



RioTinto

Amrun project
Social Impact
Management Plan
2018 report

Contents

- | | | | |
|---|--|----|---|
| 3 | Message from the General Manager | 10 | Land and sea management |
| 4 | About the Amrun project | 11 | Indigenous employment and training |
| 6 | Engagement Events | 13 | Indigenous education and youth engagement |
| 7 | Community commute – Aurukun to Amrun | 14 | Local and Indigenous sourcing |
| 8 | Communities heritage and environment management plan (CHEMP) | 15 | Housing and accommodation |

Cover: Aurukun Traditional Owner, Janine Chevathun at the Aurukun 40th Anniversary Concert

Message from the General Manager

Welcome to the Amrun project 2018 Social Impact Management Plan (SIMP) report.

Through our ongoing delivery of commitments under the SIMP throughout 2018, the Amrun project continued to strengthen relationships with nearby communities, generate employment opportunities, and engage with local and Aboriginal businesses.

Since project inception in 2016, the ethos of Amrun's development was employ local, buy local and grow local business. Amrun has set an industry benchmark in more ways than one - innovative construction methods, local and regional investment and positive partnerships and advocacy with Traditional Owners.

This report provides an update on our partnership activities and SIMP commitments throughout 2018. There were a number of achievements and milestones I am pleased to share including:

- An increased uptake in our community commute service from Aurukun to the Amrun site
- The launch of our cultural immersion programme designed to upskill leader cultural capability
- Working in partnership to recognise cultural protocols as part of transition milestones as the project moved to an operating bauxite mine
- Improved land and sea management outcomes driven by Wik-Waya Traditional Owners
- Positive community sentiment to support a smooth transition to operations.

With the Amrun project officially recognised as an operational bauxite mine on 8 March 2019, this

will be our final SIMP report. However, Rio Tinto's commitment to ensuring a sustainable future for our operations and in the communities where we operate remains strong—now and for years to come. Ongoing progress of our approach to sustainable development of the region and partnership with local communities can be found in the Weipa Sustainable Development Report, which is produced annually and published on www.riotinto.com/weipa.

I would like to provide a special acknowledgment to the Wik-Waya Traditional Owners, whose land the new mine is constructed upon. Almost three years to the day from when we received funding and the project was named 'Amrun' at the request of Traditional Owners, we successfully launched the first bauxite shipment on the 'RTM Weipa' in December 2018. We recognise this journey would not have been possible without working in partnership, and having a shared desire to do so respectfully and for mutual benefit for current and future generations.

As you turn these pages, we invite you to reflect on implementation of the SIMP during the final year of project construction.

Stay safe.



Marcia Hanrahan

General manager
Amrun project,
Rio Tinto

About the Amrun project

The Amrun project was approved by Rio Tinto in November 2015, and was officially recognised as an operational bauxite mine from 8 March 2019 onwards.

The project's first shipment of bauxite set sail from Amrun in December 2018 and arrived at the Yarwun alumina refinery in Gladstone one week later—on budget and six weeks ahead of schedule.

Its resources will replace depleting production from Rio Tinto's existing East Weipa mine, increasing projected annual bauxite exports by 10 million tonnes and extending our operations in the Western Cape by approximately four decades.

Work is currently underway to reach production rates of 22.8 million tonnes. Once achieved, Amrun will have the capacity to deliver up to 50 million tonnes per year, sustain jobs in the region, provide ongoing opportunities to a range of local suppliers, and fully support Rio Tinto's downstream aluminium supply chain.

About the project's Social Impact Management Plan (SIMP)

Rio Tinto completed a Social Impact Assessment (SIA) as part of the Environmental Impact Statement (EIS) process, and identified social impacts for the construction, operation and decommissioning stages of the project.

