

# 2018 Notice of annual general meeting

The annual general meeting of Rio Tinto plc will be held at 11:00am on Wednesday, 11 April 2018 at The Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London, SW1P 3EE.

This document is important and requires your immediate attention. If you have any doubts about the action you should take, contact your stockbroker, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000, immediately.

If you have recently sold or transferred all your shares in Rio Tinto plc, please send this document, together with the accompanying documents, at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

A copy of this notice and other information required by Section 311A of the Companies Act 2006 can be found by visiting [riotinto.com/agm2018](http://riotinto.com/agm2018)

**If you are unable to attend the annual general meeting, you can view the webcast at [riotinto.com/webcast](http://riotinto.com/webcast)**

Rio Tinto plc

**Registered office:**

6 St James's Square

London

SW1Y 4AD

(Registered in England, No: 719885)

# Letter from the chairman

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**Dear shareholder,**

I am pleased to invite you to Rio Tinto plc's annual general meeting, which will be held at 11:00am on Wednesday, 11 April 2018 at The Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London, SW1P 3EE.

This notice of meeting describes the business that will be proposed and sets out the procedures for your participation and voting. Your participation in the annual general meeting is important to Rio Tinto and a valuable opportunity for the board to consider with shareholders the performance of the Group. Please note that only shareholders, proxy holders and corporate representatives in attendance at the meeting will be eligible to ask questions of the directors.

As I stand down from the board on 5 March 2018, I would like to welcome Simon Thompson to the chairmanship of Rio Tinto. Simon has served on the board since 2014 and has significant experience of the industry. I am pleased to be succeeded by Simon and know that he will do an outstanding job chairing your company. On 15 February 2018, we announced that Paul Tellier will be retiring from the board following the conclusion of the Rio Tinto Limited annual general meeting. I am very grateful to Paul for his contribution to Rio Tinto over the years and we wish him well for the future. We also announced that Moya Greene will join the board in the second half of 2018. Moya will stand for election by shareholders for the first time at the 2019 annual general meetings.

This year, the business of the meeting will include a number of resolutions relating to remuneration. The first is the approval of the Remuneration Policy (the Policy), set out on pages 72 to 79 of the Annual report. The current Policy was approved by shareholders at the 2015 annual general meeting and is therefore due for renewal. The Policy sets out the Group's policy on remuneration and potential payments to directors going forward and, with the exception of some minor changes and enhancements, remains largely unchanged.

The next two resolutions are approvals sought every year that relate to remuneration. These relate to the approval of the Directors' 2017 Remuneration Report (resolutions 3 and 4) in accordance with UK and Australian law respectively. We are also seeking shareholders' approval to adopt a new discretionary employee share plan (the "2018 Equity Incentive Plan" (2018 EIP)), under which all long-term incentive awards and bonus deferred shares will be granted. This new plan is being implemented to consolidate the provisions of various existing long-term incentive plans with a view to simplifying and ensuring consistency of treatment by having all awards governed through a single set of plan rules. Awards to be made under the 2018 EIP will continue to be granted in accordance with the prevailing Policy. There is a related resolution to request approval of potential termination payments under the 2018 EIP in accordance with Australian law, and the reasoning is described in the explanatory notes.

Your directors are unanimously of the opinion that all of the resolutions to be proposed in this notice are in the best interests of shareholders and of Rio Tinto as a whole. Accordingly, they recommend that you vote in favour all of the resolutions.

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 14. Submitting a proxy form will ensure your vote is recorded but does not prevent you from attending and voting at the meeting itself if you would like to do so.

The corresponding Rio Tinto Limited annual general meeting will take place in Melbourne on Tuesday, 2 May 2018. The result of the vote on resolutions 1 to 17, which are also being proposed to the Rio Tinto Limited annual general meeting, will be determined when the relevant polls are closed at the end of the Rio Tinto Limited meeting. The overall results will be announced to the relevant stock exchanges and posted on our website after that date. The results of resolutions 18 to 21, which only apply to Rio Tinto plc, will be released as soon as possible after the Rio Tinto plc annual general meeting.

We look forward to your participation at the annual general meeting and thank you for your continued support.

Yours sincerely



**Jan du Plessis**  
**Chairman**  
28 February 2018

# Notice of annual general meeting

Notice is given that the annual general meeting of Rio Tinto plc (the company) will be held at The Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London, SW1P 3EE at 11:00am on Wednesday, 11 April 2018, for the following purposes:

## Resolution 1

### Receipt of the 2017 Annual report

To receive the company's financial statements and the reports of the directors and auditors for the year ended 31 December 2017.

## Resolution 2

### Approval of the Remuneration Policy

To approve the Remuneration Policy, set out in the 2017 Annual report on pages 72 to 79.

*This resolution is binding, and is required for UK law purposes.*

## Resolution 3

### Approval of the Directors' Remuneration Report: Implementation Report

To approve the Directors' Remuneration Report: Implementation Report for the year ended 31 December 2017 as set out in the 2017 Annual report on pages 70 to 105 (save for pages 72 to 79), comprising the annual statement by the Remuneration Committee chairman and the annual report on remuneration, (together the Implementation Report).

*This resolution is advisory, and is required for UK law purposes.*

## Resolution 4

### Approval of the Directors' Remuneration Report

To approve the Directors' Remuneration Report for the year ended 31 December 2017, comprising the Remuneration Policy and Implementation Report, as set out in the 2017 Annual report on pages 70 to 105.

*This resolution is advisory, and is required for Australian law purposes.*

## Resolution 5A

### Approval of the Rio Tinto 2018 Equity Incentive Plan

To approve the Rio Tinto 2018 Equity Incentive Plan (2018 EIP), in the form produced to the meeting and initialled by the chairman for the purposes of identification, the principal terms of which are described in the explanatory notes to this notice, and to:

- (a) authorise the directors to adopt the 2018 EIP and do all acts and things that they consider necessary or expedient to give effect to the 2018 EIP; and
- (b) to establish further plans based on the 2018 EIP, but modified to take account of local securities laws, exchange controls or tax legislation as long as shares made available under such further plans will be treated as counting against any limits in relation to participation in the 2018 EIP.

## Resolution 5B

### Approval of potential termination benefits payable under the Rio Tinto 2018 Equity Incentive Plan

To approve for all purposes (including for the purposes of sections 200B and 200E of the Australian Corporations Act 2001) the giving of benefits under the 2018 EIP to persons (Relevant Executives) who, from time to time, are key management personnel of Rio Tinto Limited or who, from time to time, hold a managerial or executive office (as defined in the Australian Corporations Act 2001) in Rio Tinto Limited or a related body corporate, in connection with the person ceasing to hold an office, or position of employment, in Rio Tinto Limited or a related body corporate for a period of two years from the date the resolution is passed.

## Resolution 6

To re-elect Megan Clark as a director

## Resolution 7

To re-elect David Constable as a director

## Resolution 8

To re-elect Ann Godbehere as a director

## Resolution 9

To re-elect Simon Henry as a director

## Resolution 10

To re-elect Jean-Sébastien Jacques as a director

## Resolution 11

To re-elect Sam Laidlaw as a director

## Resolution 12

To re-elect Michael L'Estrange as a director

## Resolution 13

To re-elect Chris Lynch as a director

## Resolution 14

To re-elect Simon Thompson as a director

## Resolution 15

### Re-appointment of auditors

To re-appoint PricewaterhouseCoopers LLP as auditors of the company to hold office until the conclusion of the next annual general meeting at which accounts are laid before the company.

## Resolution 16

### Remuneration of auditors

To authorise the Audit Committee to determine the auditors' remuneration.

## Resolution 17

### Authority to make political donations

To authorise the company, and any company which is a subsidiary of the company at the time this resolution is passed or becomes a subsidiary of the company at any time during the period for which this resolution has effect, to:

- (a) make donations to political parties and independent election candidates;
- (b) make donations to political organisations other than political parties; and
- (c) incur political expenditure,

provided that in each case any such donations or expenditure made by the company or a subsidiary of the company shall not exceed £50,000 per company, and that the total amount of all such donations and expenditure made by all companies to which this authority relates shall not exceed £100,000.

This authority shall expire at the close of the annual general meeting of the company held in 2019 (or, if earlier, at the close of business on 11 July 2019).

## Resolution 18

### General authority to allot shares

To authorise the directors, pursuant to and in accordance with Section 551 of the Companies Act 2006 (the 2006 Act), to exercise all the powers of the company to allot, or to grant rights to subscribe for or convert any securities into shares:

- (a) up to an aggregate nominal amount of £44,136,352;
- (b) comprising equity securities (as defined in the 2006 Act) up to a further nominal amount of £44,136,352 in connection with an offer by way of a rights issue.

