

Addendum to 2019 Notice of annual general meeting

Resolutions requisitioned by shareholders

This addendum forms part of the Rio Tinto Limited 2019 Notice of annual general meeting.

Letter from the chairman

Dear shareholders,

This is an addendum to the Rio Tinto Limited 2019 Notice of annual general meeting dated 27 February 2019.

The law in Australia allows shareholders to give notice to a company requiring resolutions to be voted on at a general meeting. Rio Tinto Limited has been served with a notice from shareholders representing approximately 0.02% of the shares on issue in Rio Tinto Limited proposing two resolutions for the 2019 annual general meeting.

These resolutions seek:

- an amendment to the constitution of Rio Tinto Limited to allow non-binding advisory resolutions; and
- that from 2020 the company annually report on its transition plans consistent with the goal of the Paris Agreement to limit global warming to 1.5°C. These plans are required to include short-, medium- and long-term targets to reduce Scope 1, 2 and 3 greenhouse gas emissions, as well as detailed strategies to meet those targets. This reporting should also outline how capital expenditure decisions will align to that goal, and how executive remuneration will incentivise adherence to those transition plans.

As in previous years, your board opposes the first requisitioned resolution (Resolution 18) because it is likely to create uncertainty and gives rise to a number of practical difficulties, including in relation to the authority and accountability of the directors.

With respect to the second requisitioned resolution (Resolution 19), as previously announced, Rio Tinto is currently undertaking detailed engineering, economic and policy analysis on an asset-by-asset basis to inform new Scope 1 and 2 emissions reduction targets to replace our existing targets, which expire in 2020. We will release these new targets, and strategies outlining how we plan to meet them, in 2020.

Rio Tinto is committed to being part of the solution to address the challenge of climate change and is aiming for a substantial decarbonisation of its business by 2050 as part of the transition to a low carbon future. Our new targets from 2020 will reflect this ambition.

Your board can not however support the second requisitioned resolution for two reasons.

Firstly, the resolution calls for Rio Tinto to set targets for Scope 3 emissions. Scope 3 emissions are primarily the emissions of our customers, mainly steel makers in China, over which we have very limited control. Options exist for the reduction of these emissions, but the speed, economic viability and ultimate deployment of these technologies lie within the control of our customers, not Rio Tinto. We will provide scenarios for the speed and effectiveness of these abatement measures, but we cannot provide specific targets.

Secondly, the analysis that currently underpins our work to set the new targets is predicated upon a less than 2°C scenario, reflecting the International Energy Agency's (IEA) Sustainable Development scenario (but not the more recent 1.5°C scenario outlined by the Intergovernmental Panel on Climate Change in their 2018 Special Report). We will continue to evolve our scenarios and analysis over time, in line with the IEA's ongoing work.

The requisitioned resolutions and explanatory notes, together with statements provided by the requisitioning members for circulation to shareholders, are set out in this addendum. The accompanying proxy form for the annual general meeting includes the two additional resolutions.

There is no change to the date, time or place of the Rio Tinto Limited annual general meeting. It will be held at **9.30am on Thursday, 9 May 2019 at the Grand Ballroom, The Westin Perth, 480 Hay Street, Perth, Western Australia.**

If you are unable to attend the meeting to vote in person, please complete and submit your proxy form in line with the instructions on page 5 of the original notice of meeting.

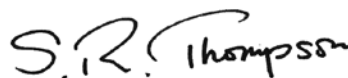
As set out in the original notice of meeting, your directors are unanimously of the opinion that resolutions 1 to 17 set out in that notice are in the best interests of shareholders and of Rio Tinto as a whole, and accordingly **recommend that you vote FOR of resolutions 1 to 17.**

Resolutions 18 and 19 set out in this addendum are **not endorsed by your directors**. Your directors consider that resolutions 18 and 19 are not in the best interests of shareholders or of Rio Tinto as a whole, and **recommend that you vote AGAINST resolutions 18 and 19.**

Further explanation for the reasons for your directors' recommendation to vote against resolutions 18 and 19 are set out in the Explanatory notes to the resolutions on pages 2 and 3 of this addendum.