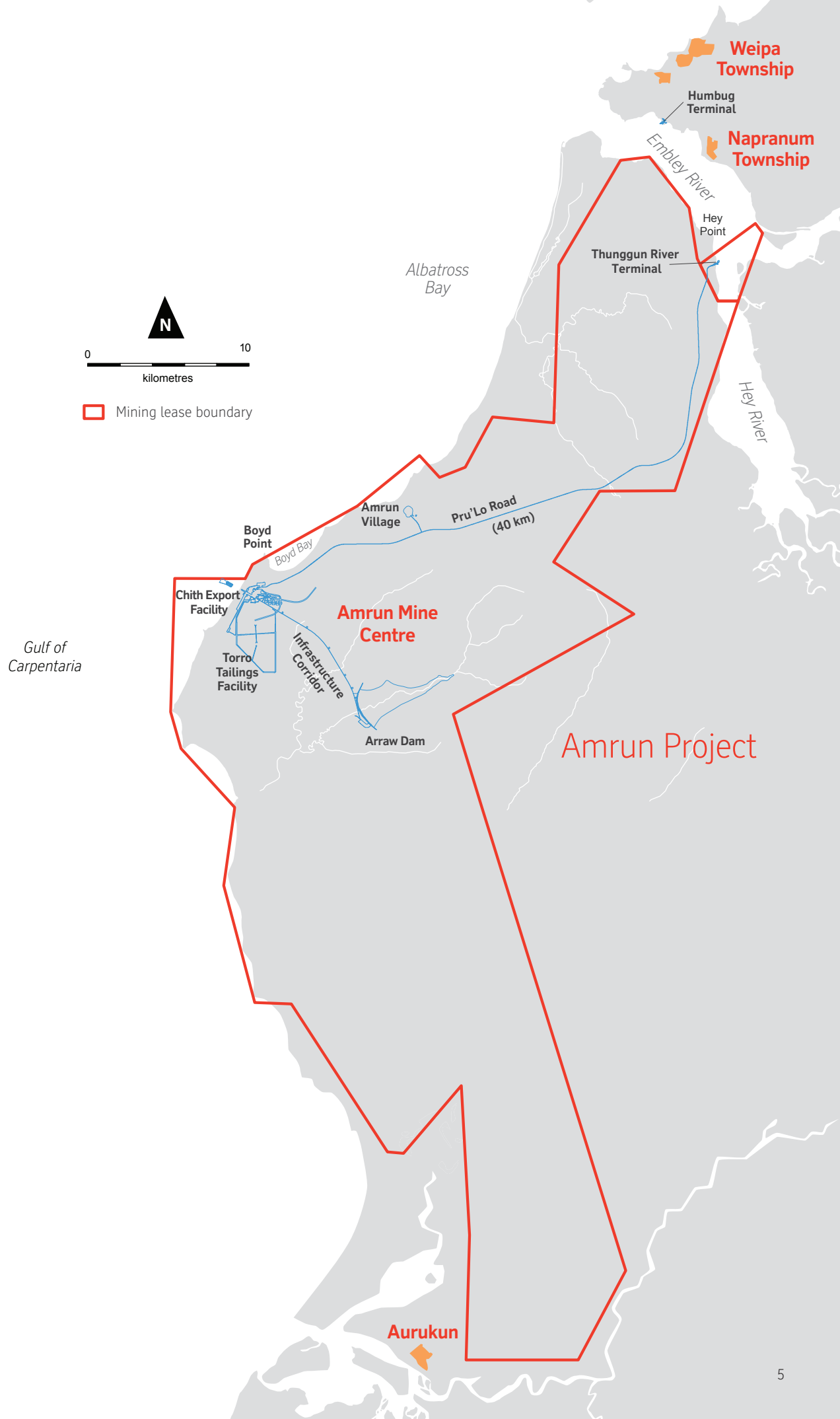
The community was consulted on draft Social Impact Management Plans (SIMPs) in 2012 and again in 2015.

The final SIMP was approved by the Queensland Coordinator General on 3 February 2016, following the Rio Tinto Board's approval to proceed with the construction of Amrun.

This SIMP reflects Rio Tinto's proactive approach to managing potential community and social impacts from the project.



