

Standard

Rio Tinto management system

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Document purpose: This standard relates to the management of risks associated with health, safety, environment, communities and social performance activities, product regulation and quality.				

Rio Tinto management system

How does the Rio Tinto management system standard work?

This standard details the requirements for Rio Tinto Group businesses to implement an integrated system for the management of health, safety, environment, communities and social performance and, (where relevant) quality. It sets out the core requirements for all Rio Tinto businesses as well as additional requirements for businesses electing to achieve conformance to a relevant international standard.

Some of the processes refer to supporting documents called “Group procedures”. Group procedures are mandatory requirements setting out a consistent method for requirements of the standard. In addition to the management system standard, Rio Tinto has a number of Health, Safety, Environment, Communities and Social Performance (HSEC) standards that address specific areas of risk and are mandatory for all Group businesses.

While all Rio Tinto businesses must meet the requirements of this standard, each business’ management system may differ depending on its needs. That is, the level of detail and complexity of the management system - and the extent of the documentation and resources devoted to it - depends on the nature, scale and risk of the business activities, products and services. At all times, businesses are encouraged to take a pragmatic approach.

Health, Safety, Environment, Communities and Social Performance (HSEC) standards:
Where specific requirements are set out in the performance standards, those requirements must be met in addition to this standard.

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The Rio Tinto management system

Scope and intent

This standard relates to the management of risks associated with health, safety, environment, communities and social performance, product regulation and quality.

All Rio Tinto businesses must implement, or demonstrate conformance to an integrated management system aligned to the requirements of this standard. Statutory and permitting requirements will take precedence over Rio Tinto standards, except where the Rio Tinto standards are more stringent.

Where the requirement is for a business, this means a managed Rio Tinto business, function, site, project or operation.

Where the requirement for a procedure appears in this standard, this means that a procedure is established, documented, implemented, communicated and maintained.

Application

- 0.1 Rio Tinto businesses must define the business scope to which this standard applies and the activities, services and products included within the scope.

This standard is formatted such that the core clauses apply to all Rio Tinto managed businesses within the defined business scope. Those businesses that subscribe to certification to an International Standard must also meet the requirements of the clauses identified with [IS] for the relevant certification and additionally, [Q] clauses where ISO9001 certification is part of the scope.

Newly acquired businesses or sites must conform to the Rio Tinto management system standard by performing a gap analysis and by developing an action plan that is agreed with the product group head and the global head of HSEC within six months to close the gaps. In the case of a project restarting or transitioning to an operation an implementation plan is required prior to operational start-up.

Rio Tinto expects business partners, such as associate companies or joint ventures where it does not have operating responsibility, as well as principal contractors, suppliers and others with whom it has a substantial involvement, to meet comparable standards. Rio Tinto informs them of these standards, its principles and policies and works with them where appropriate to support their adoption of practices consistent with our own.

Rio Tinto businesses or managed sites in closure or under divestment must implement a process for the management and retention of records for future reference.

General requirements

- 0.2 [IS] Certification to international standards (ISO 14001; OHSAS 18001; AS/NZS 4801; or ISO 9001) is at the discretion of the Rio Tinto business. Such decisions must be included in the scope of their management system.

[Q] For businesses or managed sites where our customers require external recognition of our commitment to quality services and products, we are required to document, implement and maintain a management system so that:

- a) It is in accordance with the International Standard ISO 9001.
- b) The processes required by the system (including management activities, resources, product realisation, measurement, analysis and improvement) are identified.
- c) The sequence and interaction of these processes are documented and communicated.
- d) The required controls and actions necessary to maintain these processes and meet planned performance are effective and allow for continual improvement.

Non-implementation and variance

0.3 Where a business or site cannot implement a requirement of this standard (including related Rio Tinto standards) as stated in Clause 0.1, the business or site will document the reason and gain formal approval utilising the non-implementation and variance process.

Terms and definitions

0.4 Rio Tinto Group HSEC has established a database of terms and definitions used throughout this standard, and its related documentation. This database is available through the Rio Tinto Health, Safety, Environment and Communities and Social Performance (HSEC) document management system.

