine to make sure that that is up to the right standards and we want that to be in an environment similar to that of the adjacent Kakadu. I had the privilege of visiting with Kellie Parker last year to meet with Yvonne Margarula and expressed our complete commitment to that to her.

So, I hope that answers your question. I think I was then going to go back to five in the audience.

Keren Adams: Thanks and good morning Dominic and Jakob and board members. My name's Keren Adams. I'm a legal director at the Human Rights Law Centre and I've come over from Melbourne to attend the meeting today.

As you know, we represent Indigenous communities living with the ongoing and very substantial environmental legacy of Rio Tinto's former Panguna Mine in Bougainville in Papua New Guinea. For those unfamiliar with Panguna, this was formerly one of Rio Tinto's largest copper and gold mines.

During the time of its operation around a billion tonnes of mine waste tailings were released directly into the river valley south of the mine. The environmental destruction that was caused by that caused such significant damage that that, combined with an unequal distribution in the mine's profits, ended up causing a significant uprising by local people that forced the mine's abandonment over three decades ago.

In 2020, we assisted local communities to bring a human rights complaint against the company in relation to those impacts. As a result of which the company agreed to fund an environmental human rights impact assessment of the mine, which was published last year.

That impact assessment made very significant findings of ongoing environmental human rights and social damage being caused by the mine to some 25,000 local Indigenous people who live around and downstream of the mine.

One of our clients, Theonila Roka Matbob, who's an Indigenous landowner from the Buskan clan, a community leader and the member of Parliament for where the mine's located was hoping to join online today to ask the board some questions but has been unable to get through due to the connection issues with Bougainville and so has asked me to put the following two questions to the board.

Firstly, "The Panguna Mine Legacy Impact Assessment funded by Rio Tinto and published last year has confirmed what our people have been saying for three decades, that we are living with an ongoing human rights and environmental disaster."

"It has found serious risks to our people's lives as well as major impacts on our cultural sites, our lands and waterways, and our livelihoods being caused by the mines collapsing levees and infrastructure, the ongoing pollution of our rivers and mine related flooding being caused by the mine tailings waste in the river valley and the chemicals left behind that have never been cleaned up."

"We welcome the steps the company has taken to date, including funding the impact assessment and the recent announcements about a potential remedy framework. But we would like clarity, is Rio Tinto now committed to cleaning up Panguna, addressing all of these impacts and working with us on long-term solutions?" That's the first question.

The second question is, "I and other community leaders have worked collaboratively with Rio Tinto for the past three years to ensure that the independent impact assessment could be carried out safely and with the participation and consent of local people."

"Yet since the impact assessment was published late last year, Rio Tinto has set up a round table that we are not part of to discuss next steps and potential solutions. We are the ones living with the mines impacts and we know the solutions our people need. We must be part of the discussion about next steps."

"So, I would like to invite Rio Tinto CEO to meet with me and other community leaders as soon as possible to discuss how we can work together on solutions. Will you meet with us? That's the second question. Thank you.

Dominic Barton: I might answer the first part and then let Jakob answer the second part. And Keren, it was great to be able to meet with you yesterday along with Kellie Parker, our Australian CEO, just to learn more about what's happening and not happening in the situation there. And I just say, to the first question, we are committed to working alongside with the communities to help improve the situation that's there and figure out the overall game plan on where things are. You talked in the session yesterday a lot about how we ensure that the community involvement is there, which we've taken note of to do that, so it's not some separate group but they're actually very much involved in it. And I think secondly, what was raised is making sure that actually the results are there in terms of the short-term changes as it relates to structures that are not safe actually on the location and where that is. But we are very committed to continuing in the process that you've kindly helped lay out for this in helping make that situation better. Jakob, do you want to?

Jakob Stausholm: Yeah, thank you Keren, good to see you, and thanks for making the trip here to Perth. I just want to say, we as a company and certainly I are very keen to find solutions on something that's very complex that stems a long time back. It involves many stakeholders, local communities are a very important part of it. It involves PNG and it involves the Autonomous Government of Bougainville, and I'm spending quite a lot of time talking to my people around how can we navigate that and how can we progress this so that we find the right solutions.

There are different requests from different stakeholders, so it's complicated. And to your question of my involvement for engagement, I'm absolutely very open to that. I met the president of the Autonomous Government of Bougainville last year, I'm meeting any key stakeholders because we are just very keen to solve it, and appreciate your role in this as well, you have been committed to it for quite some years now. We do now have much more information with the study that has been done and I really hope we can progress this over the foreseeable future. Thank you.