Pictured: Wik-Way Senior Traditional Owner Tony Kerindun, Marie Pitt and Florence Changer of the WCCCA, Senator the Hon. Matthew Canavan, Rio Tinto's Chief Executive Officer JS Jacques and the Hon. Anastasia Palaszczuk MP Premier of Queensland.



Engagement Events

Rio Tinto engages with stakeholders via a range of formal and informal consultation processes.

The Western Cape Communities Co-existence Agreement (WCCCA), of which Rio Tinto is a signatory, details established consultation processes for Rio Tinto to report on its commitments and discuss mining-related activities with Traditional Owners on its mining lease ML7024. In 2017, Rio Tinto Amrun project representatives provided updates and answered questions on project-related activities at the following meetings:

Western Cape Communities Coexistence Agreement (WCCCA) meetings:

- Communities Heritage and Environment Management Plan (CHEMP) meetings x 2
- Coordinating Committee meetings x 4
- Employment & Training Sub-committee meetings x 4
- Environment & Heritage Sub-committee meetings x 4
- Indigenous Directors and Members meetings x 4
- Land & Rehabilitation mine tour x 1
- Land Relinquishment & Transfer Sub-committee meetings x 4
- Western Cape Communities Trust meetings x 4.



Rio Tinto's communities team supporting a local Western Cape Indigenous sporting event.

Several other engagement forums were held throughout 2018 where community members could find out more about the project and information about employment and procurement opportunities. These included:

- Rio Tinto Business Partners forums x 2
- Rio Tinto Community forums x 2
- Operational tours, including Amrun, for Traditional Owners connected to the business' Aboriginal Agreements and school engagement purposes
- Annual Indigenous Employment & Development recruitment drives (Napranum, Aurukun, Mapoon, NPA, Hopevale and Weipa)
- An information stall at major community events, including the Weipa Fishing Classic, Ruchook Cultural Festival (Napranum), Paanja Cultural Festival (Mapoon), and Aurukun's 40th Anniversary Concert.

Community commute – Aurukun to Amrun

Relying on a road that is cut-off by the wet season for up to six months a year meant that access to employment opportunities on the Amrun project was a challenge for Aurukun locals, including Wik and Wik-Waya Traditional Owners.

Ensuring Aurukun residents can live in community when off roster and work in the mine is an important part of our commitment to local communities. Operating since 2016, the community commute service ensures this remains possible.

The service involves bussing employees between Aurukun and the project during the dry season, and a flight service during the wet season.

At peak nearly 40 Aurukun residents participated in the community commute during 2018. Many of the current participants are team members from the project's Land and Sea Management team, operating to a seven-on, seven-off roster.

This service was not exclusive to project construction and continues throughout operations to support ongoing participation in the workforce.



Aerial image of the Aurukun township.

Communities, heritage and environment management plan (CHEMP)

One of the key elements of the SIMP was the development of a Communities, Heritage and Environment Management Plan (CHEMP) to ensure cultural and environmental values on the Amrun lease are managed for future generations.

This plan was developed through several on-country workshops with Traditional Owners, and includes the process for identifying and recording cultural heritage and environmental sites, and their management processes during construction and throughout operations.

The document was finalised and endorsed by Traditional Owners in 2014 prior to the Rio Tinto Board's approval of the Amrun project, and is available to view at www.riotinto.com/weipa.

Building on the plans progress in previous years, a number of commitments of the CHEMP came to fruition in 2018, including:

- Frontline leaders gained a deeper understanding of our local communities through the new **cultural immersion programme**, which commenced in early 2018. The programme was designed to support frontline leaders to build their cultural capability and grow their understanding of the surrounding Indigenous communities that are signatory to our three Indigenous land-use agreements. Key community events supported through the programme in 2018 included Hands on Trade, Aurukun Day, Aurukun 40th Anniversary concert, and the Aurukun Wik Awards.
- As the project neared completion towards the second half of 2018, several significant milestones were achieved including the first mining deployment activities, first bauxite processed, the launch of our first shipment, and the official

handover from construction to operation. For each milestone, **cultural protocols** played an important role in our celebrations. Working in partnership with Traditional Owner groups is a priority for Rio Tinto, and incorporating cultural protocols during these milestones is a reflection of our progress on building strong partnerships.

