

pioneering  
progress

RioTinto



# Invested in South Africa 2020



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## Rio Tinto in South Africa

Richards Bay Minerals (RBM) is situated in the northern region of KwaZulu-Natal province and is a joint venture between Rio Tinto (74%) and Blue Horizon – a consortium of investors and our host communities Mbonambi, Sokhulu, Mkhwanazi and Dube – which owns 24%. The remaining shares are held in an employee participation trust.

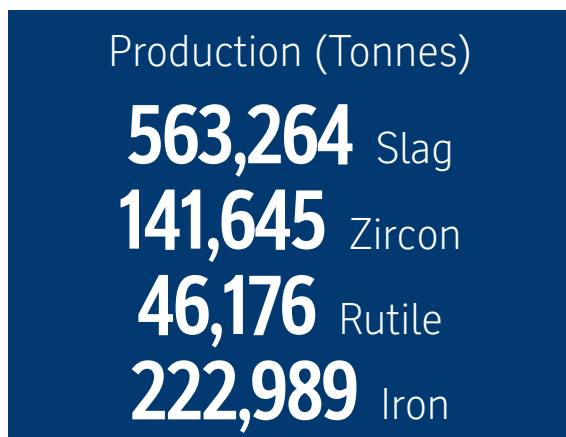
RBM is a world leader in heavy mineral sands extraction and refining, and is South Africa's largest mineral sands producer. RBM produces predominantly ilmenite, rutile and zircon – materials used in everything from paint to smart phones to sunscreen.

RBM has been a major contributor to its host communities, the town of Richards Bay and the KwaZulu-Natal province for over 40 years. We continue to make a meaningful contribution towards regional economic development, investing in infrastructure and critical social projects. These contributions support sustainable, long term development and improved livelihoods in our communities.

Rio Tinto also maintains a corporate presence in Johannesburg, South Africa, which supports operations and projects in Africa, Europe, and the Middle East. The Johannesburg office is also home to a team from Rio Tinto Exploration (RTX) who carry out exploration activities in the region.



## Our economic impact in South Africa



# R9.3bn

in economic contribution



All figures in ZDR and for 2019.

# Safety: Our number one priority

The safety of our employees, contractors and communities will always come first.

Our aim is for every employee to return home safe and healthy every day. Based on global best practices, we have embedded a 'Zero Harm' approach ensuring that every person, at each level of the organisation, is equipped and supported to take personal ownership of safety.

Our approach to improving health and safety is built on the fundamentals of:

- fatality elimination;
- catastrophic event prevention; and
- reducing injuries and illness.

Improvements in each of these three areas is driven through:

- leadership and culture;
- critical risk management and controls;
- systems and technology; and
- learning and communication.

We are nurturing a culture of respect, empowerment and support for front-line employees. Our values of safety, teamwork, respect, integrity and excellence underpin our decisions and actions, creating a safe and healthy organisation for all.



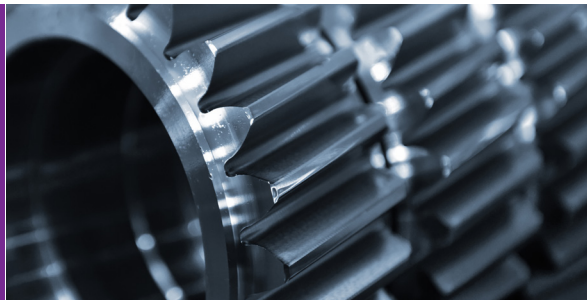


# Products essential to daily life

From mine to market, the minerals we extract make life work.

## Pig Iron

Pig iron is used for the manufacturing of cogwheels and gear devices. These components are mainly used in the automotive industry, allowing you to move forward on the road every day.

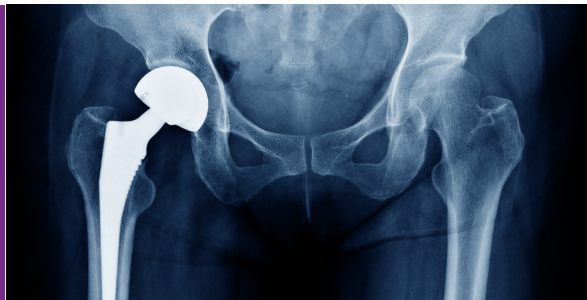


## Titanium Dioxide

Titanium Dioxide is used to create a pure white, highly refractive, ultraviolet light-absorbing pigment. The pigment is used in products such as toothpaste, cosmetics, paint, plastics, textiles and inks.

