



Voluntary Principles on Security and Human Rights

2018 report

A message from our Chief executive, J-S Jacques



Rio Tinto has supported the Voluntary Principles on Security and Human Rights (VPSHR) since their inception. We have actively supported and promoted these principles by embedding them in our company policies and procedures on security and human rights. As a part of our commitment to respect all internationally recognised human rights, we have made the VPSHR a foundational element of the security arrangements in place across our global operational footprint. This is not always easy, especially when there are complex security arrangements with both private and public security providers but it is necessary – this is not a nice to have.

In 2018, we continued our robust participation in the Voluntary Principle Initiative (VPI) including by engaging in national-level working groups run by VPI government members in the UK, Australia and Canada. We recognise the VPI's contribution to business understanding and implementation of the VPSHR and continue our own work in supporting implementation of these principles.

Governments can play a unique role in supporting business to respect human rights both at home and abroad. As a dually listed Australian and British company we welcome Australia's decision to chair the VPI in 2020 and look forward to seeing industry, government and civil society collaborate to identify opportunities to progress implementation of the VPSHR in the Asia-Pacific region and beyond.

In this document you will find our 2018 annual report to the VPI, setting out our VPSHR implementation in practice. As part of our commitment to providing stakeholders, including civil society, investors and business partners, with a better understanding of our human rights performance, we have decided to publish our annual VPI report every year. The report in this document is unchanged from our VPI report for greater transparency.

Our business must be safe, responsible and profitable – and to this end, the safety and security of our employees, contractors and host communities is paramount. The VPSHR is a key tool in helping us to achieve this result but we know it must be accompanied by proactively pursuing a strategy that concretely integrates the VPSHR into the management framework of our business. As the CEO of Rio Tinto, I am very proud that in 2018, we continued to actively fulfil our commitment to the VPSHR.



J-S Jacques
Chief executive

2018 Voluntary Principles on Security and Human Rights report

1. Commitment and endorsement

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

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

Our commitment to the VPSHR is set out in Rio Tinto's Group-wide [Human rights policy](#) and [The way we work](#), our global code of business conduct. Our security and human rights work is guided by our broader human rights approach, which is set out in our [Human rights policy](#). This includes that we respect and support human rights consistent with the Universal Declaration of Human Rights. Our policies on Employment; Health, Safety, and Environment; Communities; and Inclusion and Diversity also contain human rights commitments. Our policies and statements relating to human rights, together with a list of the international standards we follow, are available on the [human rights](#) page on our website.

In 2018, we also published our second annual slavery and human trafficking statement in line with the UK Modern Slavery Act 2015. Each year we share this on [riotinto.com](#), outlining what we are doing to make sure slavery and human trafficking are not happening in any of our operations or supply chains. This includes an explanation of work with security providers to help them to identify human trafficking. We also submitted the statement to the [Modern Slavery Registry](#). Our statement relating to the 2018 financial year will be available in mid-March 2019.

In addition to the VPSHR, we have made voluntary commitments to the OECD Guidelines for Multinational Enterprises and the UN Global Compact. Our human rights approach is consistent with the United Nations Guiding Principles on Business and Human Rights (UNGPs).

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

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

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

In 2018, Rio Tinto Group Security and Business Resilience (Group Security) employed one person dedicated to supporting sites with VPSHR implementation, supporting conflict prevention, and continuing to strengthen Rio Tinto's security and human rights governance framework. Group Security also works closely with our human rights specialist within our External Affairs and Communities team in Corporate Relations implementing Rio Tinto's broader human rights approach.

2. Transparency

We report annually on our human rights performance (inclusive of security and human rights implementation) through our online [Annual report](#), [Sustainable development report](#) and [Slavery and human trafficking statement](#). In 2018, Rio Tinto's VPSHR report was made available to Voluntary Principles Initiative (VPI) members and was published online at riotinto.com.

Our human rights approach was also recognised by the 2018 [Corporate Human Rights Benchmark](#), ranking Rio Tinto second out of 101 companies and as the top extractives company. In 2018 we also released statements on the [role of civil society organizations](#) and [contract and tax transparency](#).

We have committed to making our VPSHR report publicly available moving forward. We recognise that it is important for communities, business partners, investors and governments to better understand our approach to respecting human rights through our security arrangements.

