

Contractor Engagement Solution

Supplier playbook
August 2019





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Terms and acronyms

CES	Contractor Engagement Solution; the full name for the system which encompasses Browz, Track and proof of presence technologies.
PSC	Pilbara Service Centre.
BAU	Business as Usual.
Browz	Cloud based technology that includes company level prequalification and stores qualifications for contractor personnel. This ensures companies meet Rio Tinto's compliance levels and contractor personnel meet minimum standards prior to arriving on site.
Track	Cloud based technology that records electronic timesheets, connects it with the contract rates, terms and conditions for suppliers to submit charges to Rio Tinto.
Suppliers	A term used to describe a company or organisation that provides services to Rio Tinto.
Contractor personnel	Refers to any contractor. A contractor is a worker employed by one of our suppliers (above).
Supplier administrator	A term used to describe administrators in a supplier organisations who may have roles impacted by CES, such as employee on-boarding, rostering, site deployment, time keeping and invoicing.
Supplier supervisor	A term used to describe a supervisor in a supplier organisation who have a role leading and supervising employees on site.
Rio Tinto company rep	Is someone that manages contractor personnel on site, raises purchase requisitions or approve times sheets.
Site champion	Is someone who has received in-house training in CES Essentials and is the first level of support at site
MServ	Is a Rio Tinto controlled Track Support service executed by Management Controls Incorporated
Schedule	Refers to Rio Tinto's shift that a person works e.g. Shift commences at 6am and concludes at 6pm. A rotating shift relates to a roster.
RTBS	Rio Tinto Business Solution (SAP).
ERS activation	Evaluated receipt settlement.
RFID	Radio-frequency identification.
PR	Purchase requisition.
PO	Purchase orders.

A message from Iron Ore...

Iron Ore wants to be easier to partner with. This Contractor Engagement Solution will enable easy on-boarding, simplified invoicing processes and clarify who is working on site. The most important outcome from this solution will be improved safety on our sites. This playbook has been created for our suppliers and site leaders, so they have all the information necessary for successful implementation in late 2018 and beyond.

Stefan Buys

Managing director Pilbara Mines, Iron Ore

This Contractor Engagement Solution (CES) playbook

The CES playbook for suppliers is designed to equip our suppliers and their personnel with information and guidance around the Rio Tinto values, CES technologies and supporting processes for the solution.

Within the playbook, sections with a grey background will be of specific interest to contractor personnel and should be reviewed ahead of their contracted work at a CES activated site.



Rio Tinto values

Safety caring for human life and wellbeing above everything else.

Teamwork collaborating for success.

Respect fostering inclusion and embracing diversity.

Integrity having the courage and commitment to do the right thing.

Excellence being the best we can be for superior performance.

The way we work is a set of clear principles to apply to everything we do while working with, or for Rio Tinto.

Contractor Engagement Solution (CES)

Vision and benefits

Iron Ore's contractor workforce contributes greatly to the success and efficiencies of our business. Making up 40 percent of our total workforce, there are over 10,000 collective Cat 1 and Cat 3 contractor personnel on our Iron Ore sites in the Pilbara. Contractor personnel provide skills and expertise essential to meeting the needs of the business.

An engaged workforce will drive improvements in safety and productivity.

The CES has been created to better service our invaluable contractor personnel and better support our suppliers. The benefit for our contractor personnel is quickly processed payments, not having to chase signatures, which takes time away from colleagues, and updated qualification reminders.

The key benefits of the CES are:

- Easy on-boarding of contractor personnel with site requirements;
- Introduction of electronic time sheeting;
- Streamlined payment processing.

Through this initiative, we want to be the partner of choice for our suppliers; where their employees, our contractor personnel, want to return to work at our sites.

Our objective is to create a clear, automated solution for our suppliers, and to provide timely payments and improved risk management.

Introducing Browz and Track



Browz is a software platform to manage company level compliance. It is used to record the credentials of our supplier companies and their employees, providing assurance to Rio Tinto that we are working with safe, qualified and socially responsible suppliers and contractor personnel.

Browz helps our suppliers provide a compliant workforce, while reducing the workload of managing contractor certifications. Rather than suppliers emailing evidence of qualifications to each site, they can be accessed from this central portal, creating shared transparency. For supplier administrators and contractor personnel the benefits of the software are; reminders of when renewals are required, and Browz is an eLearning portal for any modules required before arriving at site. Browz provides learning and certification in the one location.