- Throughout 2017, the CHEMP Working Group endorsed and approved several **traditional language names** for significant Amrun infrastructure and mine blocks. In 2018 as the project started to transition to an operational bauxite mine, a key focus was to ensure these language names were recognised with correct pronunciation. Additional language names were also given to the new 'roll-on, roll-off vessel' (Sara) and the 'fast ferry' (Innong) by senior Wik-Waya Traditional Owners. These vessels are currently being built and will arrive on site during 2019.
- A main component of the CHEMP was the creation of a **Land & Sea Management Programme (LSMP)**, which provides the opportunity for Wik-Waya Traditional Owners to work with Rio Tinto to facilitate land and sea management activities on the project. The programme was officially established in January 2016 and has achieved a number of significant milestones since forming. Activities continued during 2018, including preparing the team for their transition from construction to operation (see page 11 for more information).

Opposite: Wik-Waya Traditional Owners performing cultural dance at the official opening of Amrun.



Land and sea management

The SIMP action to form a Land and Sea Management Programme (LSMP) has presented significant opportunities for Traditional Owners to be actively involved in both planning and participating in cultural heritage and environmental management activities on the Amrun project.

Established in January 2016, the LSMP supports Wik-Waya Traditional Owners to work with Rio Tinto and undertake management and conservation activities at Amrun, during the construction phase and into operations.

In 2018, the 10-person strong team continued to undertake work across two crews, providing full-time site coverage throughout the project's construction phase.

Highlights from the team during the previous 12 months included:

- Successful implementation of **cultural heritage and environmental scopes** with support from consultants, resulting in improved environmental outcomes (i.e. fire management, weed control).
- Ongoing **turtle monitoring** including tagging nesting turtles, identifying and monitoring nests, and recording hatchlings that were nesting along the Amrun coastline between Winda Winda Creek and Ina Creek. As part of the monitoring programme, the feral pig control programme also continued, contributing to a three-fold increase in turtle hatchlings for the year.
- Continued **feral animal management** activities, including quarterly spotlighting, recording incidental sightings and completing trapping around infrastructure.
- Ongoing **marine management**, including assisting with marine pest monitoring activities, annual dolphin surveys and beach cleaning. Preliminary results from the 2018 dolphin survey recorded 90 pods consisting of 498 individual animals, as well as a recorded orca sighting.
- Annual **water quality monitoring** of freshwater catchments, as well as fish monitoring, relocation and habitat development to support a sustainable environment for the region's freshwater species.
- Successful completion of **fire management** training and cultural, environmental and infrastructure management burning across site, ensuring all assets were protected.
- Continued **professional development** opportunities for all team members, including on-site and formal training to obtain certification for work scopes including fire management, all-terrain vehicles (ATVs) and weed control. The team is also currently working towards obtaining a Certificate III in Conservation and Land Management.

Land and sea management activities will continue into the project's operational phase, including turtle management (i.e. feral pig reduction, turtle surveying and nest protection), weed monitoring and control, fire management practices, orchid monitoring and establishment, and additional scarred tree relocation.

Indigenous employment and training

Throughout construction, more than 400 Indigenous people, including 120 Local Aboriginal people, were employed on the project.

As a key focus area of the SIMP, a number of Indigenous employment and training initiatives have been established since construction began in 2016.