Such authorities to apply in substitution for all previous authorities pursuant to Section 551 of the 2006 Act and to expire at the end of the annual general meeting of the company held in 2019 (or, if earlier, at the close of business on 11 July 2019) but, in each case, so that the company may make offers and enter into agreements during this period, which would, or might, require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority ends.

For the purposes of this resolution, “rights issue” means an offer to:

- (a) ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- (b) people who are holders of other equity securities if this is required by the rights of those securities or, if the directors consider it necessary, as permitted by the rights of those securities,

to subscribe further securities by means of the issue of a renounceable letter (or other negotiable document), which may be traded for a period before payment for the securities is due, but subject in both cases to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory.

## Resolution 19

### Disapplication of pre-emption rights

To authorise the directors, if resolution 18 above is passed, to allot equity securities (as defined in the 2006 Act) for cash under the authority given by that resolution and/or to sell ordinary shares held by the company as treasury shares for cash as if section 561 of the 2006 Act did not apply to any such allotment or sale, such authority to be limited:

- (a) to the allotment of equity securities or sale of treasury shares in connection with a pre-emptive offer; and
- (b) to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) above) up to an aggregate nominal amount of £8,749,398,

such authority to expire at the end of the next annual general meeting of the company to be held in 2019 (or, if earlier, at the close of business on 11 July 2019) but, in each case, prior to its expiry the company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

For the purposes of this resolution:

- (a) “pre-emptive offer” means an offer of equity securities, open for acceptance for a period fixed by the directors, to (i) holders (other than the company) on the register on a record date fixed by the directors of ordinary shares in proportion to their respective holdings; and (ii) other persons so entitled by virtue of the rights attaching to any other equity securities held by them, but subject in both cases to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory; and
- (b) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the company, the nominal amount of such shares that may be allotted pursuant to such rights.

## Resolution 20

### Authority to purchase Rio Tinto plc shares

That:

- (a) the company, Rio Tinto Limited and/or any subsidiaries of Rio Tinto Limited be authorised to purchase ordinary shares issued by the company (RTP Ordinary Shares), such purchases to be made in the case of the company by way of market purchase (as defined in Section 693 of the 2006 Act), provided that this authority shall be limited:
  - (i) so as to expire at the end of the annual general meeting of the company held in 2019 (or, if earlier, at the close of business on 11 July 2019), unless such authority is renewed prior to that time (except in relation to the purchase of RTP Ordinary Shares, the contract for which was concluded before the expiry of such authority and which might be executed wholly or partly after such expiry);
  - (ii) so that the number of RTP Ordinary Shares, which may be purchased pursuant to this authority, shall not exceed 133,746,522;
  - (iii) so that the maximum price payable for each such RTP Ordinary Share is an amount equal to the higher of (a) five per cent above the average of the middle market quotations for RTP Ordinary Shares as derived from the London Stock Exchange Daily Official List during the period of five business days immediately preceding the day on which such share is contracted to be purchased and (b) the higher of the price of the last independent trade and the highest current independent purchase bid as stipulated by the Commission-adopted Regulatory Technical Standards pursuant to Article 5(6) of the Market Abuse Regulation; and
  - (iv) so that the minimum price payable for each such RTP Ordinary Share shall be its nominal value; and
- (b) the company be authorised for the purpose of Section 694 of the 2006 Act to purchase off-market from Rio Tinto Limited and/or any of its subsidiaries any RTP Ordinary Shares acquired under the authority set out under (a) above pursuant to one or more contracts between the company and Rio Tinto Limited and/or any of its subsidiaries on the terms of the form of contract which has been produced to the meeting (and is for the purpose of identification marked “A” and initialled by the company secretary) (each, a Contract) and such Contracts be approved, provided that:
  - (i) such authorisation shall expire at the end of the annual general meeting of the company held in 2019 (or, if earlier, at the close of business on 11 July 2019);
  - (ii) the maximum total number of RTP Ordinary Shares to be purchased pursuant to Contracts shall be 133,746,522; and
  - (iii) the price of RTP Ordinary Shares purchased pursuant to a Contract shall be equal to the average of the middle market quotations for RTP Ordinary Shares as derived from the London Stock Exchange Daily Official List during the period of five business days immediately preceding the day on which such share is contracted to be purchased multiplied by the number of RTP Ordinary Shares the subject of the Contract, or such lower price as may be agreed between the company and Rio Tinto Limited, being not less than one penny.

## Resolution 21

### Notice period for general meetings other than annual general meetings

That a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

#### Note:

In accordance with Rio Tinto's dual listed companies structure, as Joint Decision Matters, resolutions 1 to 17 (inclusive) will be voted on by the company and Rio Tinto Limited shareholders as a joint electorate and resolutions 18 to 21 (inclusive) will be voted on by the company's shareholders only.

Resolutions 1 to 18 (inclusive) will be proposed as ordinary resolutions and resolutions 19 to 21 (inclusive) will be proposed as special resolutions.

By order of the board



**Steve Allen**

**Group company secretary**

6 St James's Square  
London  
SW1Y 4AD

28 February 2018

# Explanatory notes to the resolutions

## Resolution 1

### Receipt of the 2017 Annual report

The directors are required by company law to present the 2017 Annual report comprising the 2017 financial statements, the Directors' report and the Auditors' report on the company's financial statements to the annual general meeting. These can be viewed on the Rio Tinto website: [riotinto.com/ar2017](http://riotinto.com/ar2017).

## Resolution 2

### Approval of the Remuneration Policy

The current Remuneration Policy was put to, and approved by, shareholders of both Rio Tinto Limited and Rio Tinto plc at the 2015 annual general meetings but expires at the conclusion of the 2018 annual general meetings.

The proposed Remuneration Policy (the Policy) is provided on pages 72 to 79 of the 2017 Annual report. It sets out the Group's policy on remuneration and potential payments to directors going forward. In accordance with UK law, the Policy must be approved by a binding shareholder vote (by means of a separate resolution) at least once every three years. Approving the Policy is considered a matter that affects the Group as a whole and will therefore be considered by shareholders of both Rio Tinto Limited and Rio Tinto plc.

Once the Policy is approved, the Group will not be able to make a payment to a current director that is outside the terms of the Policy, unless it has been approved by resolution of the members.

## Resolution 3

### Approval of the Directors' Remuneration Report: Implementation Report

The Implementation Report for the year ended 31 December 2017, comprising the Annual statement by the Remuneration Committee chairman and the annual report on remuneration, is set out on the Rio Tinto website and also on pages 70 to 105 (save for pages 72 to 79) of the 2017 Annual report.

The Implementation Report describes the remuneration arrangements in place for each executive director, other members of the Executive Committee and the non-executive directors (including the chairman) during 2017. The Annual statement from the Remuneration Committee chairman provides context to 2017 remuneration outcomes, together with information to help shareholders understand what the executives were paid in 2017. This vote is advisory and is required for UK law purposes.

## Resolution 4

### Approval of the Directors' Remuneration Report

The Directors' Remuneration Report for the year ended 31 December 2017 consists of the Remuneration Policy and the Implementation Report. The Remuneration Report is set out on the Rio Tinto website and also on pages 70 to 105 of the 2017 Annual report. This vote is advisory and is required for Australian law purposes.

## Resolution 5A

### Approval of the Rio Tinto 2018 Equity Incentive Plan

Shareholders are asked to approve the adoption of a new discretionary employee share plan, the Rio Tinto 2018 Equity Incentive Plan (2018 EIP), for executive directors and employees. This will allow the Group to continue operating its long-term incentive arrangements (including bonus deferred shares) in accordance with the Policy but through a single set of plan rules to allow alignment across various operating provisions, for example, consistent application of malus and claw-back. The 2018 EIP rules also provide for various other forms of share award to be made and, while there is currently no intention to use these, the 2018 EIP has been designed with flexibility in mind should the Policy be amended in the

future. A summary of key features of the 2018 EIP is set out in Appendix 1 to these explanatory notes.

It should be noted that, if Resolution 5A is passed, it will authorise the adoption by the company of the 2018 EIP and the adoption of a substantially identical plan by Rio Tinto Limited. Reference in this document to the 2018 EIP is, unless the context requires otherwise, to the plan in both its UK and Australian forms.

