

Group Tax Policy

FIN-A-002

Group: Procedure	Function: Group Tax	No. of Pages: 3
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Owners: Global Head of Tax	Approved: October 2023	Approver: Rio Tinto Board
Target audience: Board, CEO, CFO, Executive Committee, Head of Product Groups and functions Tax- Mandatory Group wide External Stakeholders e.g. shareholders and investors		

Direct linkages to other relevant policies, standards, procedures or guidance notes:

- Schedule of Matters Reserved for the Board
- The way we work
- Business integrity standard Document purpose

Document purpose:

The Group Tax Policy covers the fundamental principles that govern the Group's tax management practices and how they support the Group's strategy.

We have maintained our commitment to the B Team [Responsible Tax Principles](#) which provide a leadership standard to drive best practice in tax governance, reporting and interactions with tax authorities. These principles are embedded in the Group Tax Policy and we are evaluating changes to our annual Taxes & Royalties Paid Report to better report our performance against these Principles.

We also review our tax policy and approach to tax governance to reflect feedback provided by tax administrations – for example, the UK HMRC and Australian Taxation Office periodically review our tax policy and approach to governance.

Rio Tinto Tax Policy

The Rio Tinto Group (“the Group”) has established a Group Tax Policy (“the Policy”) governing its tax strategy, which is reviewed and approved by the Board on an annual basis.

The primary responsibility of the Group in relation to taxation is to ensure compliance with the law and relevant statutory compliance obligations, and the application of our internal policies and standards. Within the limits established by these requirements, and subject to the principles set out in this policy, the Group manages its tax affairs in a proactive manner that seeks to maximise shareholder value in accordance with our strategy and our commitment to transparency.

Tax risk management and governance

- The Group is committed to strong governance to identify, manage and report tax risks.
- The Board reviews and approves the Policy, and management’s adherence to it, on an annual basis.
- Management enforces the Policy and monitors the appropriateness, adequacy and effectiveness of the tax risk management systems.
- Subject to oversight by the Board and management, the conduct of the Group’s tax affairs and the management of tax risk is delegated to a global team of tax professionals.
- The Group complies with documented tax risk management procedures and thorough risk assessments are completed before entering into significant transactions.
- The Group adopts formal processes to identify and manage risks. Material risks are reported to the Audit and Risk Committee.
- We apply the arm’s length principle to related party cross-border transactions in line with guidelines issued by the Organisation for Economic Co-operation and Development (OECD).

Transparency

- The Group is committed to transparency about our taxes paid, payments to governments, and our approach to tax to our stakeholders: including investors, policy makers, employees, civil society and the general public.
- Rio Tinto will engage with governments and other stakeholders to share our experiences on disclosure and transparency and encourage the harmonisation of reporting obligations aligned with global best practice.

Dealings with tax authorities

- The Group values having good relations with tax authorities and is committed to engaging with tax authorities with integrity and transparency.
- The Group proactively engages with tax authorities on a real-time basis, including participation in co-operative compliance arrangements.
- Where there is uncertainty or disagreement in the application of the law, we work with tax authorities to seek clarity or resolve disagreements on a timely basis.

Principles of tax planning and tax risk management

- The Group will respect and comply with all applicable tax laws.
- The Group’s tax planning and management of tax risk is aligned with our business strategy and conforms to our global code of business conduct, The Way We Work and the Business Integrity Standard.
- The Group actively considers the implications of tax planning and risk management activities on our corporate reputation.
- We use business structures that are driven by commercial considerations, aligned with business activity.
- Where there is uncertainty regarding a tax position in relation to a major business transaction or initiative, we seek an opinion from an appropriately qualified external adviser to support the position.

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Tax incentives and concessions

- We pay tax on profits aligned with where business activity occurs, and value is created.
- The Group avails itself of tax concessions and incentives offered by countries to eligible taxpayers who undertake genuine business activity.
- Where we access incentives or concessions aligned with our business objectives, we comply with the relevant statutory framework and meet all reporting requirements.

Supporting effective tax systems

- We support simple, stable and competitive tax systems and administration.
- We engage constructively in local and international tax reform dialogue to contribute to the development of sustainable and effective tax systems.
- We actively promote transparent and responsible tax practices and engage with civil society organisations on initiatives to advance transparency over tax and payments to governments.

Rio Tinto will not:

- Participate in tax evasion or undertake aggressive tax planning.
- Take positions that do not have a reasonable basis, or that rely on non-disclosure.
- Artificially transfer profits from one business location to another to avoid taxation.

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