## Rutile

Rutile is utilized extensively in the aerospace and aviation industries because of its lightness, strength, corrosion and heat resistance. These properties also make rutile ideal for use in artificial hip joints, pacemakers and spectacle frames.



## Zircon

Zircon is used in the production of tiles and lavatory ceramics. Refined to zirconia, it is used in a wide range of advanced ceramics, refractories, electronic applications and many other industrial and domestic products and jewelry.

## Our people, our future

We are committed to an inclusive environment where all voices are heard and all cultures are respected. We believe that a variety of perspectives are not only welcome - they are essential to the team's success. We treat each other fairly and with dignity, regardless of race, gender, nationality, ethnic origin, religion, age or anything else that makes us different.



RBM has opened up doors of opportunity for me. As an HR graduate, I am always given opportunities to learn and contribute to my team and clients. I've attended the Global Graduate Summit in Quebec, Canada. With the support from my team, I have built confidence and I am eager to be an HR specialist who cuts across the board."

**Mxolisi Ngwenya**  
HR Graduate



### Investing in the future

We have implemented a range of programmes to grow young talent. For example, the Rio Tinto Graduate Programme supports and provides world-class training to recent graduates in different areas of the business to gain professional site experience. Our graduates' learning activities are designed to accelerate personal growth, help them to align with the requirements of the business and provide additional resources to develop in their roles.



We are preparing for the future with a renewed focus on developing our people. RBM is a strategically important asset for Rio Tinto and for our growth in Africa. Today's key talent will be tomorrow's leaders. It is our obligation to harness the potential and prepare for succession, whilst in parallel, ensuring the strongest team dynamics with a targeted focus on building diversity in race, gender and perspective."

**Werner Duvenhage**  
Managing Director, Richards Bay Minerals





The RBM Athletics Club was launched in 2018 with 73 employees aiming to build team spirit. The club has run a total of 5548 Kilometers covering 15 races across the country including the Comrades Marathon.

We are committed to employment equity and we aim for a diverse workplace – not just because it is good for our business, but because it is the right thing to do. We have established clear targets to improve the number of women in our organisation, at all levels. We have gender-neutral parental leave and our policy on inclusion and diversity reinforces our expectations around behaviours and personal accountability. We set ambitious goals to increase our diversity year on year.

**Partnering with the communities**

72% of our workforce comes from the KwaZulu-Natal province, and 34% from our four host communities.

We directly employ approximately 2,000 people and just over 3,000 contractor workers while indirectly creating opportunities for scores of businesses and thousands more people.

**Family and Domestic Violence Policy**

We recognise that keeping each other safe extends beyond the workplace and into the home. Unfortunately, family and domestic violence is a widespread issue in society and one that we are taking steps to address. As part of our commitment to zero harm, we are standing against family and domestic violence by offering a package of additional support for employees suffering from domestic and family violence.

We have made a number of pioneering changes to our policies, processes and resources to support our employees and communities affected by family and domestic violence.



RBM was named one of South Africa's Top Employers for 2020, an honour we have received for five-years in a row. This certification is the result of global research and is a testimony that we lead the way with outstanding 'people-first' HR practices.

# Sustainability

We work hard to leave a positive legacy everywhere we work.



At RBM, where we mine sand dunes along the coast, we have pioneered a progressive award-winning dune rehabilitation approach, and have been learning and sharing lessons with the global scientific community for nearly 40 years. To date, we have successfully rehabilitated more than 3,111 hectares using native plants and trees. Our rehabilitation programme is gradually resulting in the re-establishment and restoration of a coastal dune forest ecosystem, and more than 35 scientific studies have been conducted by experts from around the world to learn from our work.

## **Water Management and Conservation**

We treat water as a precious resource, and have implemented several important initiatives to ensure we are using water in the most efficient way. For example, we have implemented water optimisation projects in our smelting and processing areas that have improved water use efficiency. We are working to continuously improve the storm water management system and water conservation overall.



# Investing in communities

Planning for the long term and playing a positive role in the communities where we operate.

Over the years, we have strengthened the way we work with communities, so that the work we do benefits our local partners as well as our customers and shareholders. Today, our community teams – everyone from archaeologists and economic development experts to human rights specialists – work in partnership with our communities to understand how our work affects their lives. Our goal is to maximise benefits through social and economic development – and minimise potential issues, such as noise and dust.

We have established platforms for regular engagement within each of our four host communities. We are a member of the Multi-Stakeholder Forum (MSF) comprised of representatives from the different levels of government, traditional leadership and the wider business community within the region.