Element 1: Policy

Intent

To establish a clear set of values and objectives for the effective management of health, safety, environment, quality, communities and social performance activities.

1.1 All businesses must have a policy that is appropriate to the nature and scale of the activities being managed.

The Policy must commit to:

- a) The prevention of incidents that may lead to: injuries, illnesses, pollution, property and environmental damage, community impacts, security threats, process losses and product quality impacts.
- b) Compliance with legal and other requirements, including international accords and external requirements to which Rio Tinto or the business/activity subscribes.
- c) The effective management of HSEC risks.
- d) Adopting sustainable practice in key areas through continual improvement.
- e) Establishing measurable objectives and targets for improving performance.
- f) Providing the resources needed to meet our performance objectives.
- g) Encouraging employee participation and promoting employee awareness of threats and opportunities.
- h) Meeting customer requirements.
- i) Respecting the standards of conduct defined in *The way we work*.

1.2 [IS] The Policy must be:

- a) Documented.
- b) Approved by senior management where it is to be implemented.
- c) Communicated and made available to all relevant internal and external stakeholders and interested parties.
- d) Periodically reviewed to ensure it reflects the needs and priorities of the business.

Element 2: Legal and other requirements

Intent

To comply with all legal and other requirements.

2.1 There must be a process for understanding and complying with relevant legal and other requirements and to receive timely advice on any changes.

2.2 [IS] The business must have a documented process to evaluate compliance with its legal and other requirements.

Element 3: Hazard identification and risk management

Intent

To identify, evaluate and manage risks to HSEC performance.

3.1 The framework for analysing and managing risk must include:

- a) understanding the context and initiating the risk process;
- b) identification of hazard and risk scenarios;
- c) evaluation of risk and assigned ownership;
- d) management of risks through implementation of existing and further controls;
- e) documentation, communication and reporting of hazard and risk information; and
- f) updating hazard and risk information on a periodic basis.

The *HSEC risk management Group procedure* must be used for analysing and managing health, safety, environmental and communities and social performance risks.

3.2 Rio Tinto's Health, Safety and Environment performance standards and Communities and Social Performance standard must be considered as part of the hazard identification and risk management process.

3.3 Hazard identification and risk management must follow the three-level assessment model. The model incorporates:

- a) Level 1 – Pre-task hazard assessments, used by all personnel to identify hazards and suitable controls.
- b) Level 2 – Qualitative risk analysis and use of the consequence and likelihood scales and their descriptors as defined in the Rio Tinto 5x5 qualitative risk matrix.
- c) Level 3 – Quantitative risk analysis (various techniques).

Qualitative and quantitative risk analysis must be facilitated by competent personnel and include personnel with adequate knowledge and experience for the risk being evaluated.

3.4 Risks must be recorded and approved in a risk register. The risk register must meet the requirements of the HSEC risk management Group procedure.

3.5 Risks must be managed to as low as reasonably practicable (ALARP). The selection of controls must be:

- a) Aligned to the hierarchy of control.
- b) Designed and implemented considering operability and maintenance implications.

3.6 All high (class III) and critical (class IV) risks must be reviewed and updated at least annually, with emphasis on reviewing the effectiveness of critical controls.

Element 4: Management improvement planning

Intent

To drive improvement at all levels of the business.

4.1 Objectives and targets must be established for the management of performance.

They must be:

- a) Consistent with established Group objectives and targets.
- b) Contribute to the prevention of incidents or reduce their impact(s).
- c) [IS] Consistent with policies and complying with legal requirements.
- d) [IS] Be measurable, where practicable.
- e) [IS] Commit to continued improvement.
- f) [IS] Be documented.

4.2 To enable objectives and targets to be met, improvement plans must be developed, documented and integrated into the overall business planning process.

[IS] These plans must specify the required resources (both human and financial), responsibilities and timeframes to achieve the objectives and targets.