3. Engagement in the VPI and VPSHR

In 2018, Rio Tinto participated in the following VPSHR activities, meetings, and working groups:

- Delivered a VPs Implementation Verification Presentation to the VPs Secretariat and VPI members on Rio Tinto Security firearm decisions reviews (January 2018)
- Attended the Annual VPI Plenary Meeting in Washington, United States of America (USA) (March 2018)
- Attended the VPSHR Plenary Security Managers Meeting, USA, and presented on Response to demonstrations targeting business operations (March 2018)
- Presented [Coginta](#), a civil society organization focused on police reforms and community safety, with an overview of Rio Tinto security and human rights practices as part of cross-pillar engagement between VPI members (August 2018)
- Participated in online Corporate Pillar Meetings (throughout 2018)
- Participated in the Canada Working Group on the VPs (throughout 2018)
- Participated in the Australia Working Group on the VPs (throughout 2018)
- Participated in the United Kingdom Working Group on the VPs
- Formed part of the VPI Cross Pillar Training Working Group and contributed to the development of a VPSHR training package for private security personnel and public security forces globally (throughout 2018)

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

2018 efforts to promote VPSHR awareness throughout Rio Tinto included:

- Ongoing site visits and engagement with high-risk sites on security and human rights issues by our Group Security team
- Supporting priority sites with security risks analysis and management (inclusive of security and human rights risks)
- Delivering and maintaining VPSHR training for business leaders, persons responsible for security, private security personnel, and public security forces (see Section 13 for details)
- Providing guidance to sites and business resilience teams (BRTs) on conflict prevention and mitigating security and human rights risks (eg South Africa, Guinea, Peru, Jamaica, Indonesia)
- Supporting sites with due diligence checks, contracting, and training of private security providers
- Training our internal auditors to assess site compliance on *Rio Tinto Security standard* implementation (inclusive of security and human rights requirements)

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

2018 efforts to globally promote and advance VPSHR implementation included:

- Participating in International Council on Mining and Metals Security and Human Rights Network meetings (throughout 2018)
- Contributing to the development of a Social Sciences and Humanities Research Council (SSHRC) Canada Partnership Grant proposal, titled From International Best Practices to Conflict Prevention: Improving Security and Protecting Human Rights in Natural Resource Sectors. The project is led by Queens University, Canada: Centre for International and Defence Policy, and aims to bring Canadian and international partners together to explore the intersections of corporate social responsibility (CSR), global security governance, and conflict prevention within the natural resource sector (October 2018)

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

6. Relevant policies, procedures, and/or guidelines

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

- The *Rio Tinto Security standard*: Outlining the Group-wide requirements to protect our people, assets, information (non-digital), and reputation in line with the VPSHR and respecting the rights of those affected by our security arrangements.
- The *Rio Tinto Security and safety weapons and firearms Group procedure*: Specifying the site requirements for authorisation, management, strict control, and mitigation of the risks of the presence and use of weapons and firearms for security and/or safety purposes.
- The *Rio Tinto Security and human rights guidance notes*: Providing guidance on effective and risk-based implementation of the security and human rights principles (VPSHR and use of force, weapons and firearms) wherever Rio Tinto operates. Specifically, our *Security and human rights guidance notes* oblige our sites to implement the performance objectives and key performance indicators relevant to their security arrangements.

- Our [Communities and social performance \(CSP\) approach](#): requires all sites to ensure that site Security and CSP functions collaborate to implement the VPSHR as they relate to local communities, relevant to local and operational context. Guidance notes and processes on social risk analysis and environmental and social impact assessment also make it clear that security and human rights risks should be included as part of community and social performance practices.
- The *Know your supplier procedure*: A standardised integrity due diligence process to identify the potential legal, ethical or reputational risks of engaging or renewing a supplier, including around security and human rights, with particular requirements around due diligence on private security providers.
- The Rio Tinto *Security and human rights toolkit* comprising tools, templates and checklists including tools on compiling VPSHR training plans, templates on security and human rights clauses for agreements with security providers and checklists on private and public security weapon and firearm controls.
- Rio Tinto *Security and human rights training* (see Section 13 for details).

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

Group Security uses a combination of engagement tools to drive employee implementation of the VPSHR. These include site visits, coaching, internal audits, and use of a VPSHR train-the-trainer approach.