Dominic Barton: I'm going to take some questions and then I'll go to paddle three, and I'm going to try and combine some, they're really mainly around ESG and they're both ends of the spectrum with quite some colourful language, I must say, on each of them. One from Mr. David Bryce: How much of Rio Tinto's decision-making is influenced by those ESG advocates? A question from Craig Holden and Jenny Holden: How much money would be saved if the company did not have to follow climate change regulations? And then from Mr. Ian Simpson, deleting some of the colourful language, but: There should be no questions about the climate change action plan, climate has not changed in a way. Anything we can do about? It's normal. If you live to be 200, you'd still be talking about it, so just work cleanly and everything will be fine. Then we have a question from Mr. Lawrence Prineas. The company has committed to a target of reaching net-zero emissions by 2050. Why hasn't the board made this a firm requirement rather than aspirational requirement and embedded in company policy and governance structures to ensure accountability and alignment with long-term shareholder interests?

So we have both ends of the spectrum. Our view on this, as Jakob laid out, is that we believe it's in the shareholders' interest to actually decarbonize. Jakob mentioned what we're doing in Boyne, which is the single largest renewable project in Australia, 2.2 gigawatts. We're moving from coal to solar and wind, and that's actually going to improve the cost position of those assets on the cost curve. So it's a win-win and that's how we're looking at this, we believe that this is actually, again, in the long-term interest. We, by the way, I will say that at Rio Tinto, we do believe that climate change is occurring and we're very worried about that and it's something that we believe we need to deal with, and we're seeing it impacting our assets around the world. So that's our view, but we are doing this very much with the mindset of what's in the shareholders' interests, and we believe we'll also be able to make the targets that we've set as well as we go through it. Go to paddle three.

Scott Gibson: Thank you. Thanks, Mr. Chairman. Scott Gibson. I'm here as a representative of Palliser and I'm also holding a proxy for Slam Consulting. I just have two follow-ups to the responses provided to James's earlier questions, and I'll address them to Jennifer and Ben given the earlier responses. The first one is on unification. Did the board's analysis include flow forward from ASX's index up-weighting? And which unification precedents were reviewed where the pro forma price of the unified entity traded to the weighted average as suggested by the board? And for you, Ben, to get to the board's conclusion that unification would cause a greater wastage of franking credits, what was the assumption on the pro forma ownership of Rio Tinto shares held by Australian domiciled shareholders for the unified entity? Thank you.

Dominic Barton: Jennifer.

Jennifer Nason: So on the first question about just what would be the likely trading performance post unification, I don't have all of our work in front of me right now, but we did and our advisors did a detailed analysis around likely outcomes on trading performance and precedents were considered. I don't have that in front of me right now, but that was obviously a key part of the analysis because that's how you determine value creation versus not value creation. So that was a key part of the work that we did.

Dominic Barton: Just to add to that too, investors could talk actually to the bankers that were providing that perspective, so we're happy to follow up again on that. I think we've had seven meetings with Palliser, but we're happy to show you the detail of the flows back and forth and where that is and the precedents on it. Ben?

Ben Wyatt: Yeah, look, and similarly, although I must admit I'd like to get that same information from Grant Thornton, so perhaps you could pass that back through. I'd like to see their assumptions around some of these things as well. But what it did highlight was the fact that ultimately you will be unable to pay fully franked benefits over the longer term. Now yes, there are assumptions around pricing, there are assumptions around dividend payout ratios, et cetera, and you can get to a range of different outcomes, but what is clear is if you have a large increase in non-tax resident shareholders of the limited line, you'll get a dilution if you like of the franking credits, which means that you see a sharper or more rapid decrease in the franking credit balance that the company would hold.

Dominic Barton: What I'd like to then shift, the only other comment I'd make, it's worth looking at a Goldman Sachs report that was put out there, we had nothing to do with that side of it, which actually looked at all three of these different categories. I'd recommend looking at it because it reinforced, in fact, they thought on the tax liability side we were underestimating it, and then had very good analysis again on the franking credits and the pricing. So I'd recommend taking a look at that. I'm going to move back to the questions that were submitted, and this question is from RASC Investments and Jacla Pty Ltd. Was Rio Tinto's support for the yes vote in the Australian indigenous voice referendum a waste of resources, and was it an attempt to influence politics against the majority vote of the nation and therefore outside your remit as a company?

Why did you use our company's resources to support the yes vote? And has the company changed its policy to ensure the board cannot take a view on community issues acting on the interests of the company unless it first seeks a 75% approval of shareholders? So thank you for those questions. I'll just make a couple of comments on this, first, Rio Tinto's support for recognition of indigenous Australians is not new. Rio Tinto was the first miner to endorse the Australian Native Title Act, which as you know was over 30 years ago. Today we are also one of the largest employers of indigenous Australians and we have significant operations on indigenous lands. Aboriginal and Torres Strait Islander peoples are vitally important stakeholders in our business and it makes sense for us to support the principle of their having a greater say in matters that affect them.