4.3 Progress against improvement plans must be tracked and monitored at regular and planned intervals or whenever there is a change to activities, operating conditions, or product quality.

4.4 Where reward and incentive schemes are provided, these must be designed such that health, safety, environment, quality and communities and social performance is not compromised in order to maximise the financial reward.

Element 5: Organisational resources, accountabilities and responsibilities

Intent

To provide the resources to support a fit-for-purpose integrated management system to manage risk.

- 5.1 A management representative(s) must be appointed to ensure the necessary financial, technological and organisational resources are available to implement and maintain the management system.
- 5.2 Management committee(s) comprising of various organisational levels and work areas (cross-functional) must be established to oversee performance and the implementation of improvement plans.
- 5.3 All roles with accountability and responsibilities (including legislative requirements) must be:
 - a) Defined.
 - b) [IS] Documented and communicated.

Element 6: Training, competency and awareness

Intent

To ensure personnel are competent to carry out their work.

- 6.1 There must be a process for the delivery and maintenance of awareness and/or competence associated with the management system and the business' risks.

The business must:

 - a) Identify awareness and/or competency requirements for all persons working under its control.
 - b) Ensure the delivery of training and its currency.
 - c) Retain appropriate records of awareness and competency.
 - d) [IS] Evaluate the effectiveness of training provided.
- 6.2 All new employees, contractors and/or visitors must undertake a relevant induction programme. As a minimum, the induction programme must include reference to the significant risks identified in the business.
- 6.3 All roles requiring technical certification, registration or licensing must be documented. The mandatory qualification(s)/competencies must be maintained for all personnel performing such roles and their associated work activities.
- 6.4 As a minimum, the following competencies relevant to the role must be established:
 - a) Hazard identification and risk management.
 - b) Operational controls (including procedures and / or work instructions).

Element 7: Supplier and contractor management

Intent

Risks associated with the procurement of materials, equipment, services and labour are effectively managed.

Supply of equipment and materials

- 7.1 During development of equipment and material specifications, risks must be evaluated, including those associated with transport, storage and disposal. Those controls required to manage the significant risks must be embedded into the contract.
Performance criteria for those pieces of equipment that serve as critical controls must be embedded into the purchase order or contract.
- 7.2 An assessment of performance to specification or intended use must be included when awarding purchase order or contract.
- 7.3 All relevant controls based on the risks associated with the transport, storage and disposal of equipment and materials must be implemented.
- 7.4 Equipment and materials must be checked for conformance to purchase order. If equipment or material is a critical control, then it is verified against performance criteria prior to commissioning.

Supply of labour

- 7.5 As the work is defined, risks must be assessed and included in the scope of work or contract. Controls associated with the risks must be comparable to Rio Tinto standards as a minimum.
- 7.6 An assessment of capability must be completed before awarding a scope of work or contract. Service providers must be qualified by the business to be awarded the work.
- 7.7 During mobilisation, all relevant controls based on the risks associated with the scope of work must be acknowledged and agreed. Accountabilities and responsibilities must be clearly defined with categorisation of the work performed aligned to the *Contractor management Group procedure*.
- 7.8 While delivering on the scope of work or contract, the business must assign a single business leader to be accountable for the work and to confirm that the controls are understood and implemented. The work will be managed according to the processes defined in the Contractor management Group procedure.
- 7.9 There must be a process to assess the performance of the service provider during or at the finalisation of the work.
- 7.10 Contractor exposure hours must be accurately collected, classified and reported within specified cut-off times in conformance with the requirements of the *HSEC performance data recording Group procedure*.

Element 8: Documentation and document control

Intent

To manage and maintain documents used as part of the management system.

8.1 The documentation of the management system must include:

- a) documents, determined by the business, to be necessary to ensure the effective management of performance;
- b) [IS] all documents as required by this standard; including the policy, objectives, procedures, and records; and
- c) [IS] a description of the main elements of the Rio Tinto management system documentation, their interaction and reference to related documents.