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

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

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

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

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

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

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

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

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

9. Engagements with security forces

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

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

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

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

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

Please refer to section 12.

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

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

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

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

10. Overview of country operations selected for reporting

In 2018, Rio Tinto VPSHR training was delivered to our business operations and/or security providers in Peru, South Africa, Guinea, and Indonesia:

- Peru, Rio Tinto Exploration (RTX) Office: In March 2018, Group Security trained senior leaders and the business resilience team on Rio Tinto security and human rights guidelines and VPSHR implementation. A table top exercise was used exercise and test team response to risk scenarios with potential security and human rights impact. A VPSHR briefing and training pack were also developed to support future stakeholder engagement and training initiatives with local security providers.
- South Africa, Richards Bay Minerals (RBM) operations: In May 2018, Group Security delivered a three-day VPSHR course to 33 participants – including RBM's security team and private security providers (Alpha, Inqapheli, Isoleswe, and Bidvest).

Twelve participants continued with training in Rio Tinto's two-day VPSHR Train-the-Trainers course to help build the capacity of RBM and security partners to deliver sustainable and cost effective VPSHR training in future.

- Guinea, Simandou - Canga Camp: A three-day French VPSHR course was delivered in October 2018 to 22 participants – including the Simandou security manager, private security providers (G4S and Laguipress), and public security forces (police, gendarmes, and military). The training increased participants' knowledge, skills, and ability to perform their security tasks in a way that respects human rights, and supports implementing the VPSHR.

Fifteen participants continued training in Rio Tinto's two-day VPSHR Train-the-Trainers course to provide them with the necessary skills, knowledge, and materials to facilitate future VPSHR courses to local security personnel (private and public).

- Indonesia, Rio Tinto Kelian mining operation (closure site): In November 2018, Group Security and Kelian jointly delivered a two-day VPSHR course to 26 participants – including site management, park rangers (responsible for security), and local Indonesian police.

Six participants continued training in Rio Tinto's two-day VPSHR Train-the-Trainers course to ensure sustainable future VPSHR training delivery in Bahasa (local language).



*Image 1: Training and exercise of business resilience team in response to risk scenarios with potential security and human rights impact
2 March 2018, RTX, Lima, Peru*



*Image 2: Training and exercise debrief
2 March 2018, RTX, Lima, Peru*



Image 3: Rio Tinto VPSHR course participants – 3 to 5 October 2018, Simandou, Canga, Guinea



Image 4: Rio Tinto VPSHR Train-the-Trainer course – 7 to 8 October 2018, Simandou, Canga, Guineau.



Image 5: Rio Tinto VPSHR course 19 to 20 November 2018, Kelian, Indonesia



Image 6: Rio Tinto VPSHR Train-the-Trainer course 20 to 21 November 2018, Kelian, Indonesia

11. Engagements with stakeholders on country implementation

Please refer to sections 4, 5, and 10.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

We communicate our human rights policy internally and externally. Our introductory Group-wide human rights online training includes a section on security and human rights including our VPSHR commitments and there is also a separate, more detailed, security and human rights module. Rio Tinto also has a range of security and human rights training products for different target audiences:

- In-person course on the VPSHR (three days) for security personnel delivered by Group Security (available in English, French, Bahasa, and Mongolian) – strongly recommended for high- and critical-risk locations and compulsory for armed guards.
- Multimedia training package on the VPSHR (one hour) for security personnel (available in English and French) – mandatory for all security guards at critical- and high-risk sites, and strongly recommended for all others. Also available to public security forces.

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

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

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

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

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

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

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

15. Lessons and opportunities for advancement

Lessons:

Since February 2018, our Group-wide HSEC Business Conformance Audits (BCAs) includes assessing site compliance on implementing Rio Tinto's Security standard (inclusive of security and human rights requirements) at selected sites. Any security and human rights non-conformances or gaps identified during the audit are now automatically addressed as part of the resulting audit improvement actions.

Plans or opportunities to advance the Voluntary Principles:

2019 Group Security efforts to strengthen further Rio Tinto's security and human rights governance framework and implementation of the Voluntary Principles include:

- Streamlining our security and human rights governance, tools, and training.
- Conducting mandatory firearm decision reviews and control checks at our business operations in South Africa, Namibia, Mongolia, and Jamaica.