## Resolution 5B

### Approval of potential termination benefits payable under the Rio Tinto 2018 Equity Incentive Plan

If shareholders approve the adoption of the 2018 EIP, benefits payable under it may be subject to the laws of Australia which restrict the benefits that can be given to people who hold certain offices in Group companies in connection with cessation of office or employment, unless shareholder approval is obtained. As described in Appendix 2, approval is sought to give certain benefits under the 2018 EIP to current and future directors, members of the Executive Committee and other personnel in the Group in a manner that is consistent with our Remuneration Policy and practices.

Approving termination benefits is considered a matter that affects the Group as a whole and will therefore be considered by shareholders of both Rio Tinto Limited and Rio Tinto plc. If approval is obtained, it will be effective for a period of two years from the date the resolution is passed.

A resolution on similar terms was put to, and approved by, shareholders of both Rio Tinto Limited and Rio Tinto plc at the 2017 annual general meetings (the 2017 Resolution). To align with the approval of the 2018 EIP, this resolution is being put to shareholders at the 2018 meeting and will operate alongside, and does not affect the operation of, the 2017 Resolution.

Resolution 5B will only take effect if resolution 5A is passed.

## Resolutions 6 - 14

### Election and re-election of directors

The board has adopted a policy whereby all directors are required to seek re-election by shareholders on an annual basis. Accordingly, all directors will retire and offer themselves for re-election (except for Jan du Plessis and Paul Tellier who are retiring from the board). All of the directors seeking re-election have been subject to a performance evaluation, as described in the Governance report in the 2017 Annual report. Based on that evaluation, it is considered that each director continues to be effective and demonstrates the level of commitment required in connection with their role and the needs of the business.

The board has also adopted a framework on directors' independence and it is satisfied that each non-executive director who is standing for re-election at the meeting is independent in accordance with this framework.

Biographical details in support of each director's re-election are provided below.

### Megan Clark

Independent non-executive director, BSc, PhD, age 59

**Appointment:** November 2014. Chairman of the Sustainability Committee.

**Skills and experience:** Megan, an Australian citizen, has had an extensive career in both the private and public sector, combining expertise in the metals and mining business with high-level experience in science, research and technology. Her core industry experience and knowledge bring valuable insight and effective contributions to the board. Megan was chief executive of the Commonwealth Scientific and Industrial Research Organisation (CSIRO) from 2009 until 2014. Prior to CSIRO, Megan held various roles with Western Mining Corporation, was a director at N M Rothschild and Sons (Australia) and was vice president, Technology and subsequently vice president, Health, Safety, Environment, Community and Sustainability with BHP Billiton. She holds a PhD in economic geology from Queen's University, Canada, and is a Fellow of the Australian Academy of Technological Sciences and Engineering, the Australian Institute of Mining and Metallurgy and the Australian Institute of Company Directors. In 2014, she was appointed a Companion of the Order of Australia.



**External appointments (current and recent):** Non-executive director of CSL Limited since February 2016, non-executive director of CARE Australia since 2016, member of the Prime Minister's Science, Industry and Engineering Council from 2009 to 2014.

**David Constable**

Independent non-executive director, BSc Engineering, age 56

**Appointment:** February 2017.

**Skills and experience:** David, a Canadian citizen, is an experienced executive with strong corporate governance, board and leadership credentials in the engineering, construction, energy, mining and chemical sectors. He brings an international perspective to the board, having worked across the globe while based in Canada, the US, Chile, Argentina, the Netherlands, China and South Africa. David was the chief executive officer of Sasol Limited from 2011 to 2016, where he drove a comprehensive group-wide change programme, which culminated in the roll-out of the organisation's new operating model and its related structures, systems and processes.

Prior to this, David held various roles with Fluor Corporation from 1982 to 2011, most recently as Group president, Operations. He also served as Group president for Fluor's Power Business, heading up its activities in the global coal, gas, nuclear and renewable power generation industries. Prior to this, David was Group president, Operations and Maintenance, focusing on Fluor's operational asset productivity improvement business across a wide range of industries.

**External appointments (current and recent):** Non-executive director of Anadarko Petroleum Corporation since 2016 and ABB Ltd since 2015, chairman of the Compensation Committee at ABB Ltd, senior adviser of Cerberus Capital Management since 2017, member of the US Business Council, member of the International Business Council until June 2016, member of Sasol Limited's Risk and Safety, Health and Environmental Committee and Capital Investment Committee until June 2016, and was also chairman of the Sasol Global Foundation.

**Ann Godbehere**

Independent non-executive director, FCPA, FCGA, age 62

**Appointment:** February 2010 (board), June 2017 (senior independent director). Chairman of the Audit Committee.

**Skills and experience:** Ann, a Canadian and British citizen, has more than 25 years' experience in the financial services industry. She spent ten years at Swiss Re, a global reinsurer, latterly as chief financial officer from 2003 until 2007. She was interim chief financial officer and executive director of Northern Rock bank after its nationalisation. Ann is a qualified accountant and was made a fellow of the Institute of Chartered Professional Accountants in 2014. Ann's strong financial background and extensive board level experience enable her to effectively fulfil the role of Audit Committee chairman and senior independent director.

**External appointments (current and recent):** Non-executive director of UBS Group AG since 2014 and non-executive director of UBS AG since 2009, non-executive director of British American Tobacco plc from 2011 until April 2018, non-executive director and chairman of the audit committee of Prudential plc since 2007 and 2009 respectively until May 2017, non-executive director of Atrium Underwriting Group Limited from 2007 until 2014, non-executive director of Arden Holdings Ltd from 2007 until 2014.

**Simon Henry**

Independent non-executive director, MA, FCMA, age 56

**Appointment:** April 2017.

**Skills and experience:** Simon, a British citizen, has significant global experience in the oil and gas industry, having spent over 30 years at Royal Dutch Shell plc, most notably as chief financial officer, a position that he has held since 2009. He was chief financial officer and executive vice president, Finance, Exploration & Production from 2004 to 2009, and prior to this he was head of Group Investor Relations from 2001 to 2004. Simon brings extensive financial expertise to the board and is a fellow of the Chartered Institute of Management Accountants (CIMA) and has a BA in Mathematics and an MA from the University of Cambridge.

**External appointments (current and recent):** Non-executive director (and a member of the Audit Committee and Risk Committee) of Lloyds Banking Group plc since June 2014, Independent director of PetroChina Company Limited since June 2017, member of the Advisory Board of the Centre for European Reform and the Advisory Panel of CIMA, member of the UK Defence Board and Chair of the Defence Audit Committee from January 2018. Member of the Main Committee of the 100 Group of UK FTSE CFOs from 2009 to 2017, chair of the European Round Table CFO Taskforce from 2011 to 2017.

**Jean-Sébastien Jacques**

Chief executive, MSc, age 46

**Appointment:** March 2016 (board), July 2016 (chief executive).

**Skills and experience:** Jean-Sébastien, a British citizen, has strong executive leadership skills and expertise in leading significant growth projects. He is also highly respected for his thought leadership across a wide range of geopolitical and economic issues within the mining industry and more broadly.

Jean-Sébastien was appointed chief executive officer of Rio Tinto's Copper group in 2013 and chief executive of the Copper & Coal group in February 2015. He led the transformation of this group, delivering a step-change in both safety and cash performance while reshaping the portfolio to focus on a core of the highest-quality assets. He also had responsibility for two growth projects, Oyu Tolgoi in Mongolia and Resolution in the US, both of which saw significant progress during his tenure. Prior to joining Rio Tinto, Jean-Sébastien spent more than 15 years working in various roles across Europe, South East Asia, India and the US. He covered a wide range of operational and functional positions for the aluminium, bauxite and steel industries and more notably served as group director, Strategy, for Tata Steel Group from 2007 to 2011.

**External appointments (current and recent):** Chairman of the International Copper Association since late 2014.

**Sam Laidlaw**

Independent non-executive director, MA, MBA, age 62

**Appointment:** February 2017. Chairman of the Remuneration Committee from 5 March 2018.

**Skills and experience:** Sam, a British citizen, has had a long and distinguished career in the energy industry, both in the UK and internationally. Sam brings to the board deep experience of long-cycle, high-capex and safety critical industries from his involvement in the upstream oil and gas industry for over 30 years. Sam has particular experience of health, safety and community engagement issues in the mining industry. He also brings experience of operations in developing countries that have a significant economic, environmental and social footprint. Sam was chief executive officer of Centrica plc from 2006 to 2014. His other previous roles include executive vice president of Chevron Corporation; chief executive officer of Enterprise Oil plc; and president and chief operating officer of Amerada Hess Corporation. He was also non-executive director of Hanson PLC, a member of the UK Prime Minister's Business Advisory Group and was senior director of the UK Department of Transport. Sam is a qualified solicitor and has a Master's degree in Business Administration from INSEAD.