8.2 There must be a process for the control of documents.

[IS] It must be maintained and:

- a) Provide for the review, revision and version control of documents.
- b) Provide documents that are legible and identifiable.
- c) Require approval of the documents for adequacy prior to issue.
- d) Clearly identify changes and record the status of any revisions to documents.
- e) Ensure the identification and distribution of documents of external origin that are relevant to the business activity is controlled.
- f) Provide for the effective distribution of documents to, and where necessary, the timely removal of obsolete documents from all points of issue and use.

Element 9: Communication and consultation

Intent

Effectively engage with all stakeholders to enable management of health, safety, environment and social performance.

9.1 There must be a process in place to ensure that employees and contractors:

- a) Are informed about relevant matters including through pre shift meetings.
- b) Are encouraged to participate in continuous improvement activities and make suggestions for improvement.

This includes, but is not limited to:

- c) [IS] Internal communications to raise awareness about performance measures and changes or improvements.
- d) [Q] Awareness of customer requirements is promoted throughout the business.

9.2 There must be a process to ensure that relevant external interested parties are consulted about relevant matters. This process must be aligned with the requirements of the Communities and Social Performance standard.

[IS] The business or managed site must decide whether to communicate externally about the management and performance of its significant risks for current and planned activities; and document its decision. If the decision is to communicate, the method(s) for this external communication must be established.

9.3 There must be a process for communicating with external customers and stakeholders information regarding product risks (including statutory and regulatory requirements).

[Q] The process for communicating with external customers and stakeholders must incorporate order enquiries, product information, customer satisfaction and feedback including complaints.

Element 10: Operational control

Intent

Manage the risks associated with the business' work activities. This will be achieved, as a minimum, by implementing the risk treatment processes set out in relevant Rio Tinto HSEC standards.

- 10.1 There must be a process for the development and implementation of procedures that detail the controls required to treat the risks associated with work activities.

[IS] These procedures must reference applicable operating criteria, be communicated, available to the appropriate users.

- 10.2 There must be a process for the implementation of the Health, Safety and Environment performance standards and the Communities and Social Performance standard to control risks associated with the business' work activities.

The controls must be documented in procedures and include (or expand to) achieving the appropriate permit, license, regulatory and/or legal requirements to ensure compliance.

Where the use of PPE is specified as a risk control, its application must conform to the *Manage protective equipment Group procedure*.

- 10.3 A process must be in place to identify the controls required for new and non-routine tasks.

- 10.4 Procedures must be developed for the operation and maintenance of plant and equipment that have a potential to impact performance. This plant and equipment must be maintained, inspected and tested.

- 10.5 Documentation for critical process(es), plant, and equipment must be current, available and include as applicable:

- a) basis of design and product specifications;
- b) relevant legislation, design specifications and engineering standards;
- c) hazard analysis reports;
- d) operating and maintenance procedures;
- e) operating criteria (with defined operating limits);
- f) engineering and electrical drawings;
- g) maintenance, inspection and testing strategies.

- 10.6 Processes must be in place to regularly monitor, verify and evaluate the effectiveness of controls. For critical controls related to health and safety risks this must be a formal process that conforms to the requirements defined in the *Critical risk control Group procedure*, including:

- a) definition of performance criteria against targets;
- b) monitoring and operational (field) verification; and
- c) regular evaluation and leadership review.

- 10.7 [Q] Controls and actions necessary to maintain the processes which ensure product quality must be identified and designed to meet the expectations and requirements of customers or other stakeholders. This includes, but is not limited to:
- a) Statutory and regulatory requirements.
 - b) Those specified by the customer for delivery and post-delivery of product or service activities.
 - c) Those not stated but deemed necessary for intended use of a product.
- 10.8 [Q] The facilities, infrastructure and work environment needed to achieve conformity to product requirements must be determined, provided, managed and maintained.
- Infrastructure includes:
- a) Buildings, workspace and associated utilities.
 - b) Process equipment (hard and software).
 - c) Supporting services.

