

Where to from here?

Our 2011 production forecast is 20 million dry production tonnes, which will be a record for this site.

Increased production and shipping will require a focus on:

- health and safety performance;
- improved environmental performance;
- improvement to the availability of our assets;
- improvement to the stability of our processes; and
- the relationships we have with our key stakeholders: employees, Traditional Owners of the land we mine, the members of the communities surrounding our operation, customers, suppliers, and government bodies.

Key activities for 2011 include adjusting to changes under our new environmental authority, engaging key stakeholders to update our Indigenous employment and development strategy, and better community engagement through our quarterly community forums.

As always, a key area for everyone is their safety and the safety of those around them. It is our goal to achieve zero harm.



Do you want to ask us a question or give us feedback?

Email us at RTAWeipafeedback@riotinto.com or call our freecall community hotline 1800 707 633.



Weipa
2010
Sustainable
Development
report

South of Embley project update

Rio Tinto Alcan is conducting a feasibility study to extend its Weipa bauxite mine in an area south of the Embley River. The South of Embley (SoE) project would extend the Weipa mine life by approximately 40 years.

The SoE project will progressively replace depleted bauxite reserves at the East Weipa and Andoom mining areas, maintain continuity of supply to Rio Tinto Alcan's two Gladstone alumina refineries and continue to generate employment and other economic benefits on the Western Cape.

Over the last two years, Rio Tinto Alcan has conducted a series of social and environment studies in consultation with key stakeholders. This information was used to prepare an environmental impact statement, which will be available for public review and comment in 2011.



Our people, our operations, our community

From the general manager

Welcome to Rio Tinto Alcan Weipa's 2010 Sustainable Development report, covering our performance in the key areas of people, planet and prosperity.

2010 was a positive year for our site and I would like to acknowledge the contribution of our workforce in achieving this.

We successfully launched a number of improvement projects, dealt with increased production levels, and reviewed our organisation's structure to prepare for growth. Our aim is to keep up this momentum into 2011.

There are some areas of our operation where we didn't meet our targets in 2010. Disappointingly, this was in the areas of safety performance and environmental incidents. We have developed a plan to allow us to improve results in these areas in 2011.

I hope this report provides you with relevant information so you can review our performance. This year, we have included a feedback form in this report. Please take the time to fill this out as it helps us report on the issues that matter to you.



Jo-Anne Scarini
General manager



Rio Tinto's long term strategy and vision

Our vision is to become the sector leading global mining and metals company. We will achieve this vision through a strategy of investing in and operating large, long term, cost competitive mines and businesses, driven not by choice of commodity but by the quality of each opportunity.

What is sustainable development?

The most commonly accepted definition of sustainable development is contained in a 1987 report from the World Commission on Environment and Development called 'Our Common Future', also referred to as the Brundtland definition: "Meeting the needs of the present without compromising the ability of future generations to meet their own needs".



Rio Tinto's sustainable development policy

Rio Tinto businesses, projects, operations and products should contribute constructively to the global transition to sustainable development.

We contribute to sustainable development by helping to satisfy global and community needs and aspirations, whether economic, social or environmental. This means making sustainable development considerations an integral part of our business plans and decision making processes.

By focussing on people, the environment, resource stewardship and management systems, we can better manage risk, create business options, reduce costs, attract the best employees, gain access to new markets and resources, deliver a better product to our customers, and make a positive contribution to the communities that we operate in.

Community feedback shapes future forums

In 2010, we started our community forums for Weipa residents. The intent of the forums is to provide an opportunity for residents to find out more about our operations, and for our senior leaders to hear directly from residents.

We are committed to shaping the way these forums work based on feedback we receive from local residents.

The current design is that we will hold quarterly forums in a central location with some prepared content and an open forum where topics and issues of interest can be explored.



People

Area	2009	2010	2010 target	Target met	2011 target	Notes
All injury frequency rate (AIFR)	0.60	0.79	0.54	✗	0.60	See text box
Employees	826	871	861	✓	914	In 2010, we exceeded our target due to increase production requirements
Gender – female	24%	25%	25%	✓	25%	
Total Indigenous employees	22%	23%	23%	✓	25%	
Local Indigenous employees	106 (13%)	134 (15%)	129 (15%)	✓	155 (17%)	Our Indigenous employment target includes Aboriginal people from the land on which we mine

What is an All injury (AI)?

Als include Lost time injuries (LTIs) and also any injury that requires medical treatment.

What is an All injury frequency rate (AIFR)?

We use the AIFR to better represent trends against the average number of employees and compare performance between sites of different sizes.