**External appointments (current and recent):** Non-executive director of HSBC Holdings plc from 2008 until April 2017 (including chairman of the Remuneration Committee and Nomination Committee), chairman of Neptune Energy Group Holdings Ltd, chairman of the National Centre of Universities & Business, a board member of the Oxford Saïd Business School and a council member of Radley College.

**Michael L'Estrange**

Independent non-executive director, BA (Sydney), MA (Oxon), age 65

**Appointment:** September 2014.

**Skills and experience:** Michael, an Australian citizen, has had long and distinguished public service experience in Australia and brings to the board valuable, global expertise in foreign policy, international relations and trade. His long-standing career has enabled him to gain practical experience of the broader geostrategic, economic and societal trends that impact Rio Tinto's global operations. Michael joined the Australian Government's Department of Prime Minister and Cabinet in 1981. From 1989 to 1994, he worked in a range of policy advisory positions before he was appointed the inaugural executive director of the Menzies Research Centre in Canberra in 1995. In 1996,

he was appointed by the Prime Minister as secretary to cabinet and head of the Cabinet Policy Unit. He served in that role until 2000 when he became Australia's high commissioner to the United Kingdom. He returned to Australia as secretary of the Department of Foreign Affairs and Trade from 2005 to 2009. In 2007, he was appointed as an Officer of the Order of Australia.

**External appointments (current and recent):** Director and Deputy Chancellor of the University of Notre Dame, Australia since 2014 and 2017 respectively, and head of college of the National Security College at the Australian National University in Canberra from 2009 until 2014, continuing as a professor until 2015. Non-executive director of Qantas Airways Limited since 2016.

#### Chris Lynch

Chief financial officer, BCom, MBA, age 64

**Appointment:** September 2011 (board), April 2013 (chief financial officer).

**Skills and experience:** Chris, an Australian citizen, has significant experience in the mining and metals industry, having spent over 30 years working in these fields globally. Chris also has extensive listed company experience at board level across a variety of leadership roles, providing the board with significant operational and financial expertise. He was chief executive officer of the Transurban Group, an international toll road developer and manager with interests in Australia and North America, until 2012. His career has included seven years at BHP Billiton, where he was chief financial officer and then executive director and group president – Carbon Steel Materials. Prior to this, Chris spent 20 years with Alcoa Inc., where he was vice president and chief information officer based in Pittsburgh, and chief financial officer of Alcoa Europe in Switzerland. He was also managing director of KAAL Australia Limited, a joint venture company formed by Alcoa and Kobe Steel.

**External appointments (current and recent):** Chief executive officer of the Transurban Group Limited from 2008 until 2012. Commissioner of the Australian Football League from 2008 until 2014.

#### Simon Thompson

Independent non-executive director, MA (Oxon), age 58

**Appointment:** April 2014 (board), from 5 March 2018 (chairman). Chairman of the Remuneration Committee until 5 March 2018.

**Skills and experience:** Simon, a British citizen, has a wealth of global experience in the metals and mining industry, having held numerous executive and non-executive positions in this sector. This enables Simon to provide valuable insight as a member of the board. Simon was an executive director of Anglo American plc, chairman and chief executive of the Base Metals Division, chairman of the Exploration Division and chairman of Tarmac. Prior to his career with Anglo American, he held investment banking positions at S. G. Warburg and N M Rothschild.

**External appointments (current and recent):** Chairman of 3i Group plc since 2015, non-executive director and chairman of Tullow Oil plc since 2011 and 2012 respectively until April 2017, non-executive director and senior independent director of Amec Foster Wheeler plc from 2009 and 2014 respectively until 2015, non-executive director of Sandvik AB from 2008 until 2015, and non-executive director of Newmont Mining Corporation from 2008 until 2014.

## Resolutions 15 and 16

### Re-appointment and remuneration of auditors

The company is required at each general meeting at which financial statements are laid to appoint auditors who will remain in office until the next general meeting at which financial statements are laid. Under Rio Tinto's DLC structure, the appointment of Rio Tinto plc's auditors is a Joint Decision Matter and has therefore been considered by Rio Tinto Limited and Rio Tinto plc shareholders at each annual general meeting since the DLC structure was established in 1995.

PricewaterhouseCoopers LLP have expressed their willingness to continue in office for a further year. In accordance with UK company law and good corporate governance practice, shareholders are also asked to authorise the Audit Committee to determine the auditors' remuneration.

## Resolution 17

### Authority to make political donations

The 2006 Act contains a prohibition against making political donations without authorisation of a company's shareholders in a general meeting.

It is not proposed or intended to alter Rio Tinto's policy of not making political donations, within the normal meaning of that expression.

However, the definitions of political donation, political expenditure and/or political organisation in the 2006 Act are defined very widely. Because of this, it may be that some of Rio Tinto's activities could fall within this definition and, without the necessary authorisation, Rio Tinto's ability to communicate its views effectively to political audiences and to relevant interest groups could be inhibited. In particular, the definition of political organisations may extend to bodies such as those concerned with policy review, law reform, the representation of the business, community and special interest groups such as those concerned with the environment. As a result, the definition may cover legitimate business activities that would not, in the ordinary sense, be considered to be political donations or political expenditure. The authority that the board is requesting is a precautionary measure to ensure Rio Tinto does not inadvertently breach the 2006 Act.

Accordingly, the directors believe that supporting the authority sought in this resolution is in the interests of shareholders. Any expenditure that may be incurred under this authority will be disclosed in next year's Annual report. Details of political expenditure by Rio Tinto during the past year are set out on page 109 in the 2017 Annual report.

## Resolution 18

### General authority to allot shares

Paragraph (a) of this resolution would give the directors the authority to allot new shares, and grant rights to subscribe for, or convert other securities into shares up to an aggregate nominal amount equal to £44,136,352 (representing 441,363,523 ordinary shares of 10p each). This amount represents not more than one third of the total issued ordinary share capital of the company, exclusive of treasury shares, as at 16 February 2018, the latest practicable date prior to publication of this Notice (the Latest Practicable Date).

Paragraph (b) of this resolution would give the directors the authority to allot new shares in connection with a rights issue in favour of ordinary shareholders up to a further aggregate nominal amount equal to £44,136,352 (representing 441,363,523 ordinary shares of 10p each), as reduced by the nominal amount of any shares issued under paragraph (a) of this resolution. This amount (before any reduction), in line with guidance issued by the Investment Association, is equivalent to not more than two thirds of the issued ordinary share capital of the company, exclusive of treasury shares, as at the Latest Practicable Date.

At the Latest Practicable Date, the company held 9,465,599 treasury shares, which represents 0.70 per cent of the total number of the company's ordinary shares in issue, excluding treasury shares, at that date.

The authorities sought under paragraphs (a) and (b) of this resolution, if approved, will expire at the end of the annual general meeting of the company held in 2019 (or, if earlier, at the close of business on 11 July 2019).

The directors have no present plans to exercise either of the authorities sought under this resolution, except, under paragraph (a), in connection with employee share and incentive plans. The directors consider it desirable, however, to have the maximum flexibility permitted by corporate governance guidelines to manage the Group's capital resources.

## Resolution 19

### Disapplication of pre-emption rights

The directors are also seeking authority to allot new shares (and other equity securities), or sell treasury shares, for cash without first offering them to existing shareholders in proportion to their existing holdings.

The authority granted under this resolution would be limited to:

(a) where the company undertakes a pre-emptive offer by way of an open offer or rights issue, then the directors may make exclusions or other arrangements in order to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas jurisdiction, or the requirements of any recognised regulatory body or stock exchange, or



(b) otherwise up to an aggregate nominal amount of £8,749,398 (representing 87,493,978 ordinary shares of 10p each). As historically agreed with the Association of British Insurers (the precursor body to the Investment Association), this aggregate amount represents not more than five per cent of the combined issued ordinary share capital of the company and Rio Tinto Limited (exclusive of shares held in treasury by the company) as at the Latest Practicable Date.

In respect of the authority granted under Resolution 19(b), the directors confirm their intention to follow the provisions of the Pre-Emption Group's Statement of Principles regarding cumulative use of authorities within a rolling three-year period. The Principles provide that usage in excess of 7.5 per cent of the issued ordinary share capital of Rio Tinto plc and Rio Tinto Limited combined, exclusive of shares held in treasury by the company, should not take place without prior consultation with shareholders.