Resolutions 18 and 19 will be put to shareholders of Rio Tinto Limited only. No equivalent resolutions have been requisitioned by shareholders in Rio Tinto plc.

Yours sincerely



Simon Thompson
Chairman

15 March 2019

Additional resolutions

The resolutions in this addendum have been requisitioned under section 249N of the Australian Corporations Act 2001 by shareholders of Rio Tinto Limited. The requisition has been submitted by Market Forces as agent for 109 shareholders representing approximately 0.02% of the shares on issue in Rio Tinto Limited.

The numbering of these resolutions is a continuation of the numbering used in the Rio Tinto Limited 2019 Notice of annual general meeting dated 27 February 2019.

Resolution 18 will be proposed as a special resolution. Resolution 19 will be proposed as an ordinary resolution. However, resolution 19 will be a valid resolution only if resolution 18 is approved by the required majority – that is, the validity of resolution 19 is conditional on resolution 18 being passed.

The board recommends that you vote AGAINST resolutions 18 and 19.

Resolution 18

Requisitioned resolution to amend our company's constitution (special resolution)

To amend the constitution to insert beneath Clause 57 'Annual general meetings' the following new sub-clause: "The company in general meeting may by ordinary resolution express an opinion or request information about the way in which a power of the company partially or exclusively vested in the directors has been or should be exercised. However such a resolution must relate to a material risk as identified by the company and cannot either advocate action that would violate any law or relate to any personal claim or grievance. Such a resolution is advisory only and does not bind the directors or the company."

The board recommends that shareholders **vote AGAINST resolution 18** for the reasons set out in the explanatory notes.

The chairman of the meeting intends to vote undirected proxies **AGAINST** resolution 18.

Resolution 19

Requisitioned resolution on transition planning disclosure

Shareholders request that the company, in annual reporting from 2020, set out transition plans consistent with the goal of the Paris Agreement to limit global warming to 1.5°C. Plans should include short-, medium- and long-term targets to reduce scope 1, 2 and 3 greenhouse gas emissions, and detailed strategies to meet these targets.

This information should describe how capital expenditure decisions will align to the goals of the Paris Agreement, and how executive remuneration will incentivise adherence to the transition plans.

The board recommends that shareholders **vote AGAINST resolution 19** for the reasons set out in the explanatory notes.

The chairman of the meeting intends to vote undirected proxies **AGAINST** resolution 19.

By order of the board



Tim Paine
Joint company secretary



Steve Allen
Joint company secretary

Rio Tinto Limited
ABN 96 004 458 404
Registered office:
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Melbourne, Victoria 3000

15 March 2019

Explanatory notes to the resolutions

Resolution 18 – Requisitioned resolution to amend our company's constitution

Resolution 18 is a special resolution proposing an amendment to the constitution of Rio Tinto Limited. (There is no proposal to amend the articles of association of Rio Tinto plc.)

Statement by the board

The board considers that the proposed constitutional amendment to allow non-binding advisory resolutions is likely to create uncertainty and gives rise to a number of practical difficulties, including in relation to the authority and accountability of the directors.

This resolution proposes to amend the constitution of Rio Tinto Limited to enable shareholders, by ordinary resolution, to express an opinion or request information about the way in which a power vested partially or exclusively in the directors has been or should be exercised. The proposed amendment expressly provides that any shareholder resolution made pursuant to the proposed constitutional amendment would be advisory only and would not bind the directors or Rio Tinto.

Under the constitution of Rio Tinto Limited, the board is vested with the power to manage and control the business and affairs of Rio Tinto. In fulfilling their duties, the directors are required to take into account a wide range of considerations. It is important that the directors be able to exercise this power as they see fit and be clearly accountable to the shareholders as a whole for doing so.