Product realisation

- 10.9 [Q] Where applicable, there must be a process to meet the requirements for product realisation, as defined by ISO 9001 and the scope of the management system. The product realisation process must be documented, and include a plan and evaluation of:
- a) Customer related processes.
 - b) Design and development.
 - c) Purchasing.
 - d) Product and service provision.
 - e) Control of monitoring equipment.

Where the business/site determines there is a valid reason for non-implementation to one or more of the above requirements, these must be documented in the scope as exclusions, and evaluated as part of the certification to the international standard.

Where customer property, such as raw material, packaging, components, drawings, information, software, and/or intellectual property is used in the process it must be identified, verified, protected and maintained. Any loss, damage, or other reason for its unsuitable use must be recorded and reported to the customer.

Element 11: Management of change

Intent

Manage the risks associated with changes to business processes such as changes in organisation, operating practices, changes to or introduction of new assets /equipment and resultant changes in processes and technical drawings.

11.1 There must be a procedure to identify and manage changes to any business processes that may impact on performance. Changes may be:

- a) Planned or unplanned.
- b) Sudden or gradual.
- c) Temporary or permanent.

The procedure must include the management of change that is appropriate to the risk.

11.2 The procedure must include a contingency to cover emergency situations where the full management of change procedure cannot practically be applied. These situations require the most senior manager (or his/her designated deputy) who is accountable for the managed activity to approve the change.

11.3 Employees and contractors must be informed how to identify what constitutes a change and how to initiate the management of change process.

11.4 All proposals for change must be evaluated and include:

- a) an appropriate level of technical expertise;
- b) the involvement of workplace representatives impacted by the proposed change; and
- c) an approval of the change by at least the same level of authority as those who control the existing process or item being changed.

11.5 The business must define a formal post implementation review process, based on identified risks, to evaluate the actual impact against the intended impacts and to address reasons for any deviation.

Element 12: Business resilience and recovery

Intent

To ensure that the appropriate resources and response plans are prepared, practiced and available. The plans will provide an effective response for the mitigation, control and recovery from incidents which can impact or disrupt the business and activities.

- 12.1 A Business resilience and recovery programme (BRRP) must be developed, implemented, tested and maintained. The BRRP must be business orientated, risk-based, documented and communicated to relevant stakeholders.

The programme must comprise of a Business resilience management plan that details the response to an incident and integrates the following three inter-related plans:

- a) Emergency response
- b) Business continuity
- c) Information and technology disaster recovery

The requirements for these plans are defined in the *Business resilience and recovery Group procedure*.

- 12.2 Every managed site, must be covered by a Business resilience management plan.

- 12.3 The plans incorporated in the BRRP must be based upon the Rio Tinto incident escalation protocols for activation and deployment of resources.

- 12.4 The plans incorporated in the BRRP must contain clearly-defined roles and responsibilities of team members of the Business resilience team (BRT) and the Emergency response team (ERT).

- 12.5 BRT and ERT must undertake an exercise at least annually. Business critical systems must be tested for ability to recover at least annually.

Management must ensure that team members are provided with the relevant training for their required roles.

- 12.6 The process for managing incident communications, notification and reporting must be integrated into the BRRP and clearly:

- a) Identify who is responsible for incident communication, notification and reporting.
- b) Define how communication protocols are to be conducted with internal and external stakeholders.

Element 13: Monitoring and measuring

Intent

To measure hazards, aspects or the impact of our activities and evaluate the effectiveness of our controls.

To monitor the workplace, environmental and social performance criteria, or product specifications to determine conformance and compliance.

- 13.1 There must be a process for regularly measuring and monitoring the key characteristics of the business and its work activities (including those associated with products) that could have significant health, safety, environment, social or quality risks.
- 13.2 [Q] The characteristics of products must be measured and monitored to verify that product requirements have been met.