Key activities for the 2018 reporting period included:

- The project's **partnership with the North Queensland Toyota Cowboys** continued, providing mentoring support to Indigenous employees and supporting recruitment initiatives across the Cape. The Cowboys also ran its *Try for 5!* programme at Koolkan Aurukun State School for the second year to encourage student attendance and minimise the social impacts created by missing foundation learning in the early years of schooling. The program continues to be funded in 2019.
- **Sodexo** was awarded the contract for Amrun's accommodation village grounds maintenance. The contract has opened up a number of new local employment opportunities for the business, and has increased Sodexo's total Indigenous employment rate at Amrun to just shy of 24 per cent
- The **community commute** from Aurukun continued, with up to 40 participants using the service to travel from community throughout the year (see page 7 for more information).

Throughout construction of the project, Amrun has engaged a number of Indigenous employees in varying roles. Acknowledging the construction



Local Aboriginal participation has reached 13% (202 full time employees) at Weipa Operations.

phase would soon be complete, Rio Tinto partnered with Bechtel to conduct an expression of interest (EOI) campaign in February 2018 to understand future workforce plans of local Indigenous employees and identify opportunities for ongoing employment into operations.

Of the EOIs submitted under this process, 50 per cent were successfully transitioned into permanent direct or indirect employment.

As it moves into operations, Amrun's commitment to ensure ongoing opportunities are available for local and Indigenous businesses and community members will continue. Contracting partners will be continually encouraged to submit plans detailing how they will support Indigenous participation through training, employment and business opportunities.



Walter Convent

What interested you in joining Amrun?

Prior to working for Amrun I was receiving government support. When Rio was looking for people to join the project, I went along to see what opportunities were available and explained I wanted to help rehabilitate our land.

What sort of work have you been involved in?

Since joining, I've completed a Certificate III in Agriculture and a Certificate II in Forestry. I help to keep the grounds in good shape, and I've also cleaned at Amrun Mine Centre and helped with demobilisation. Now I've completed my certificates, I'd like to move into environmental and cultural heritage.

What's been your highlight working at Amrun?

I've had a blast working here. I've met new friends – friends I will have for life. This experience has helped me grow my self-esteem and improve my coordination through work and sports. It's taught me a lot, especially working with other contractors. We're always laughing and enjoying the day. It's an awesome crew here.



Helen Karyuka

What activities have you been involved with at Amrun?

I've been working with Rio Tinto for almost 13 years now. I started in the early days completing cultural heritage surveys, and once the project construction commenced I stepped into a surveyor's role with Minstaff. Through my earlier role, I've walked every part of this bush and was part of the team who found a number of scarred trees. This was an important moment for the project and for the community, and it's something we would not have been able to do without the support shown at Amrun.

What do you like about Amrun?

It's been great to meet new people. When I go home to visit my family, I always miss my friends at Amrun. I like to be at work because there is always someone to talk to and laugh with.

Indigenous education and youth engagement

Rio Tinto recognises the significance of ensuring quality educational outcomes for students in the Western Cape York region to ensure there is a sustainable pipeline of talent for the future of the operation.

Key initiatives during 2018 included:

- Two years on from its inception, the youth-focused **Ambition Project** continues to gain momentum to engage with, and build ambition and capability in local Aboriginal students. In January, members from the Indigenous Employment and Development (IED) team and Koolkan Aurukun State School farewelled the school's Year 7 students as they transitioned into boarding school. Each student was provided with a 'starter pack' to support their transition to living away from community.
- In June, the team hosted youth aged 15–18 years from the **Aurukun Transition to Success programme**, inviting them to site to learn what career opportunities are available if they returned to school, and to ensure core industry requirements and expectations are reinforced to start building work readiness skills. Key activities included career pathway information sessions, a site tour, and engagements with trade, technical and professional roles.
- STEM school events** (science, technology, engineering and maths) continued with students from prep through to secondary, to showcase how classroom learning has direct links and applications to real-world jobs. Over 50 students were engaged in 2018.
- Rio Tinto Weipa operations leadership team and IED team for the **Hands-on Trades (HOT) programme** visited PCYC Aurukun in July to engage with youth from the area. The session offered STEM activities across three areas—Light Vehicle Mechanic, Fitter and Turner, and IED. It was also an opportunity to speak with aspiring youth and offer an insight into what is required to undertake an apprenticeship with Rio Tinto in an effort to assist students with making informed choices at school to achieve their career aspirations.
- Wik-Waya Traditional Owner and Rio Tinto surveyor, Helen Karyuka, and Amrun Operations manager, Troy McNamara, attended the annual **Aurukun Wik Awards Night** in December, presenting Rio Tinto-sponsored book awards and certificates to the top NAPLAN reading students in Years 3, 5 and 7 whom attend the Koolkan Aurukun State School.
- The IED team and Helen Karyuka presented 23 Year 6 students with a certificate and boarding school pack at the Koolkan Aurukun State School graduation ceremony in December. The packs were distributed to students in January 2019 as they departed for boarding school.