Whilst Rio Tinto fully supports the principle of engagement with shareholders to ensure that their views are taken into account, the position under Australian law in relation to the status of non-binding advisory resolutions is unclear. The board believes that any introduction of a framework to permit non-binding advisory resolutions should be by legislative change in order to provide clarity of the consequences and implications of such resolutions for companies and their directors. Any proposal for legislative change would be subject to full public consultation and debate and would take into account the views of all stakeholders. This approach would ensure that a framework is established for non-binding advisory resolutions that applies consistently to all companies and their directors. In the absence of such legislative change, the proposed constitutional amendment is likely to result in confusion for shareholders and wider stakeholders.

The proposed constitutional amendment allowing shareholders to "express an opinion" about how your directors should exercise their powers would undermine both the authority and accountability of the board and, consequently, is not conducive towards effective administration and governance.

In addition, shareholders already have means to voice their views and opinions, including the right to ask questions or make comments at an annual general meeting. There is also regular and extensive engagement between Rio Tinto (at chairman, non-executive director and management level) and its institutional shareholders around the world.

Ultimately, shareholders contribute to the course and direction of Rio Tinto by voting on the composition of the board.

Recommendation

For the reasons set out above, the board has formed the view that the resolution is not in the interests of shareholders or of Rio Tinto as a whole and therefore recommends that shareholders vote **AGAINST** resolution 18.

The chairman of the meeting intends to vote undirected proxies **AGAINST** resolution 18.

Resolution 19 – Requisitioned resolution on transition planning disclosure

Resolution 19 is an advisory resolution. The validity of resolution 19 is conditional on resolution 18 being passed by the required majority.

Statement by the board

Rio Tinto is committed to being part of the solution to address the challenge of climate change and is aiming for a substantial decarbonisation of its business by 2050 as part of the transition to a low carbon economy. Against this objective, the company is currently undertaking detailed engineering, economic and policy analysis on an

asset-by-asset basis to inform the development of new Scope 1 and 2 emissions reduction targets before our existing targets expire in 2020. We are committed to releasing these new targets, and strategies outlining how we plan to meet them, in 2020.

To agree to this resolution in the form it is proposed without having completed the required analysis would be premature. Moreover, Rio Tinto cannot commit to provide Scope 3 emissions reduction targets (as required by the resolution) as these are targets, ultimately, for our customers. We have very limited control over the emissions themselves or future measures to abate them. However, we will provide scenarios for how Scope 3 emissions might be reduced over time.

As such, the Board is recommending that shareholders vote AGAINST resolution 19.

Rio Tinto has had a public policy position on climate change since 2005. The assessment of climate change risks and opportunities has formed part of our strategic thinking for more than two decades and in 2015 we demonstrated our commitment to managing climate change by signing the Paris Climate Pledge, which supports the goal to limit global temperature rise below 2°C.

Earlier this year, we produced our first climate change report, informed by the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD)¹. In this report, we disclose our strategic approach to tackling the issue and we present a scenario analysis of the Group's resilience to climate change. We are currently analysing and testing the resilience of our portfolio and individual assets against a 2°C scenario, using the International Energy Agency's (IEA) Sustainable Development scenario. We recognise that this represents a gap to the 1.5°C scenario outlined by the Intergovernmental Panel on Climate Change in their 2018 Special Report, and we will continue to evolve our scenarios and analysis over time, in line with the IEA's ongoing work.

We have committed to take action on climate change in four key ways:

- Supply essential metals and minerals for the transition to a low-carbon economy
- Reduce our own carbon footprint
- Identify and assess physical risk exposures
- Partner and advocate for policies that advance climate goals

Significant progress has already been made on a number of fronts. Over 70% of our power consumption already comes from renewable sources. In 2018, we became the first major diversified mining company that does not mine coal nor produce oil or gas. We also announced a pioneering partnership with Alcoa, Apple and the Canadian and Quebec governments in the Elysis joint venture to develop a process to produce carbon free aluminium.

Rio Tinto is on track to meet its current targets to reduce Scope 1 and 2 greenhouse gas emissions intensity by 24% between 2008 and 2020. Since 2008, we have reduced our absolute emissions by 43%. We continue to aim for a substantial decarbonisation of our business by 2050 and this ambition will guide the new Scope 1 and 2 targets that we will set in 2020.