- ✗ In 2010, we did not meet our target AIFR with eight injuries at our site. We ended the year with an AIFR of 0.79. We experienced a challenging period during August and September, which caused us to develop a plan to improve our performance.
- ✓ All of our employees completed a health assessment, including hearing, lung capacity, and (for relevant employees) hand arm vibration tests. We exceeded our target of 30 per cent, for employee wellness assessments. The assessments include health checks covering fitness level, body mass index, blood pressure, and blood glucose reading.
- ✓ A project to improve the recruitment and training cycle of mine operators has reduced the timeframe to less than 20 days. This has provided a strong platform for further production increases in 2011.
- ✓ In 2010, the number of Indigenous employees improved significantly with the highest participation rates at 23 per cent. The number of transitions from traineeships and apprenticeships to permanent employment was also the highest recorded. The integrated approach across the Human Resources and Training department has allowed improvement to the way we attract, train and retain Indigenous people.
- ✓ Results from our latest employee survey highlighted that employees are more engaged with Weipa as a place to work and are also more engaged with their jobs compared to a previous survey in 2008. Areas for improvement include recognition of good work performance, helping people towards career opportunities, and more broadly, our rewards and benefits for employees. An action plan has been developed for implementation during 2011.
- ✓ Rio Tinto Alcan Weipa employs 35 apprentices, 16 of which are local Indigenous people. There are 34 Indigenous trainees and eight school based trainees.
- ✗ Site absenteeism trended above plan throughout 2010 placing pressure on resourcing in operational teams.
- ✓ Rio Tinto Alcan Weipa introduced improvements to its parental leave policy. Among the changes, employees will continue to receive the four and a half months pay under the Rio Tinto Alcan policy. Employees can also access, subject to government criteria, the government's parental leave scheme, which is an additional 18 weeks.
- ✗ There was one significant community complaint during 2010. This related to the excessive dust generation during high, sustained winds from the East Weipa tailings facility, impacting residents in the local Nanum area. Prompt application of dust suppressant quickly controlled elevated dust levels.



Planet

Area	2009	2010	2010 target	Target met	2011 target
Greenhouse gas emission intensity (tonnes of carbon dioxide equivalent per tonne of bauxite produced)	0.0094	0.0112	0.012	✓	0.014
Energy intensity (gigajoules per tonne of bauxite produced)	0.11	0.10	0.12	✓	0.108
Freshwater withdrawn (tonnes per tonne of bauxite produced)	1.14	1.02	1.1	✓	1.01
Total water recycled (percentage)	31	19	24	✗	20
Total new land disturbed (hectares)	445	768	780	✓	1103
Total land rehabilitated (hectares)	858	465	780	✗	1103
Environmental incidents – medium consequences and above	6	6	5	✗	5

What is an environmental incident of medium consequence?

It is an incident that has a risk classification of moderate or higher. The risk classification is determined by calculating the consequential impact of the event with the likelihood of recurrence.

- ✗ In 2010, we exceeded our target for category two and above environmental incidents, recording six in total. These included three incidents relating to sewage effluent quality, one hour exceedances of dust limits at the tailings facility, waste oil tank overflow that was controlled in a bund, and a wildfire at the Evans Landing landfill.
- ✓ In 2010, construction started at the Evans Landing landfill as part of the \$2 million upgrade to the facility. The upgraded facility will include a new waste separation building and feature a number of skips for the different types of waste. In addition, a two-metre high perimeter bund and sediment ponds will be constructed to help control surface water runoff during the wet season.
- ✗ The total site water recycling measure was impacted by the water recycling inefficiencies from one of its two tailings facilities. The site is investigating options to improve water recycling at that facility.
- ✗ The target of 780 hectares of new rehabilitation was not achieved due to machine availability, resourcing issues from increased production demands, and the early onset of the wet season.
- ✓ In 2010, the community seed collection programme was awarded to a local Indigenous company. This has resulted in improved community engagement and a good volume of seed and a diverse array of species being delivered.
- ✓ Our annual rehabilitation flora monitoring programme was completed and the information gained is helping us understand the quality of our rehabilitation and to develop performance criteria.
- ✓ In 2010, we conducted baseline data studies and ecological monitoring in areas adjacent to current and future mining including flora, fauna and aquatic ecology surveys. Baseline information is used to inform land management decisions in relation to planned disturbance, including mining near environmentally sensitive areas. This information will enable monitoring for potential mining and other impacts on the environment and provide a basis for appropriate management of biodiversity attributes and overall ecosystems.

Rio Tinto Alcan Weipa birdwatch growing each year

The Rio Tinto Alcan Weipa birdwatch event is now in its third year, with greater participation from the community and more species being identified.

The Rio Tinto Alcan Weipa birdwatch allows everyone from bird enthusiasts to those who simply appreciate nature to come together and enjoy our vibrant wildlife.