Rio Tinto delivering the Hands on Trade programme to Aurukun youths.

Local and Indigenous sourcing

During construction the Amrun development set a benchmark in supporting local and regional suppliers with \$2.2 billion invested with Australian companies, including \$277 million invested with local Cape York companies.

From the outset, the Amrun project has operated with a philosophy to engage and procure local expertise and materials. Contrary to projects comparable in size and scope—which would typically engage large-scale, multi-national contractors—Amrun created bespoke contracts with a ‘buy local, hire local’ mindset.

Throughout the project’s three-year construction phase, local procurement encompassed everything from sourcing bulk materials such as Australian-fabricated steel for site structures to engaging sole proprietors to deliver goods and services. Groceries for the accommodation village were even purchased and shipped from Cairns, feeding more than 1,000 people a day.

At the end of 2018, the Amrun project’s overall economic contribution was:

- \$1.6 billion spent with Queensland businesses
- \$277 million in direct spend committed to Cape York suppliers
- 801 Queensland suppliers, 69 of which were located in the Cape and 17 that were Aboriginal and Torres Strait Islander businesses.



Local Aboriginal business, Embley Contracting, provide busing and security services to Amrun.

The project also continued to work with Industry Capability Network (ICN) Queensland with 78 work packages published on the projects ICN gateway website.

This commitment will continue into operations, with contractors encouraged to ensure the Indigenous employment and training targets detailed in their Local Indigenous Participation plans are not only met, but exceeded wherever possible.



Northern Haulage and Diesel Services (NHDS)

NHDS were awarded the contract to perform general services at Amrun, which included administrative, labour and construction support. This boutique contract awarded to the 100 per cent Indigenous-owned business created 25 jobs for local aboriginal people on the Amrun project.

Housing and accommodation

To help mitigate potential community concerns around impacts on local housing, the Amrun project built an accommodation village on site to house its construction workforce and operational employees while on shift.

Key initiatives linked to housing and accommodation in 2018 included:

- Following workforce consultation in 2017, Weipa employees transitioning to Amrun at the end of 2018 commenced the '4,5,5 roster'—commonly known as the **lifestyle roster**. Positive feedback has been received on the new roster so far, with employees enjoying the work-life balance spending half of their weekends each year at home brings.
- To coincide with the introduction of the new roster, Rio Tinto, Weipa Town Authority and Weipa Community Care continued their investment in the local **Family Day Care scheme** to support employees, families and the broader community through this transition period.
- Family Day Care Educator starter packs were offered up to the value of \$5,000 with \$100k invested over 2-years in the scheme.
- With support from owner-operator Rio Tinto Weipa operations, **Cape Kids Childcare Centre** underwent an extension, increasing the centre's capacity by 57 places to total 132.
- **Health and Lifestyle coordinators** commenced at the Amrun accommodation village to facilitate a range of physical and mental wellbeing initiatives. This included activities such as sport, social, entertainment and mental wellbeing. The programme encourages residents to lead a healthy lifestyle while also connecting with other employees outside of work.

Now the project has officially transitioned to operations, a number of initiatives will continue to ensure the mental and physical wellness of Amrun employees remains a priority. An increased focus will also be on encouraging employees to participate in community-led initiatives to help build a strong, inclusive and healthy community.



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