If resolution 19 is passed, the waivers will expire at the end of the annual general meeting of the company held in 2019 (or, if earlier, at the close of business on 11 July 2019).

## Resolution 20

### Authority to purchase Rio Tinto plc shares

Consistent with its practice in prior years, the board is seeking authority to buy back shares in the Group. The overall purpose of the buy-back resolutions of the company and Rio Tinto Limited is to provide the Group with flexibility in the conduct of its capital management initiatives, whether through on- or off-market share buy-backs in either or both of the company and/or Rio Tinto Limited.

The authority conferred by the resolutions to be approved at the company's and Rio Tinto Limited's 2018 annual general meetings would allow buy-backs of ordinary shares in the company, either by the company on-market or by Rio Tinto Limited (or a subsidiary of Rio Tinto Limited) on-market, and buy-backs by Rio Tinto Limited of its ordinary shares, either under off-market buy-back tenders or on-market.

Rio Tinto completed a US\$1.5 billion buy-back of RTP Ordinary Shares during 2017, comprising the US\$500 million and US\$1 billion on-market share buy-back programmes announced on 8 February 2017 and 2 August 2017 respectively.

An additional US\$2.5 billion was committed to the ongoing share buy-back programme on 21 September 2017, returning the proceeds of the sale of Coal & Allied to shareholders. The A\$750 million off-market share buy-back of Rio Tinto Limited shares was completed on 13 November 2017 and the remaining US\$1.925 million on-market buy-back of RTP Ordinary Shares commenced on 27 December 2017 to be completed no later than 31 December 2018. A further US\$1 billion share buy-back programme of RTP Ordinary Shares was announced on 7 February 2018, also to be completed no later than 31 December 2018.

Under the Dual Listed Companies (DLC) agreements, the approval for a buy-back of the company's ordinary shares, whether by the company or by Rio Tinto Limited (or a subsidiary of Rio Tinto Limited), is voted on by the company's shareholders only. Similarly, the approval for Rio Tinto Limited to buy back its ordinary shares is voted on by Rio Tinto Limited shareholders only.

These approvals were most recently renewed at the 2017 annual general meetings and expire on the date of the 2018 annual general meetings.

Authority is sought for the company, Rio Tinto Limited and/or any of Rio Tinto Limited's subsidiaries, to purchase up to ten per cent of the issued ordinary share capital of the company during the period stated below. The authority will expire at the end of the annual general meeting of the company held in 2019 (or, if earlier, at the close of business on 11 July 2019). The authority sought would permit the company, Rio Tinto Limited and/or any of Rio Tinto Limited's subsidiaries to purchase up to 133,746,522 of the company's ordinary shares, representing approximately ten per cent of its issued ordinary share capital, excluding the shares held in treasury, as at the Latest Practicable Date.

The maximum price that may be paid for an ordinary share (exclusive of expenses) is an amount equal to the higher of (a) five per cent above the average of the middle market quotations for the period of five business days immediately prior to such purchase; (b) the higher of the price of the last independent trade and the highest current independent purchase bid as stipulated by the Commission-adopted Regulatory Technical Standards made pursuant to Article 5(6) of the Market Abuse Regulation. The minimum price that may be paid for an ordinary share (exclusive of expenses) is its nominal value of ten pence.

By way of illustration, the purchase of ordinary shares in the company with a total value of US\$500 million at the share prices and exchange rates prevailing on 31 December 2017 would (if funded by debt), increase the Group's net debt and reduce equity attributable to shareholders by

US\$500 million and, on the basis of the Group's 2017 financial statements, would increase the ratio of net debt to total capital by 0.9 percentage points, ie to approximately 7.9 per cent.

The total number of options to subscribe for shares and awards of shares outstanding at the Latest Practicable Date was 4,606,479, which represents 0.34 per cent of the issued ordinary share capital, excluding the shares held in treasury at that date. This excludes options and awards that the company intends to settle without the issue of new shares or the sale of treasury shares. If the company were to buy back the maximum number of shares permitted pursuant to this resolution, then this number of options and awards would represent 0.38 per cent of the issued ordinary share capital, excluding the shares held in treasury.

Pursuant to the 2006 Act, the company can hold the ordinary shares that have been repurchased itself as treasury shares and resell them for cash, cancel them (either immediately or at a point in the future) or use them for the purposes of its employee share plans. Whenever any ordinary shares are held as treasury shares, all dividend and voting rights on these shares are suspended. Any shares purchased under the authority, if approved, would be cancelled.

The authority being sought in paragraph (a) of resolution 20 extends to Rio Tinto Limited and/or any of its subsidiaries. Any purchase by the company from Rio Tinto Limited (or such subsidiaries) of the company's ordinary shares would be an off-market purchase and the 2006 Act requires the terms of any proposed contract for an off-market purchase to be approved by a special resolution of the company before the contract is entered into. Such approval is sought in paragraph (b) of resolution 20.

The company is seeking the approval of shareholders for such off-market purchases from Rio Tinto Limited and/or any of its subsidiaries as may take place to be made at a price not less than one penny per parcel of shares. It is expected that such purchases would occur for nominal consideration. It is immaterial to the shareholders of either the company or Rio Tinto Limited if Rio Tinto Limited or any of Rio Tinto Limited's subsidiaries make a gain or a loss on such transactions as they have no effect on the Group's overall resources. The underlying purpose of these transactions would be to facilitate any capital management programme that the Group may be implementing at the relevant time, with the intention of returning surplus cash to shareholders in the most efficient manner.

The DLC Merger Sharing Agreement contains the principles of equalisation, which ensure that entitlements to distributions of income and capital will be the same for all continuing shareholders regardless of whether the company's or Rio Tinto Limited's shares are purchased or whether the company, Rio Tinto Limited or a subsidiary of Rio Tinto Limited acts as the purchaser.

Rio Tinto Limited will also seek to renew its shareholder approval to buy back its own ordinary shares at its 2018 annual general meeting on 2 May 2018.

## Resolution 21

### Notice period for general meetings other than annual general meetings

Changes made to the 2006 Act by the Companies (Shareholders' Rights) Regulations 2009 (the Regulations) increased the notice period required for general meetings of the company to 21 days, unless shareholders approve a shorter notice period, which cannot, however, be less than 14 clear days. Annual general meetings will continue to be held on at least 21 clear days' notice.

Before the Regulations came into force on 3 August 2009, the company was able to call general meetings, other than an annual general meeting, on 14 clear days' notice without obtaining such shareholder approval. To preserve this ability, the company has sought and obtained the required shareholder approval at each annual general meeting since 2009. Resolution 21 seeks to renew this approval.

The approval will be effective until the company's annual general meeting in 2019, when it is intended that a similar resolution will be proposed.

The shorter notice period would not be used as a matter of routine for such meetings but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole.

### Total voting rights

As at the Latest Practicable Date, the total number of issued ordinary shares in the company is 1,346,930,822 ordinary shares of 10p each, each with one vote. 9,465,599 ordinary shares of 10p each are held in treasury. These shares are not taken into consideration in relation to the payment of dividends and voting at shareholder meetings.

Accordingly the total number of voting rights in Rio Tinto plc is 1,339,465,847, which is used to calculate the approval thresholds for sole decision matters.

The voting arrangements for shareholders under the Group's DLC structure, including in respect of Joint Decision Matters, are explained in the Shareholder information section of the 2017 Annual report.

### Documents available for inspection

The following documents may be inspected at the registered office of the company during normal business hours on any business day from the date of this notice until the close of the annual general meeting of Rio Tinto Limited on 2 May 2018 and also at The Queen Elizabeth II Conference Centre for at least 15 minutes prior to and during the annual general meeting of the company:

- (a) proposed rules of the Rio Tinto 2018 Equity Incentive Plan;
- (b) proposed form of contract between the company and Rio Tinto Limited for the purchase off-market of ordinary shares issued by the company; and
- (c) copies of directors' service contracts and letters of appointment with Rio Tinto Group companies

# Appendix 1 – Summary of the 2018 Equity Incentive Plan

The principal terms of the Rio Tinto plc Equity Incentive Plan 2018 (the Plan) are set out below. It is intended that the Plan will replace Rio Tinto's Performance Share Plan (PSP) 2013, Management Share Plan (MSP) 2007 and Bonus Deferral Plan (BDP).