Contractor personnel time and attendance data from proof of presence technology is uploaded into Track. It is through Track that much of the CES efficiency is achieved. Central to Track is the '4A' process of; activity, allocate, accept and authorise. Supplier administrators and Rio Tinto approvers will work together in Track to process claims, whether they are for contractor hours, equipment or materials that are all part of a scope of work.

In Track, supplier administrators will assign a skill or role to each of the contractor personnel on the job. This will also be linked or allocated to an agreed contract schedule, outline agreement and purchase order in Track, connecting these pieces of data helps to make the payment process easier in all systems.

Instead of sending an invoice or time sheet, the supplier administrator will accept each line item that is ready for our processing. Once accepted it will be work-flowed to a Rio Tinto approver, who can authorise each of the claims.

The benefit of suppliers and our representatives working together in Track is the shared transparency. It also means much of the 4A process is completed within 12 hours to three days from the proof of presence action. Any claims that the Rio Tinto approver disputes are reviewed separately, while the others proceed through the payment process.

For Track enabled suppliers the post approval stages see a recipient created tax invoice created automatically, this is SES'd, triggering a payment within agreed time frames.



Key changes

Impacted roles

- Supplier administrators
- Supplier supervisors
- Contractor personnel
- Rio Tinto approvers

New

- Suppliers will load company information into Browz. Rio Tinto will check company level compliance before awarding work or raising purchase orders (PO).
- Team list of 'work ready' qualified contractor personnel is sent to the Pilbara Service Centre (PSC) and Rio Tinto company representative prior to site entry. Being qualified for the work and having site credentials is key to safety.
- Suppliers using the full solution are Track enabled. Contractor personnel from these companies will eventually use proof of presence technologies to confirm their attendance at their work locations. This creates an electronic daily time sheet. Our supervisors will no longer sign time sheets.
- Supplier administrators will use Track to apply activity, allocate and accept. These daily processes align time worked with contract schedules ready for our approval. This process can be completed within 24 hours of the tagging event.
- Rio Tinto approvers work in Track authorising claims against POs. The authorisation process triggers payment of approved items while those which need clarification are rejected and investigated further by MServ and supplier administrators.
- The authorisation process generates a recipient created tax invoice which is processed for payment within agreed terms.

Purchase

Payment

Old

- Supplier company credentials checked in RTBS.
- Team list prepared for the PSC. The PSC checked contractor personnel credentials and site compliance.
- Manual time sheet completion and getting signatures from the Rio Tinto supervisors.
- Contractor personnel and contractor supervisors get Rio Tinto signatures on time sheets.
- Supplier administrators and supervisors collate manual time sheets for invoicing.
- Supplier administrator prepares invoices. If an invoice contains an item which is disputed the whole invoice remains unpaid until this is resolved.

Key impacts

Browz impacts

Supplier administrators

1.1 Company level compliance

In the past, company level compliance documentation has been submitted to contractor management at Rio Tinto. The new process will see this information being uploaded into Browz by supplier administrators.

When transitioning to Browz each supplier will need to upload their information into Browz. In a BAU state, supplier administrators will need to maintain this information. A benefit of this new process is that suppliers can share their Browz details with other clients to demonstrate their compliance levels.

1.2 Communicating Team Lists

In the past, team lists were uploaded into an excel format and sent to the PSC to arrange flights and accommodation to site. PSC would check qualifications in RTBS (SAP). The new process will see supplier administrators prepare a report from Browz demonstrating contractor personnel compliance and provide this with team list requirements for mobilisation. PSC will also no longer check contractor personnel compliance, as this will now be the responsibility of the supplier.

When transitioning to Browz each supplier will need to upload their contractor personnel data and evidence of qualifications, trades and licences. In a BAU state, supplier administrators will need to maintain contractor personnel information. In a BAU state, team lists will be generated through a Browz report. A benefit of using Browz is that suppliers and contractor personnel will be sent reminders when licenses and accreditations are about to lapse. Once implemented, a supplier may like to introduce Browz uploads as part of their contractor personnel on-boarding process.

1.3 Site eLearning and accreditations

In the past, site eLearning modules and accreditations would be completed in Scodle. As part of the CES process site accreditations will be completed in Browz's eLearning portal.