At our annual general meeting in 2016, Rio Tinto supported a resolution on climate change known as the "Aiming for A" resolution. This resolution included a request to increase our reporting on several climate related topics, including ongoing operational emissions management and low-carbon energy research and development and investment strategies.

In line with this, over several years, the company has been undertaking detailed analysis of a range of carbon abatement options specific to each asset. This includes consideration of current and future technology options, including for example energy efficiency, recycling, electrification, a switch to renewable energy usage and the deployment of other technology projects, such as Elysis. The assessment has also taken into consideration the policy context of each of the jurisdictions in which we operate, as well as the Paris Agreement goals.

We believe that only once this comprehensive engineering, economic and policy analysis is complete will we be able to identify where we can most effectively reduce Scope 1 and 2 emissions, and where we will have challenges, so that we can set robust targets and prioritise our resources and low carbon energy research and development effort to best effect. New Scope 1 and 2 emissions targets from 2020 will be set after considering the availability, cost and speed of existing technologies and future breakthrough technological developments in each of our areas of abatement focus.

Once these new targets have been set, your board will consider whether (and, if so, how) those targets can appropriately be linked to executive remuneration.

In contrast, Scope 3 emissions are primarily the emissions of our customers, mainly steel makers in China. There are limited opportunities for substitution of steel, and the industry is expected to continue to provide products necessary for the industrialisation and urbanisation of the developing world. Technological developments, including but not limited to the usage of hydrogen as a reducing agent and carbon capture and storage (CCS), will contribute to the reduction of the steel industry's future emissions. However, the speed, economic viability and ultimate deployment of these new technologies remains outside of the control of Rio Tinto. We will provide scenarios for the speed and effectiveness of these abatement measures but we cannot provide specific targets in this context.

It is this point above all that prevents your directors from supporting the resolution.

As part of our work on Scope 3 emissions, we are committed to customer partnerships and collaboration opportunities which improve the sustainability of the steel industry. We have already joined the Energy Transitions Commission which takes a multi-sector approach to hard-to-abate sectors, such as steel. We expect that the consistent and reliable supply of our high-grade, low-impurity iron ore products will position us competitively as our customers seek to reduce their contribution to greenhouse gas emissions.

Our engagement with key stakeholders to date has been constructive in relation to the finalisation of our TCFD report and has provided valuable insight into the continuing process for setting our new targets. We are actively engaging with Market Forces and will continue to engage with investors and other interested stakeholders as part of our ongoing commitment to understanding our shareholders' and the community's views on this issue.

Recommendation

For the reasons set out above, the board has formed the view that the resolution is not in the interests of shareholders or of Rio Tinto as a whole and therefore recommends that shareholders vote **AGAINST** resolution 19.

The chairman of the meeting intends to vote undirected proxies **AGAINST** resolution 19.

Appendix – Statements provided by requisitioning shareholders

The requisitioning shareholders have requested, pursuant to section 249P of the Australian Corporations Act 2001 that the following statements in relation to resolutions 18 and 19, set out below, be provided to shareholders.

By publishing the statements, Rio Tinto does not make any representations as to their truth or accuracy and disclaims any liability for their contents.

Statement by the requisitioning shareholders in support of resolution 18

Shareholder resolutions are a healthy part of corporate democracy in many jurisdictions other than Australia. For example, in the UK shareholders can consider resolutions seeking to explicitly direct the conduct of the board. In the US, New Zealand and Canada shareholders can consider resolutions seeking to advise their board as to how it should act. As a matter of practice, typically, unless the board permits it, Australian shareholders cannot follow the example of their UK, US, New Zealand or Canadian cousins in this respect.

A board of Directors is a steward for shareholders and accountability for the discharge of that stewardship is essential to long-term corporate prosperity.

In rare situations the appropriate course of action for shareholders dissatisfied with the conduct of board members is to seek to remove them. But in many situations such a personality-focused approach is unproductive and unwarranted. In those situations a better course of action is to formally and publicly allow shareholders the opportunity at shareholder meetings such as the AGM to alert board members that the shareholders seek more information or favour a particular approach to corporate policy.