## Operation

The Plan will be overseen by the Remuneration Committee (the Committee) of the board of Rio Tinto plc (the company).

## Eligibility and individual limits

Employees, including executive directors, of the company and its subsidiaries and associated companies are eligible to participate in the Plan.

The Committee will decide who will be granted awards and over how many shares. Awards granted to executive directors will be subject to the limits set out in the Group's Remuneration Policy prevailing at the time of grant.

## Types of awards

Awards under the Plan can take the form of:

- Conditional Awards - under which the participant receives shares for free automatically to the extent the award vests (which may be subject to the achievement of performance conditions);
- Forfeitable Shares - under which the participant receives free shares on grant, which must be given back to the extent the award lapses; or
- Options - under which the participant can acquire shares, to the extent their award has vested, either at no cost or at a price set when the option is granted.

The current intention is that awards will be made in the form of Conditional Awards to replicate awards currently made under the PSP, MSP and BDP and in line with the Group's Remuneration Policy. Inclusion of other award types is to provide for sufficient flexibility in the future should the Group's remuneration approach change during the life of the Plan.

Awards may also be granted as cash awards.

## Performance conditions

An award may be granted on the basis that it will normally only vest to the extent that a performance condition, set at the time of grant, is satisfied. However, awards representing deferred bonuses will not be subject to performance conditions.

The vesting of awards granted to executive directors (other than deferred bonus awards) will always be subject to a performance condition, except as otherwise permitted by the Group's Remuneration Policy.

## Dividend equivalents

Conditional awards and nil-cost options will be granted on the basis that the participant will receive dividend equivalents for the vesting period (in additional shares or cash) when, and to the extent that, the award vests or is exercised. The dividend equivalent will be calculated based on the aggregate value of dividends paid during the vesting period unless the Committee decides to use a different approach.

## Vesting of awards

Awards will normally vest, to the extent that any performance condition is met, at the end of a period set when the award is granted or the end of the period over which any performance condition is tested. Shares will be issued or transferred to the participant (or an option may be exercised) from vesting.

Vesting may be delayed where a participant is subject to any external investigation or similar circumstances.

## Retention period

An award may be granted on the basis that the participant is required to hold a net number of vested shares (or shares subject to an option) for a set period following vesting.

## Malus, claw-back and suspension

### Malus and claw-back

Where the Committee determines that an exceptional circumstance has occurred, the Committee may, at its discretion, reduce the number of shares to be received on vesting of an award, or, for a period of two years after the vesting of an award, the Committee can claw-back value from a participant.

The circumstances in which the Committee may exercise such discretion include, but are not limited to:

- fraud or misconduct by a participant or an exceptional event which has had, or may have, a material effect on the value or reputation of any member of the Group (excluding exceptional events which have a material impact on global macroeconomic conditions);
- an error in the Group's financial statements that requires a material downward restatement or is otherwise material, or where information has emerged that would have affected the size of award granted or vested;
- where the Committee determines that the personal performance of a participant, of their product group or of the Group does not justify vesting, or where the participant's conduct or performance has been in breach of their employment contract, any laws, rules or codes of conduct applicable to them or the standards reasonably expected of them;
- the performance of the company, business or undertaking in which a participant worked or works, or for which they were or are directly or indirectly responsible, is found to have been misstated or based upon any material misrepresentation and which resulted in the award being granted and/or vesting over a greater number of shares than would otherwise have been the case;
- where any team, business area, member of the Group or profit centre in which the participant works or worked has been found guilty in connection with any regulatory investigation or has been in breach of any laws, rules or codes of conduct applicable to it or the standards reasonably expected of it;
- the occurrence of a catastrophic safety or environmental event or events.

### Suspension

The Committee may suspend the vesting of an award (for up to five years) until the outcome of any internal or external investigation is concluded and may then reduce or lapse the participant's award based on the outcome of that investigation. Note that where suspension applies, the two-year claw-back period will not extend beyond the period commencing from the original vesting date.

## Leaving employment

An award will normally lapse if the participant leaves the company's Group because of resignation, misconduct or any other reason at the discretion of the Committee.

For other leavers, an award subject to a performance condition will normally continue in effect and vest at the normal time, to the extent that the performance condition has been satisfied. However, the Committee can decide that such an award will vest at an earlier time but subject to the extent to which the performance condition has been achieved.

In the case of awards held by an Executive Committee member, which are not subject to performance conditions, including deferred bonus awards, the award will vest on its normal vesting date, in line with the Group's Remuneration Policy. Awards held by participants below Executive

Committee level, which are not subject to performance conditions, will normally vest on leaving (or on some later date).

Where an award vests on or after leaving, the number of shares will be reduced pro rata to reflect the fact that the participant left early, unless the Committee decides otherwise. However, pro rating will not apply to deferred bonus awards or, normally, where a participant who holds an award subject to a performance condition leaves on or after the third anniversary of grant.

If a participant dies, the award will vest on the date of death to the extent described above.

In the context of leavers, to the extent options are granted under the Plan, the options will normally be exercisable for 12 months after the later of the date on which the option vests and the date on which the participant left.

### Takeovers and reorganisations

If there is a takeover of the company, awards will vest subject to the extent to which any performance condition has been satisfied. Alternatively, participants may be allowed or required to exchange their awards for equivalent awards over shares in the acquiring company. If awards vest, the awards will be pro rated unless the Committee decides otherwise. However, pro rating will not apply to deferred bonus awards or, normally, where an award subject to a performance condition vests on or after the third anniversary of grant.

If there is a demerger or similar event which would affect the current or future value of awards then the Committee can decide that the awards will vest on the same basis as described above for a takeover.

If there is an internal reconstruction, reorganisation, merger or acquisition of the company where there is no significant change in the identity of the ultimate shareholders of the company, then the Committee may arrange for the awards to be replaced with equivalent awards over shares in a new parent company.

### Adjustment of awards

The number or type of shares subject to an award may be adjusted to reflect any variation in the share capital of the company, a corporate event which may affect the current or future value of the company's shares or any other significant corporate event affecting the company or any other company with which the company's performance is compared.

### Plan limits

In any ten-year period, not more than ten per cent of the issued ordinary share capital of the company may be issued or be issuable under the Plan and all other employees' share plans operated by the company.

In addition, in any ten-year period, not more than five per cent of the issued ordinary share capital of the company may be issued or be issuable under awards granted under all discretionary share plans adopted by the company.

These limits do not include awards which have lapsed. Treasury shares transferred to satisfy an award will be counted as if new shares had been issued for so long as this approach is required by institutional investors.

### General

Awards will normally only be granted within 42 days of the announcement of the company's results for any period. No awards can be granted more than ten years after the Plan is approved by shareholders.

Awards are not transferable (except on death) without Committee consent and cannot be used as collateral.

Awards may be satisfied by the issue of new shares or the transfer of existing shares from treasury or otherwise. Alternatively, the Committee can decide to satisfy any award in cash instead of shares.

Any shares issued will rank equally with shares of the same class in issue on the date of allotment except in respect of rights arising by reference to a prior record date.

Participants do not pay for the grant of an award. Awards are not pensionable.

The rules include a French schedule, which makes minor modifications to the main rules so that employees in France may be granted tax-advantaged awards.

### Amendments

The Committee may amend the Plan in any way but shareholder approval (by general meeting) will be required to amend certain provisions to the advantage of participants. These provisions relate to eligibility, individual and Plan limits, the basis for determining a participant's entitlement to, and terms of, shares or cash, the adjustment of awards on a variation in the company's share capital and the amendment powers.

However, shareholder approval is not required for minor amendments to benefit the administration of the Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment. Performance conditions can also be amended without shareholder approval in accordance with their terms or if anything happens that causes the Committee reasonably to consider that the amended performance conditions would be a fairer measure of performance (subject to the prevailing Group's Remuneration Policy, where applicable).

The Committee may, without shareholder approval, establish further plans or add schedules to the Plan that are based on the Plan but modified to take account of local tax, exchange control or securities laws in non-UK territories. Any shares made available under such arrangements will count towards the individual and overall Plan limits.

## Appendix 2 – Potential termination benefits

Shareholder approval is being sought for the purposes of sections 200B and 200E of the Australian Corporations Act 2001 (the Act) for any termination benefits given under the 2018 EIP that may be provided to individuals (Relevant Executives) who hold, or held in the last three years prior to cessation of employment a managerial or executive office, as defined in the Act, in Rio Tinto Limited or a related body corporate, including key management personnel (KMP) (which includes all Rio Tinto directors) and directors of subsidiary companies of Rio Tinto Limited.