The referendum decision does not change our commitment to elevating indigenous voices, including those of our employees, that includes advocating for the rights and heritage of indigenous peoples on whose land we live and work. Again, it's a long-held company position and our donation reflects that. Any questions from the floor? People want to have lunch or dinner later on? I'm just going get through. I think we've got some, if you could bear with me just with some more questions. Within what timeframe will the board buy back Rio Tinto shares with surplus cash in the company? This is from Mr. Loreto Del Borrello. I'd say a couple of things on this front is that we believe with the financial strength that we have now, we can both invest for growth, and as I mentioned, continue to pay attractive dividends through the cycle I mentioned, the 40 to 60% payout.

As you know, we are currently restricted in buying back PLC shares as a result of the Chinalco shareholding, there's a limit on that side and we're working with them to do it, and I just would point out by the way that a unification would not be able to, that would not solve that issue on it. So that's where we are on that. Any more? From Mr. Emmanuel Jardim, does Rio make any political donations? And just to provide a short answer on that, Rio Tinto prohibits the use of its funds to support political candidates or parties. We set out Rio Tinto's policy on political donations on our website in our annual report. No donations were made by the group to parties or political candidates during 2024, that was the case the year before and the year before that. We obviously respect every country's political process and don't get involved in political matters, nor do we make any type of payments to political parties or political candidates. I'll just take two more and then we'll close here.

What steps, if any, is Rio Tinto taking to address the need for resilience of Western countries for more diversity in sourcing high-grade rare earth materials required for the electronics industry? And this is from Ms. Eva Huysmans. Thank you for the question on that. As Jakob's mentioned, our purpose is trying to find the materials in better ways to help in the energy transition and what we need in terms of humanity. We're operating in 35 countries. We've got a pretty focused portfolio in iron ore, copper, aluminium, but also some other minerals and materials which we think fit within that purpose. We are actually providing some of the critical minerals through the work that we do and more than we had anticipated. I'll give you an example, which is in scandium. In 2022, we began producing high-purity scandium oxide, which is a rare earth mineral, that's in our Quebec, Canada assets. In 2023, we bought a scandium deposit in Australia, which is known as the Bura Project.

And for those that are not aware of it, scandium is very important for strengthening aluminium and also allows ability to have more flexibility and resistance to heat and corrosion, so that's very important in the defence industry, and we're looking forward to that business developing. In a number of smelters, our copper smelter in Kennecott, that also through the process of the waste, we also can produce some of the rare earths and minerals. So we're looking at that and seeing opportunities, and actually, just at the board meetings we've had this week, we're looking at what are the ways we can actually have a, what is the way we should more actively be involved on that side of it of things? So it's very much front and centre.

Okay. Where's this question?

Tim Paine: Stephen Maine, online.

Dominic Barton: Okay, Stephen Maine. Yeah, let me read the question. We had a win in Australia's federal court in February last year after Rusal and its oligarch controlling shareholders sued us for locking them out of the economic benefits of their 20% stake in the Gladstone bauxite refinery in Queensland, as part of the global sanctions regime against Russia following the illegal invasion of Ukraine. Are we ring-fencing the revenues if there is a settlement and peace agreement down the track? And was this skirmish the biggest impact from the global Russian sanctions regime, or have other assets and commercial dealings been impacted more significantly in other jurisdictions? Are we in a position to buy Rusal's 20% stake in the current environment or are we unable to pay them money for anything? Please summarise where this whole situation is. And I might pass it to Isabelle who is our general counsel, to give a more comprehensive answer.

Isabelle Deschamps: Thank you. This is a case following, remember, the sanctioned regime that was elaborated by the Australian government in 2022, following the invasion of Ukraine by Russia. And this matter around the effect of these restrictions, these sanctions, was taken to court by QAL and Rio Tinto and followed its way through the process of the various steps of the courts in Australia and was actually decided in favour of QAL and Rio Tinto that there were some restrictions that applied to the processing of bauxite in the alumina supply chain. So that went all the way through the courts to the FARO court and as is mentioned in the question, has been determined by the courts fully in favour, including in relation to costs. So it's exhausted all the avenues for the court system and this is where it stands today. Obviously we can't speculate on the questions of sanctions and wars, so we will keep monitoring this element.

Dominic Barton: Jakob, do you want talk just in terms of are we affected anywhere else in our?

Jakob Stausholm: So we are basically not affected by the restrictions from the Russia-Ukraine war other than of material size, other than this Rusal's 20% stake. You are asking some really good questions and of course we are considering our options, but we just don't comment on commercial matters. So far the actions we have taken has been confirmed by the court of being the right course of action, and whatever we commercially might agree between Rusal is things we don't comment upon.