[Q] Evidence of conformity must be maintained. Records must indicate the person(s) authorizing the release of product.
- 13.3 Inspection, monitoring, measuring and test equipment must be:
 - a) Stored and protected from damage.
 - b) Calibrated or verified against a traceable standard at specific intervals.
 - c) [IS] Identified and maintained to ensure compliance with specified legislative requirements.
 - d) [IS] Controlled / safe guarded from unintentional adjustments.
 - e) [IS] Recorded or contain identification in order to determine its calibration status.
- 13.4 Monitoring results must be collected and analysed using descriptive statistics on a regular basis for:
 - a) Trends and potential non-conformances from legal and other requirements.
 - b) Inconsistent or unusual results.
 - c) Evaluating the effectiveness of existing controls.
 - d) [IS] Conformance against stated objectives and targets.
 - e) [Q] Where no calibration standard exists, such as in the case of computer software, the method used for calibration or verification of the software's ability to satisfy the intended application must be confirmed. The verification must be undertaken prior to initial use and reconfirmed as necessary.
 - f) [IS] Continual improvement opportunities.
- 13.5 Non-conformances from specified requirements or limits must be recorded, investigated and reported back to the people or area involved. The appropriate actions in response to the non-conformance must be recorded, assigned accountability and tracked to completion.

Health and medical surveillance

- 13.6 Any health and medical surveillance programme must:
- a) include employees and category 1 contractors;
 - b) be consistent with local regulatory requirements; and
 - c) be designed based on the identification and evaluation of operational health risks.

Data Quality

- 13.7 There must be a process controlled by relevant procedures for data quality assurance.

Element 14: Incident and action management

Intent

Ensure all incidents and lessons learnt are recorded and corrective and preventative actions identified and communicated.

- 14.1 There must be a procedure for the management of all incidents. It must include reference to the appropriate methodologies for:

- a) Recording.
- b) Investigating.
- c) Analysis of the impact(s) and the potential risk of future incident.
- d) Communicating to relevant people/groups.
- e) Managing corrective actions to prevent reoccurrence.

The procedure must follow the process(es) detailed in the *Incident management Group procedure* and be communicated to all personnel.

- 14.2 All incidents must have the actual consequence and the maximum reasonable consequence evaluated for each impact type using the Rio Tinto 5x5 Qualitative risk matrix.

An incident can have multiple impacts. Each impact must be evaluated independently, with the most significant classification forming the main rating of the incident.

Near miss events must be reported as an incident.

Incident investigations

- 14.3 All incidents (including near misses) must be investigated to a level of detail appropriate to the maximum reasonable consequence (MRC) of the incident. The results from the investigation must be documented and communicated to relevant personnel.

- 14.4 All significant potential incidents must be investigated using the approved Rio Tinto methodology.

- 14.5 The manager responsible for the work area where an incident occurred and the line manager of the involved person(s) must ensure an investigation is completed. Incident investigations must be completed by personnel who are competent in the appropriate methodology.

Reporting incident information

- 14.6 An incident must be reported on the shift on which it occurs (or is discovered) and preliminary details recorded.

Depending on the actual consequence and maximum reasonable consequence of the impact(s), the relevant internal and external parties must be notified in accordance with established timeframes and/or legislative requirements.

- 14.7 Incidents (including non-conformances) must be reported to Rio Tinto in accordance with the timeframes and definitions detailed in the *HSEC performance data recording Group procedure*.
- 14.8 Any incident with an impact type that has an actual consequence of major or catastrophic (using the defined consequence descriptors) must be reported to the chief executive of Rio Tinto, the product group head and copied to the global head of HSEC and global head of Security as soon as practicable within 24 hours of the incident occurring.
- 14.9 Incidents with an impact causing personal injury or occupational illness and an actual consequence of medium or above must be reported to Rio Tinto in the monthly performance statistics.
- 14.10 Significant potential incidents must be recorded in the Rio Tinto knowledge sharing system.