In a BAU state, contractor personnel will complete Rio Tinto site eLearning modules in the Browz eLearning portal. If they pass these will be automatically accredited to their profile in Browz.

Supplier administrators should also review 1.4 and 1.5.

Supplier supervisors

1.4 Checking qualifications

In the past, supplier administrators would email qualifications to site. The new process will enable Rio Tinto company reps and supplier supervisors to check qualifications in Browz, using the Browz Sure Workforce app. This can be downloaded onto mobile devices from Google Play and the App store.

Contractor personnel

1.5 Providing qualifications

Supplier administrators would most likely have evidence of your qualifications, site accreditations and licenses on file. You may be asked to provide updated copies in some instances. As you attain any qualifications or renew licenses you will need to make sure the information is provided to your supplier administrator.



Key impacts of Track

Supplier administrators

3.1 No more processing manual time sheets to invoice labour

In the past time sheets were processed to invoice labour. The new process will see this information collected through proof of presence data, which will create an electronic time sheet.

Track will be rolled out in a staged approach, so suppliers providing services to multiple sites will need to adopt Track processes at CES sites and retain existing processes at non CES sites. This means contractor personnel working across multiple sites will need to make sure this is made clear in Track, especially for access of this information by non CES sites before they start using the solution. In a BAU state, CES will be used at all Rio Tinto sites, so contractor personnel working for Track enabled suppliers will eventually be using the proof of presence technology daily.

3.2 Automatic connection of agreed rates and usage

In the past, provision of services, materials and equipment needed to be connected with the agreed rates. The new process sees agreed rates from a supplier's outline agreement transferred into Track, as are the usual schedules for your organisation. Supplier administrators will assign individuals working a skill or role, this connects the labour time from the proof of presence data with the digitised contract. Supplier administrators will also connect each entry of work in Track with the appropriate PO number.

3.3 Recipient Created Tax Invoices (RCTI)

In the past, suppliers have invoiced Rio Tinto. With the new process when Rio Tinto approvers authorise a payment in Track. It triggers a RCTI, which is automatically SES'd and processed in agreed payment terms.

Track will be rolled out in a staged approach as stated above. In a BAU state, Track enabled suppliers will no longer need to invoice Rio Tinto for work completed at sites which have adopted CES.

3.4 Reporting

In the past, suppliers have needed to prepare reports, such as contractor hours. With the introduction of Track also comes some great business intelligence reporting capabilities. Suppliers will be able to easily monitor spend against a PO and will see the same information as a Rio Tinto approver and supervisor. Suppliers will be able to produce reports such as fatigue reports and reports to reconcile RCTI with their own accounting systems. Supplier administrators will be able to set up automatic delivery of reports to their email. Training will be provided on this at the Track training sessions or supplier administrators can contact MServ.

Supplier administrators should also review 3.5.

Supplier supervisors

Contractor personnel

3.5 Creating a pre-approval request

In the past, your time sheet would provide evidence of any changes to your worksheet, such as overtime. The new process requires a pre-approval request to be completed in Track. When a supplier administrator is advised of additional work, or work outside of schedule, affecting contractor personnel, they will need to create a pre-approval request in Track. This process creates an audit trail for 'exceptions' between suppliers and Rio Tinto representatives. The appropriate Rio Tinto person will approve this request in Track, and the exception enables the additional hours or costs to be recorded. Common reasons for a pre-approval are: overtime (work outside of schedule, not a change to rates) and using subcontractors (if this is allowed within the scope of work agreed).

For contractor personnel: Use the pre-approval notes on pages 22-23 of this playbook when asked to complete work outside of your schedule (hours or skills for example), or if there is an unusual event. You need to provide the pre-approval notes to your supplier supervisor or administrator so they have all the information they need to create a pre-approval request in Track. Ideally, pre-approvals should be advised to your supplier administrator in Track within 24 hours, to prevent the work being processed for payment without the change being incorporated.