The amount or value of a termination benefit that a Relevant Executive may be entitled to under the 2018 EIP will depend on a number of factors. Accordingly, it is not possible to confirm the amount or value of a payment or benefit that may become payable under the 2018 EIP. Rather, the table below sets out a range of potential benefits under the 2018 EIP that may be treated as potential termination benefits, the manner in which the amount or value of that benefit may be calculated and the matters, events or circumstances that will, or will be likely to, affect the calculation of that amount or value.

It can be reasonably anticipated that aspects of the 2018 EIP will be amended from time to time in line with market practice and changing governance standards and, where relevant, these changes will be reported in Rio Tinto's Remuneration Report, which forms part of the Annual report. However, it is intended that this approval will remain valid for as long as the 2018 EIP provides for the treatment on cessation of employment as set out in this appendix.

**Table 1: Potential benefits and relevant circumstances**

### Potential benefits

Grants made under the 2018 EIP to Relevant Executives will be retained where they cease employment and will vest at the scheduled vesting date, except that:

- awards will lapse if the Relevant Executive leaves the Group due to resignation, misconduct or any other reason at the discretion of the Remuneration Committee (the Committee);
- awards may lapse if the Relevant Executive breaches any applicable restrictions on competition, solicitation or the use of confidential information;
- awards held by a Relevant Executive below Executive Committee level that are not subject to performance conditions may vest on leaving;
- awards subject to a performance condition will be subject to the satisfaction of the performance condition/s;
- the Committee can decide that an award subject to a performance condition will vest before the scheduled vesting date, but subject to the extent to which the performance condition has been achieved;
- awards that vest on or after cessation will be reduced pro rata to reflect the fact that the Relevant Executive's employment ceased before the scheduled vesting date. Pro rating will not apply to an award subject to a performance condition where the Relevant Executive leaves on or after third anniversary of grant or to deferred bonus awards;
- if a Relevant Executive dies, the award will vest on the date of death; and
- any options will be exercisable for 12 months after the later of the date on which the option vests and the date on which the Relevant Executive ceased employment. However, if a Relevant Executive leaves employment because of misconduct or breach of the terms of their employment after options have vested, the options will lapse.

Most of the exceptions are subject to the Committee's discretion to vary the vesting date and/or the number of awards that will vest.

The Committee does not intend to exercise any discretion to accelerate the vesting of any awards for any member of the Executive Committee when they leave the Group. Any dividend equivalent shares will be calculated on vested shares. The Committee may determine to satisfy an entitlement under an award by paying the equivalent cash amount. The value of awards will be equal to the market price of the shares on vesting.

### Relevant circumstances

The circumstances of the Relevant Executive's cessation of employment (for example, whether cessation of employment arises due to resignation, misconduct, death or some other reason).

Whether the Relevant Executive is employed below Executive Committee level.

The number of awards held by the Relevant Executive prior to cessation of employment.

The vesting date.

The time period served by the Relevant Executive from the date of award to the date of cessation of employment as a proportion of the vesting period.

The performance conditions (if any) and achievement of those conditions.

The number of awards that vest.

The Rio Tinto share price at the relevant time.

The applicable statutory requirements of the jurisdiction in which the Relevant Executive is employed and any change in those requirements.

Any other factors that the Committee determines to be relevant when exercising discretion (such as the assessment of the performance of the Relevant Executive up to the termination date).

In all cases, treatment will be subject to, and in accordance with, these explanatory notices, the Remuneration Policy, the terms of the 2018 EIP, and the law. For example, the Committee retains the discretion in certain circumstances to reduce the level of vesting of an award, determine that an award does not vest or clawback an award made after vesting. Nothing in this approval is intended to limit the exercise of such discretion.



# Further information about the meeting

## General information

Shareholders should note that the doors to the annual general meeting will be open from 10:15am.

To facilitate entry into the meeting, shareholders are requested to bring with them the attendance card, which is attached to the proxy card. Proxies and corporate representatives should bring the authority or power of attorney or other written authority (or a notarially certified copy of such authority) under which they have been appointed to the meeting.

Mobile phones may not be used in the auditorium and cameras or any type of recording device are not allowed in the auditorium.

Please refer to the map on the back cover for the location of the annual general meeting.

## Accessibility

The annual general meeting will be held in the Churchill auditorium on the ground floor and refreshments will be available in the Pickwick suite on the first floor. There is a ramp from the forecourt which leads to the front doors and is wide enough for easy wheelchair access. There are lifts to the first floor, all of which can accommodate wheelchair access and incorporate audio/voice announcements.

There are eight accessible toilet facilities throughout the Centre and all are equipped with emergency alarms. There is no fixed seating, so wheelchair spaces can be positioned anywhere in the meeting room. In addition, all corridors provide for wheelchair access. There are induction loops fitted in the meeting rooms. Guide dogs, hearing dogs and other assistance dogs are welcome. Disabled delegates arriving at the Centre in a vehicle with a disabled badge displayed will be allowed to park on the forecourt of the building. Taxis and other vehicles will also be allowed on to the forecourt to enable disabled passengers to disembark more easily.

## Guests

Please notify the Group company secretary at the registered office of the company or via email to [company.secretariat@riotinto.com](mailto:company.secretariat@riotinto.com) if you would like a guest to accompany you to the meeting. Please register any guests no later than 6:00pm on 9 April 2018. You should provide the name, address and the relationship or capacity of any guest, ie spouse, carer etc, in order to obtain an attendance card.

Please note, notwithstanding any notification of a guest being received by the company secretary by the deadline of 6:00pm on 9 April 2018, the company reserves the right to refuse admission to non-shareholders.

## Security

Security measures will be in place to ensure your safety. Please note that bag searches will be in operation and any items deemed inappropriate will be removed and stored until the end of the event. Cloakroom facilities will be available at the venue.

## Webcast and photography

The live webcast may include the question and answer sessions with shareholders as well as background footage of those in attendance. Photographs may also be taken at the meeting and published in the media or used in future Rio Tinto publications. If you attend the annual general meeting in person you may be included in the webcast recording and photographs.

## Entitlement to attend and vote

Including for the purposes of regulation 41 of the Uncertificated Securities Regulations 2001, the company specifies that only those shareholders registered in the register of members of the company as at 8:00pm on 9 April 2018 (the Specified Time) shall be entitled to attend and vote at the

meeting in respect of the number of shares registered in their name at that time.

Changes to entries on the relevant register of securities after the Specified Time shall be disregarded in determining the rights of any person to attend and vote at the meeting. If the meeting is adjourned to a time not more than 48 hours after the Specified Time applicable to the original meeting, that time will also apply for the purposes of determining the entitlement of members to attend and vote (and for the purposes of determining the number of votes they may cast) at the adjourned meeting. If, however, the meeting is adjourned for a longer period, then to be entitled to attend and vote at the meeting, members must be entered on the company's register of members at a time which is not more than 48 hours before the time fixed for the adjourned meeting or, if the company gives notice of the adjourned meeting, at the time specified in that notice.

## Voting exclusions

A vote on resolutions 2, 3, 4, 5A or 5B should not be cast (in any capacity) by or on behalf of a member of key management personnel (KMP) (as defined in the Australian Corporations Act 2001) or their closely related party, unless the vote is cast as proxy for a person entitled to vote in accordance with a direction on the proxy form. The voting exclusions on KMP in resolutions 2, 3, 4, 5A and 5B do not apply to the chairman of the meeting acting as proxy if the proxy appointment expressly authorises the chairman to exercise the proxy even though resolutions 2, 3, 4, 5A and 5B are connected directly or indirectly with the remuneration of a member of KMP.

Rio Tinto will disregard any votes cast on resolution 5A by any director of the company who is eligible to participate in the 2018 EIP and any of their associates, unless the vote is cast by:

- such a person as a proxy for a person who is entitled to vote on resolution 5A, in accordance with a direction on the proxy form; or
- the chairman of the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Any Relevant Executive, potential or current, or an associate who wishes to preserve the benefit of resolution 5B for the Relevant Executive must not vote on the resolution. However, they may cast a vote if the vote is cast as a proxy appointed by writing that specifies how the proxy is to vote on the resolution and it is not cast on behalf of a Relevant Executive or an associate.

## Appointment of proxies

A member entitled to attend and vote at the meeting is entitled to appoint one or more persons of his/her choice, who need not be a member of the company, as his/her proxy to exercise any or all of his/her rights to attend, speak and vote on his/her behalf at the meeting. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member.