Our support for development in communities is funded by direct investment as well as through Community Trusts, established through community ownership as part of our Broad-based Black Economic Empowerment approach. This ensures that dividends are paid into the Trusts for communities to drive their own development programmes.

We continuously strive to build constructive and mutually-beneficial relationships with our communities. Our vision is long-term sustainability of communities, beyond mine closure. It is for this reason that we prioritise skills development, leadership and small business development.



# Dedicated to the growth of future generations



## **Bambisanani Programme**

This programme, established in 2002, works to enhance English, mathematics and science literacy for students in grade 10 to 12 from high schools around our communities. In addition, it offers further training to school principals and heads of department from local high schools.

## **Apprenticeship Programme and Bursaries**

Each year, 12 young people from host communities join a two-year apprenticeship programme including electrical engineering, fitting and turning, instrumentation, and diesel mechanics – core skills in our industry. To increase the number of women in the mining industry, in 2006, RBM introduced an 18-month learnership programme aimed at accelerating the participation into core mining operations. In 2019, RBM enrolled 17 young women into the programme.

# Mine community development



## Thusong Centre

The Thusong Service Centre is a one-stop service centre providing information and government services to marginalised communities in an integrated manner. RBM funded the centre so that community members no longer have to travel long distances to access services they need.

**Investment: R21.4m**

## Sport Fields

To promote physical fitness and teamwork in the communities surrounding our operations, RBM partnered with Mbonambi Traditional Council and Umfolozi Local Municipality to upgrade the Nhlabane and Mzingazi sport fields, establishing an important facility for the communities. This also provided business opportunities for local contractors.

**Investment: R4.7m**



## Driving and Licensing Testing Centre

Forecast to be fully operational by 2021, this centre will provide a facility to check roadworthiness of vehicles, and renew drivers' licences and vehicles' registration disks. It is the first such centre in uMfolozi Local Municipality – previously community members had to travel to other municipalities to access the services. The RBM-funded centre will create 27 job opportunities and three local contractors have benefited. The centre will also generate revenue for the municipality.

**Investment: R12m**

## Esikhaleni- Mpembeni and Maphelane Roads

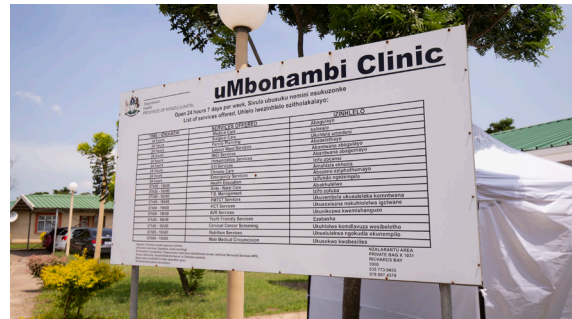
In partnership with the KwaZulu-Natal Department of Transport and government services, RBM embarked on projects to improve road networks in communities. The roads increased connectivity to economic hubs, while improved infrastructure continues to create opportunities for community investment and eco-tourism growth.

**Investment: R77m**

**Mbonambi and Sokhulu Clinic**

These Community Health Centres were constructed as comprehensive and integrated facilities with the capacity to provide primary and secondary health care services to the communities. In addition, there is also a HIV/AIDS management centre. Through this investment, RBM ensured host community contractors were involved in all stages of the construction work.

**Investment: R7m**



**Mkhayideni and Tisand Technical Schools**

RBM built Tisand and Mkhayideni as technical high schools to support the development of technical skills in the local area. Mkhayideni has a workshop for the training of electrical and mechanical subjects. The construction of the workshop was awarded to a Mbonambi community enterprise, Isibonelo Construction.

**Investment: R6m**

**Waste management**

In partnership with Umfolozi Local Municipality, RBM procured 40 waste skips and a service truck to assist the local municipality in servicing 17 wards within Mbonambi community. The investment has promoted a sustainable environment and reduced health hazards. Khonzi Engineering, a local, women-owned contractor, was awarded the business opportunity to fabricate skips and employed local women and young people.


**Investment: R3.4m**



**Paper Products Manufacturing Project**

RBM supported Mpumalanga Trading to set up a business manufacturing tissue paper products. Mpumalanga Trading formed a new cooperative to produce and sell a variety of paper products including: kitchen towels, serviettes and toilet paper. Today, this project is operating successfully, creating five jobs, and working with three supplier companies that provide Mpumalanga with input materials.

**Investment: R1.7m**



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