All identified species are recorded on the day and information is then sent to BirdLife International where it is recorded and compiled into a yearly report from all other birdwatch events held around the world. In 2010, numerous bird species were identified including the Black-neck Stork, Black-winged Stilt, Forest Kingfisher, Red-winged Parrot, and Chestnut-breasted Manikin.



Our long term strategy for dust mitigation

In 2010, development of a Rio Tinto Alcan Weipa Dust Management plan commenced.

The plan describes the dust management initiatives that Rio Tinto Alcan Weipa will implement to manage and reduce the potential impacts from its operation.

It pulls together new and existing initiatives, such as aerial seeding at the East Weipa tailings facility, and into a strategy that aims to continuously reduce levels of fugitive dust generated by the operation.

Finalisation of the Dust Management plan is expected in 2011.

Prosperity

Area	2009	2010	Notes
Production (million dry product tonnes shipped)	16.8	18.6	This figure is tonnes shipped
Employee contributions	\$96 million	\$101 million	Includes salaries, wages, benefits and superannuation contribution. Does not include training and recruitment costs
Taxes and royalties	\$50 million	\$50 million	Includes payroll tax, fringe benefit tax, royalties paid to the Queensland Government and payments for Indigenous agreements. Excludes income tax

- ✓ In 2010, a total of 18.6 million dry product tonnes of ore was shipped. This is a positive sign that demand is steadily recovering following the economic downturn.
- ✓ Rio Tinto Alcan submitted an application to the Weipa Town Authority to proceed with the development of Golf Links Estate Stage 2. Housing is expected to be built during 2012, depending on the application process.
- ✓ Rio Tinto Alcan Weipa completed the transfer of management and ownership of the Cape Kids facility from the Crèche and Kindergarten Association. The federal government granted \$2.3 million funding to support refurbishment and expansion of the facility in 2011.
- ✓ A tracking and monitoring system has been established to assess the site level of compliance against the Western Cape Communities Coexistence Agreement and the Ely Bauxite Mining Project Agreement obligations. The system will also track follow up on actions and commitments for all Coordinating Committee and Sub-Committee meetings. This is currently reported on a monthly basis and no major non-conformances were reported during 2010.
- ✓ We commenced 2010 achieving 200 days recordable injury free. In recognition of this milestone, we donated \$22,000 and contributed in-kind support to not-for-profit sporting groups in Weipa.



- ✓ The average tyre life of 5,773 hours achieved during 2010 continues at levels well above the original plan of 5,500 hours.

Grant awarded to better understand archaeological sites

In partnership with Macquarie University, University of Auckland, Australian National University, Waikato University, and the University of York, Rio Tinto Alcan Weipa was awarded an Australian Research Council Linkage Grant in October 2010 to further develop cultural heritage management practices on Western Cape York.

The aim of the three year study is to develop a new approach for cultural management with a focus on Traditional Owner collaboration.

One such area is to understand the ages of different archaeological sites such as shell mounds and investigate what these can tell us about how the Traditional Owners' ancestors interacted with the physical environment. These findings are made with the assistance of new technologies such as 3D scanners. The scanners relay information to a computer and a digital image is created. The pilot study has already shown that Traditional Owners were very impressed with how this new technology offer a better understanding of their cultural heritage.

Traditional Owners will also contribute in the analysis, through the identification and sorting of the different shells we find in the mounds.

The project will receive a \$420,000 grant over three years, with an additional \$210,000 in funds and in-kind resources from Rio Tinto Alcan. The project will commence in early 2011. Rio Tinto Alcan would like to acknowledge the support of the Traditional Owners, particularly Wathayn Traditional Owners Beatrice Gordon, Monica Gordon, Barry Pienkinna, Graham Peinkinna, Daphne Gordon, Caroline Gordon, Lorraine Coconut, Roderick Coconut, Floyd Gordon, William Gordon, Lexie Gordon, and Leslie Coconut, and the Western Cape Communities Trust in undertaking this work.



Feedback

Please take a moment to complete this pre-paid mailback form.

Your comments will help improve our future reports.

1. The report (please tick only one box):

1 = Poor

5 = Excellent

	1	2	3	4	5
gave me the information I wanted	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
was clear and understandable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
had an appropriate level of technical detail	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
was well laid out and readable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
was transparent and credible	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. What sections did you find the most interesting and why? _____

3. What sections did you find the least interesting and why? _____

4. What would you like to see included in future editions of the report? _____

5. Other comments? _____

Please tick the box that best describes you or your interest in this report.

- Rio Tinto Alcan Weipa employee
- Other Rio Tinto employee
- Local community member
- Local business
- Large business/corporation
- Media
- Local government
- State or federal government
- Shareholder
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- Other, please specify: _____

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