Members entitled to vote will be provided with a proxy form. To be effective the proxy form and any power of attorney or other written authority under which it is executed (or a notarially certified copy of any such authority) must reach the transfer office of the company at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY by 11:00am on 9 April 2018 or not less than 48 hours before the time of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the taking of the poll at which it is to be used. Completion and return of the proxy form will not prevent a member from attending and voting at the meeting in person. For further information please refer to your proxy form.

## Proxy lodgement online

Shareholders can also lodge their proxy forms online at [investorcentre.co.uk/eproxy](http://investorcentre.co.uk/eproxy) and follow the prompts. To use this facility you will need the Control Number together with your Shareholder Reference Number (SRN) and PIN as shown on the proxy form. You will be deemed to have signed the proxy form if you lodge it in accordance with the instructions on the website.

## Proxy lodgement via CREST

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual on the Euroclear website (euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

For a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with the specifications of Euroclear UK & Ireland Limited and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Computershare Investor Services PLC (ID 3RA50) by the latest time for receipt of proxy appointments specified under the heading "Appointment of proxies" above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which Computershare Investor Services PLC (or any other agent of the company) is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsor or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The company and/or its agents may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

## Appointment of corporate representatives

Any corporation which is a member may appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that, if there is more than one corporate representative, they do not do so in relation to the same shares. Any person appointed by a corporate representative should bring the authority (or a notarially certified copy of such authority) under which they have been appointed to the meeting.

## Nominated persons

If you hold your shares through a broker or a nominee and you wish to attend the meeting, you will need to ask your broker or nominee to appoint you either as a proxy or as a corporate representative.

For information on how to appoint a proxy or a corporate representative, please see the notes above. If you have not been appropriately appointed, you may not be able to attend the meeting.

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a Nominated Person) may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the annual general meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights

The statement of the rights of shareholders in relation to the appointment of proxies in the section headed "Appointment of proxies" above does not apply to Nominated Persons. The rights described in that paragraph can only be exercised by shareholders of the company.

## Right to ask questions

Any member, proxy or corporate representative attending the meeting has the right to ask questions. The company will answer questions relating to the business being dealt with at the meeting, but may choose not to answer if:

- (a) to do so would interfere unduly with the procedure of the meeting or involve the disclosure of confidential information; or
- (b) the answer has already been given on a website in the form of an answer to a question; or
- (c) it is undesirable in the interests of the company or the good order of the meeting that the question be answered.

Guests will not be permitted to ask questions.

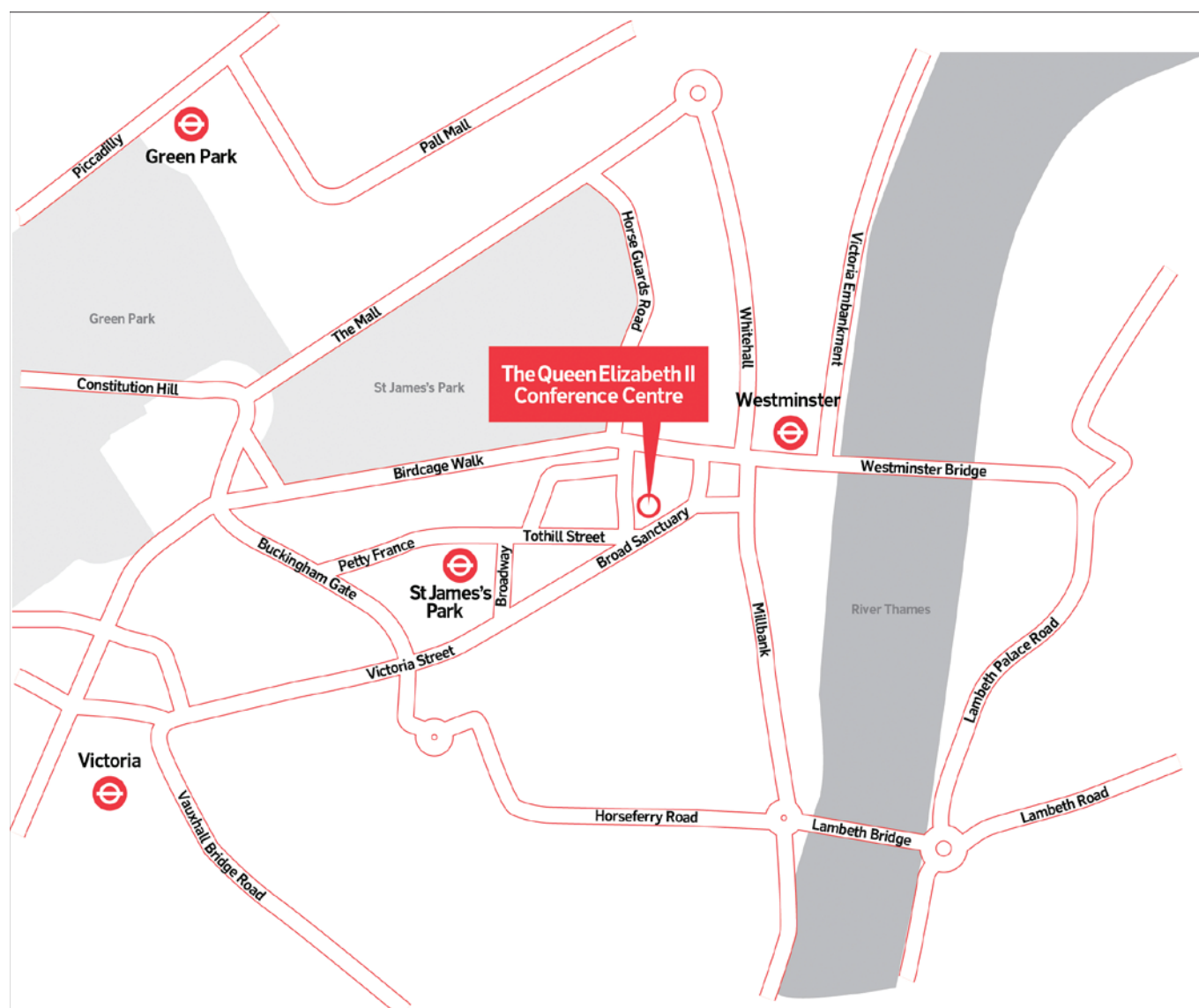
## Website publication of audit concerns

Under Section 527 of the 2006 Act, members meeting the threshold requirements set out in that section have the right to require the company to publish on a website a statement setting out any matter relating to:

- (a) the audit of the company's accounts (including the Auditors' report and the conduct of the audit) that are to be laid before the annual general meeting for the financial year ended 31 December 2017; or
- (b) any circumstance connected with an external auditor of the company appointed for the financial year ended 31 December 2017 ceasing to hold office since the previous meeting at which annual accounts and reports were laid.

The company may not require the shareholders requesting any such website publication to pay its expenses in complying with Section 527 or 528 (requirements as to website availability) of the 2006 Act. Where the company is required to place a statement on a website under Section 527 of the 2006 Act, it must forward the statement to the company's external auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the annual general meeting for the relevant financial year includes any statement that the company has been required under Section 527 of the 2006 Act to publish on a website.

## Meeting location map and useful addresses



View our Annual report at [riotinto.com/ar2017](http://riotinto.com/ar2017)

### Investor centre

At Rio Tinto, we want shareholders to take advantage of electronic communications. By signing up to receive e-communications you will be helping to reduce print, paper and postage costs and the associated environmental impact.

To register to receive all your shareholder communications electronically visit Investor Centre at [investorcentre.co.uk/riotinto](http://investorcentre.co.uk/riotinto)

#### By signing up, you can also:

- vote electronically;
- receive all important shareholder notifications via email;
- view your individual shareholding quickly and securely online;
- set up a dividend mandate; and
- amend your registered postal address and your dividend mandate details.

### Registered office

Rio Tinto plc  
6 St James's Square  
London  
SW1Y 4AD  
[riotinto.com](http://riotinto.com)  
Telephone: +44 (0) 20 7781 2000

### Registrar

Please contact our registrar if you have any queries about your shareholding:

Computershare Investor Services PLC  
The Pavilions, Bridgwater Road, Bristol, BS99 6ZY  
[investorcentre.co.uk/contactus](http://investorcentre.co.uk/contactus)

Telephone: +44 (0) 870 703 6364  
Fax: +44 (0) 870 703 6119

For UK residents only:  
Freephone: 0800 435021