¹ https://www.riotinto.com/documents/RT_Our_approach_to_climate_change_2018.pdf

The Constitution of Rio Tinto is not conducive to the right of shareholders to place resolutions on the agenda of a shareholder meeting.

In our view, this is contrary to the long-term interests of Rio Tinto, the Rio Tinto board and all Rio Tinto shareholders.

Passage of this resolution – to amend the Rio Tinto constitution – will simply put Rio Tinto in a similar position in regard to shareholder resolutions as any listed company in the UK, US, Canada or New Zealand.

We encourage shareholders to vote in favour of this resolution.

Statement by the requisitioning shareholders in support of resolution 19

The Paris Agreement¹ on climate change, which aims to hold global warming to well below 2°C above pre-industrial levels and aim for a 1.5°C limit, has been ratified by 185 member parties. It is reasonable to expect governments and markets to accelerate the pace of action in order to achieve these goals.

Achieving the Paris Agreement's goals will require a substantial near-term transformation of the global economy to one that is virtually free of greenhouse gas emissions by the middle of the century. According to the IPCC, "In model pathways with no or limited overshoot of 1.5°C, global net anthropogenic CO₂ emissions decline by about 45% from 2010 levels by 2030... reaching net zero around 2050."²

Restructuring the economy to meet these goals will present significant risks and opportunities. The emissions-intensive nature of Rio Tinto's business leaves our company highly susceptible to market and regulatory changes required to meet the Paris Agreement's goal of limiting global warming to 1.5°C. Rio Tinto's actions and disclosures to date are not sufficient to demonstrate the company is adequately prepared for the risks and opportunities presented by this transition. This resolution is intended to remedy this concern, and provide shareholders assurance that the company is effectively mitigating its transitional climate risk.

Emissions

Rio Tinto's coal divestment has been a positive step towards reducing climate risk exposure. However, our large carbon footprint necessitates detailed plans to ensure effective risk management to transition to a low-carbon world.

Rio Tinto's 2018 greenhouse gas emissions were:³

- Scope 1: 17.8 million tCO₂e
- Scope 2: 10.8 million tCO₂e
- Scope 3: 536.0 million tCO₂e

In terms of scope 1 and 2 emissions, this makes us the 5th most greenhouse gas emitting company Australia.⁴ In 2017, the company was ranked 24 on the Carbon Majors list of 100 companies responsible for 71% of industrial greenhouse gas emissions since 1988.⁵

Rio Tinto aims "for a substantial decarbonisation of our business by 2050"⁶ and plans to "set new targets to replace the current emissions intensity target before it expires in 2020."⁷ However, emissions-intensity targets can be met through action related to business and revenue as much as actual emissions output. Therefore, an emissions intensity target alone may mask our future scope 1, 2 and 3 greenhouse gas emission liabilities. Any targets set for emission reduction must be absolute, sufficiently ambitious to be consistent with the goals of the Paris Agreement, and set on a short (to 2025), medium (2030) and long-term (2050) basis in order to drive appropriate changes throughout the business.

Rio Tinto claims to "incorporate climate change considerations into our strategic planning and commercial frameworks, to make sure that risks and opportunities can be addressed comprehensively."⁸ However, the company does not detail how emissions reduction, capital expenditure, and executive remuneration plans are informed by robust scenario analysis consistent with the uppermost ambition of the Paris Agreement. Alongside any targets to reduce emissions should be plans for how these targets will be achieved.

Effective management of scope 1 and 2 emissions would limit the potential for carbon costs and liabilities that can be expected to be imposed in future. Managing down scope 3 emissions is effectively mitigating the degree of risk exposure Rio Tinto has to sectors that will be structurally challenged as the world aims to keep global warming below 1.5°C.