Dominic Barton: I'm going to go to the last question, and this is from Dr. Grant Thorne, who I believe has had a long and distinguished career at Rio Tinto, so welcome back to the group. Rio Tinto properly focuses the attention of its leadership on the health and wellbeing of all who work on its operating sites. This focus was a critical element in achieving transition from collective to associative behaviour very successfully more than 20 years ago. How does Rio Tinto continue to satisfy itself that its systems promote open and honest reporting of accidents and incidents in its contractor workforce? And how does Rio Tinto ensure that too much emphasis on the numbers does not drive contractors to under report? I think I'm going to refer this to Dean Dalla Valle, who's the chair of our sustainability committee.

Dean Dalla Valle: Thank you Dom and thank you, Dr. Thorne, for your question. I believe you know our organisation well and the values that we live every day, that anyone who comes to site, no matter who they represent, their safety and their wellbeing is our number one priority. This has the attention at the highest level of the organisation from all you see here today to the sustainability committee. And the way in which we create transparency is to encourage reporting of every incident and every event, and when we do report that we are agnostic as to which organisation the people come from. And in fact, I think you said we focus on numbers and I think it'd be a far more serious event should we detect under-reporting as opposed to over-reporting. A number of mechanisms are in place to ensure that we do have full transparency, all the numbers we report, all our measurements include contractors and our employees.

We do break numbers down where we need to understand the sub-performance of different groups, but they're just purely used for guidance. All our leaders are trained to lead their entire workforce regardless of who they work for. Our safety maturity model, which is our tool to assess how each of our sites are performing, includes contractors, and that looks at leadership, looks at engagement, the learning of that group, the risk management process, work planning, and how the risk is owed, so they are subjected to the same scrutiny and understanding. Our assurance work we do, internal and external, also includes all events regardless of which organisation they belong to.

So I am pretty confident that they are treated completely equally that the numbers come through, but the final stop of all this is we have obviously have hotlines and whistleblower events and certainly there's an opportunity there for any organisation which feels that things are under-reported, they can actually bypass management go directly to it. In fact, if you go to page 87 of the annual report, you'll see under health and safety, there are some reports there when I checked, very, very few are in relation to transparency. So I think there is a closeout loop of it, but I think you should be rest assured that we are agnostic where the events occur, we only care about the events and that full transparency is strongly, strongly encouraged. Dom.

Dominic Barton: Thank you very much, Dean. That's great. For those who feel like I've assembled, okay, we'll take one more after this but that'll be the last question. There are a number of questions where I tried to bundle them together. If people think I didn't do a good job, please send us and we'll send you a response to it. I just want to make sure people do feel that their questions will be answered as we go through it, but we'll finish with number four.

Paul Slyth: Mr. Chairman, it's Paul Slyth. Again, just simply, what will happen in the event that hydrogen comes to the fore rather than put in the back store? What happens then? What will Rio Tinto do if the Toyota cars are produced now giving 1300 kilometres on one tank full of hydrogen? Won't that tend to make people want to do something about it? And that's my question.

Jakob Stausholm: Yeah, thank you. There's no guarantees for how technologies are developing of course, but hydrogen has been on its way for a long, long time period and there are some encouraging results, as you're saying, but just look at what is happening right now with EVs and batteries. Just over the last months, we have had announcements from several battery producers that they can recharge a battery that can drive 500 kilometres in five minutes. It's astonishing what we see of development of batteries, and therefore all car manufacturers seems to be focusing towards the EVs rather than the hydrogen solutions, even the Japanese who for a long time has been much more committed towards the hydrogen cars. But look, we are not car manufacturers, so we basically observe that industry, but we feel very confident about the growth for lithium to come. And as I said earlier, hydrogen would probably be highly relevant in a number of manufacturing processes, it's just difficult to see it in mobile equipment as the world stands right now.

Thank you.

Dominic Barton: Thanks, Jakob. Okay, with that, I think I'm going to close the sessions. I hope you feel that we've had a good discussion. As I mentioned, if there was any question that you don't feel we answered properly or I bundled them incorrectly, please let us know and we will make sure we go through that. But the time's come for us to take a poll on the resolutions.

Many of you have already voted by proxy, and if you have, you don't need to vote again, but people in the room who are eligible to vote should now complete the voting card on the back of your admission card by filling in your name and voting intentions and then signing the voting card. Please then either hand your completed card to the registrar staff or post it in one of the ballot boxes at the exits as you leave the room. If you have any difficulty, one of our attendants will be happy to assist you. If you're attending online, you should complete your votes now through the Lumi platform. The polls will close approximately five minutes after the end of the meeting. Christopher Dedrick from Computershare Investor Services has been appointed as the returning officer for the poll. The results of the polls will be announced as soon as possible after this meeting and will be posted on the Rio Tinto website.

This brings us to the end of the meeting and on behalf of the board, I'd like to thank you all for your participation and continued support. I hope you're going to join me and my fellow directors and members of the executive team for some refreshments in the foyer. I now declare the meeting closed.

Thank you.