Deviations and troubleshooting guide

Problem	Resolution		
	Contractor personnel	Supplier supervisors	Supplier administrators
Cannot allocate hours to a purchase order in Track. Could be due to a default skill, agreement or roster not being assigned to contractor in Track. Could be that the PO number creation date occurred after the tag in time record.			Supplier administrator should apply default skills, agreement and roster prior to allocating in Track. Track will sync this with the agreement once assigned. Advise MServ if you suspect the PO was provided after work commenced and they will follow up with the Rio Tinto company rep.
Track is down for an extended period.	Keep your employer up to date with your shift information for their records.	Provide your supplier administrator with a pre-approval note (see page 23) with the details of work during the outage.	Use the provided pre-approval notes to enter work activities once Track is available.
Rio Tinto approver rejects a pre-approval or authorisation, which should have been approved.			If something is rejected that the supplier administrator believes ought to have been approved, call the Rio Tinto company rep to see what information was missing from original request and re-submit.
Rio Tinto approver does not approve within 3 days.			MServ will escalate this. If Rio Tinto approver is not available then supplier administrator can contact Rio Tinto direct and identify an alternate Rio Tinto approver in Track.



Implementing CES

Suppliers will transition to CES in a staged process throughout 2019.

Preparing a supplier to transition for CES commences 6 weeks prior to their go-live as a Track enabled supplier.

Weekly project updates will include detailed information about transition processes and key dates.

CES Support

Training

It is essential suppliers participate in the CES training, particularly the Track training sessions if they are Track enabled suppliers.

Employees from each supplier will attend the formal Track training prior to going live. Roles which need to consider attending training are: timekeeper, invoicing and some site supervisory roles.

Training is held before a supplier goes live on site.

Go-Live week support

During the week of Rio Tinto go-live with each wave, we invite new suppliers to access the support. MServ will be available in person at Central Park, or virtually via WebEx. You will receive shoulder to shoulder support as you work through your daily processes of activity, allocation and acceptance.

You will also be able to access assistance to invoice any work completed during the 'blackout period'. You will need to bring time sheets and other supporting information and this will be invoiced via Track.

Website

The CES has a website for suppliers to access all the latest information. You will find all you need to keep informed as you transition, and support for your ongoing needs.

You will also be able to access content to be shared with your employees.

Please go to www.riotinto.com/ces-ironore and or the existing CM website on the Contractor Engagement Solution page.

MServ

MServ is a Rio Tinto contracted service executed by Management Controls Inc, the developers of Track. Track is able to help suppliers with:

- Assistance in executing daily processes in Track.
- Accessing Track.
- Providing additional training.
- Business reporting insights.

Email: **MServRTIO@riotinto.com**

Tel: +61 (8) 9327 2361

After hours: +61 428 908 425 (emergency only)

Standard operating hours: Monday to Friday

Notes...

Contractor personnel and pre-approvals

Most contractor personnel will work to a roster, which aligns to a schedule selected for them in the Track system.

Sometimes, when there is a change to a schedule or something unusual happens, contractor personnel will need to make sure their organisation is aware of this change.

A simple guide for contractor personnel is outlined below and uses the pre-approval sheets on page 23.

Standard deviation process requiring a pre-approval request in Track:

- 1. Contractor personnel recognises something unusual happens such as, being asked to work over time or another change to schedule.
- 2. Contractor personnel completes a pre-approval note (right).
- 3. Contractor personnel communicates pre-approval note to their supplier supervisor or supplier administrator. Tip: you can do this by taking a photo with your smart phone and attaching it to a text message or email.
- 2. Make certain your pre-approval note is sent to the supplier administrator as soon as possible (*ideally within 24 hours*) to prevent time being processed without changes being made.

My supplier contact details are: (email)
(mob / txt)
(phone)

Pre-approval notes

These pages are designed to assist contractor personnel and their supervisors collect and provide information to be entered into Track to process a pre-approval request.

Your name:	Jack Smith	Your name:	
Location:	GBO—B2—MEM	Location:	
Date:	12/12/2018	Date:	
Change:	Overtime	Change:	
Impact:	2 hours	Impact:	
Details:	2 hrs overtime re- requested for Tom and Jack on 12th for re- placement of widget. (1 hr overtime per person)	Details:	
Name of Rio Tinto contact / supervisor		Name of Rio Tinto contact / supervisor	
John Richards			

Your name:		Your name:	
Location:		Location:	
Date:		Date:	
Change:		Change:	
Impact:		Impact:	
Details:		Details:	
Name of Rio Tinto contact / supervisor		Name of Rio Tinto contact / supervisor	

Rio Tinto contact details

For the duration of the initial deployment and post go-live support please contact:

For supplier related information and queries

Peta Perry peta.perry@riotinto.com

For contractor personnel Browz related information and queries

Browz@riotinto.com