Investor and regulator expectations

The G20 Financial Stability Board set up its Task Force on Climate-related Financial Disclosures (TCFD) in 2015, following a landmark speech in which Chair Mark Carney stated "shifts in our climate bring potentially profound implications for... financial stability and the economy."⁹ In June 2017 the TCFD published its final recommendations, designed to allow investors to "appropriately assess and price climate-related risk and opportunities."¹⁰ Regulators and investors now expect companies to fully comply with the TCFD recommendations.

The Australian Government welcomed the release of the TCFD's Final Report, encouraging "all stakeholders to carefully consider the recommendations of the Taskforce."¹¹ APRA Executive Board member Geoff Summerhayes in 2017 warned Australian companies "can expect to see more emphasis on disclosure around climate risk exposure and management."¹² ASIC foreshadowed regulatory action after its September 2018 report found many companies were breaking the law by failing to adequately consider and disclose climate risk.¹³

All 46 respondents to Morrow Sodali's 2019 Institutional Investor Survey, with a combined US\$33 trillion in assets under management, believe companies with material exposures to climate-related risks, like Rio Tinto, should adopt the recommendations of the TCFD.¹⁴ Similarly, the Australian Council of Superannuation Investors' (ACSI) expects TCFD adoption to ensure companies can "successfully identify and manage the climate risks and opportunities [they] face."¹⁵

Rio Tinto has both the opportunity and the impetus to take the lead on climate change transition planning. Major investors are calling for ever more detailed climate risk disclosures. Rio Tinto signed up as a supporter of the TCFD recommendations in 2017,¹⁶ but is yet to fully comply with them.

The TCFD states:

Organizations should describe their key climate-related targets such as those related to GHG emissions... in line with anticipated regulatory requirements or market constraints or other goals.¹⁷

And recommends that companies:

Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.¹⁸

To fully comply with these recommendations, Rio Tinto must disclose absolute emissions reduction targets consistent with the goals of the Paris Agreement, along with strategies and progress to achieve these targets. This resolution simply asks that Rio Tinto meets these integral elements of the TCFD recommendations from 2020 on.

We encourage shareholders to vote in favour of this resolution.

1 https://unfccc.int/sites/default/files/english_paris_agreement.pdf, Article 2(1)(a)

2 <https://www.ipcc.ch/sr15/chapter/summary-for-policy-makers/>, C.1

3 https://www.riotinto.com/documents/RT_Our_approach_to_climate_change_2018.pdf, 26

4 <http://www.cleaneenergyregulator.gov.au/NGER/Pages/Published%20information/Reported%20greenhouse%20and%20energy%20information%2c%20by%20year/Corporate-emissions-and-energy-data-2017%E2%80%932018.aspx>

5 <https://6fefcbb86e61af1b2fc4-c70d8ead6ced550b4d987d7c03fcd1d.ssl.cf3.rackcdn.com/cms/reports/documents/000/002/327/original/Carbon-Majors-Report-2017.pdf?1501833772>

6 https://www.riotinto.com/documents/RT_Climate_change_position_statement.pdf

7 https://www.riotinto.com/documents/RT_Our_approach_to_climate_change_2018.pdf, 29

8 Ibid, 17

9 <https://www.bankofengland.co.uk/speech/2015/breaking-the-tragedy-of-the-horizon-climate-change-and-financial-stability>, 3

10 <https://www.fsb-tcfd.org/publications/final-recommendations-report/>

11 https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Economics/Carbonrisk_disclosure45/Government_Response, 3

12 <https://www.apra.gov.au/media-centre/speeches/weight-money-business-case-climate-risk-resilience>

13 <https://download.asic.gov.au/media/4871341/rep593-published-20-september-2018.pdf>

14 <https://www.morrowsodali.com/news/institutional-investor-survey-2019>, 20

15 <https://www.acsi.org.au/images/stories/ACSI/Documents/ACSI-Governance-Guidelines.Nov17.pdf>, 26

16 https://www.riotinto.com/documents/RT_Our_approach_to_climate_change_2018.pdf, 9

17 <https://www.fsb-tcfd.org/wp-content/uploads/2017/06/FINAL-2017-TCFD-Report-11052018.pdf>, 23

18 Ibid, 20