Action management

- 14.11 There must be a process established for identifying and recording corrective and preventative actions arising from:
- a) Incident investigations.
 - b) Hazard identification and risk management.
 - c) Measurement and monitoring.
 - d) Improvement plans and suggestions.
 - e) Managing change.
 - f) Audits; inspections, and reviews.
 - g) Interactions.
- 14.12 There must be a procedure for managing actions, which includes:
- a) assignment of responsibilities, resources and schedules for implementation;
 - b) tracking and reporting against implementation;
 - c) communication about the status of actions; and
 - d) verifying the implementation and effectiveness of the actions relating to areas of critical risk.
- 14.13 [IS] Actions must be evaluated to ensure any risk associated with the introduction of new or changed hazards or the need for new or changed controls is acceptable.

Element 15: Data and records management

Intent

To manage and maintain all data requirements for the management system and ensure the currency and security of records.

- 15.1 There must be a process for the systematic control of records and their related data, including closed and divested sites.

The process must define controls for:

- a) Identification.
- b) Storage.
- c) Protection.
- d) Retrieval.
- e) Retention.
- f) Disposal.

- 15.2 The confidentiality and security of data and records must be maintained relative to their source and in accordance with any applicable external data/privacy protection legislation.

Element 16: Performance assessment and auditing

Intent

To regularly evaluate and report on performance and measure conformance to the management system requirements.

Performance assessments

- 16.1 A process must be developed for measuring and reporting performance on a regular basis.

Performance must be reported to Rio Tinto in accordance with the timeframes and definitions detailed in the Rio Tinto *HSEC performance data recording Group procedure*.

- 16.2 There must be a process for conducting regular interactions that includes employees and contractors.

Inspections

- 16.3 There must be a process for conducting regular inspections of work areas to verify the effectiveness of the controls for managing risks, that includes:

- a) the level of evaluated risk associated with specific activities that the business or site undertakes;
- b) the results of previous inspections; and
- c) the identification of hazards.

The requirements are defined in the *HSEC assurance Group procedure*.

Audits and reviews

16.4 There must be a process for conducting audits (internal and external) and reviews of the business to evaluate the effectiveness of controls and check compliance and conformance, which includes:

- a) the level of evaluated risk associated with specific activities undertaken;
- b) compliance to legal and other requirements including standards and system requirements; and
- c) the results of previous audits and reviews.

The requirements are defined in the *HSEC assurance Group procedure*.

[IS] The audit process must include a procedure, to define the scope and depth of evaluation and give consideration to the identification of non-conformances with standards, and system requirements and compliance to legal and other requirements as identified and recorded. At the completion of the audit or inspection, a report must be provided to the manager responsible for the work area.

[Q] Corrections and corrective actions must be taken without undue delay to eliminate detected non conformities and their causes.

16.5 The business and/or managed site must define an annual schedule of planned internal and external audits.

[IS] The schedule must be developed, based on an evaluation of the importance of specific processes, the results of previous audits and significant risks associated with the business.

Element 17: Management review

Intent

To ensure the management system is efficient and effective in managing risk and meeting Rio Tinto and other requirements.

- 17.1 There must be a process for completing a review of the management system, at planned intervals by senior management.

The review must be led by senior management and consider:

- a) The management of risk profile.
- b) Objectives, targets and performance indicators.
- c) The effectiveness of the management of change process.
- d) Workplace, environmental and medical monitoring.
- e) The status of corrective and preventive actions.
- f) Performance statistics, including an annual summary of safety statistics, occupational hygiene, medical and environmental monitoring results and communities and social performance outcomes.
- g) Follow up on actions from previous management reviews.
- h) Communication and feedback (particularly from employees and customers).
- i) Suitability of the policy/ies.
- j) [IS] Impact of changing legal and other requirements.
- k) [IS] Changing expectations and requirements of relevant stakeholders/communities (including complaints).
- l) [IS] Changes in the products or activities of the organisation.
- m) [IS] Findings of completed audits and reviews.
- n) [IS] Recommendations and opportunities for improving the effectiveness of the management system.

[IS] The review must evaluate any need for change and establish actions to improve the system, its processes and resource needs.

- 17.2 Records of completed management review(s) must be retained and include:

- a) decisions and actions relating to possible changes to policy(ies), objectives and targets;
- b) information relating to revised risks and any proposed treatment and controls;
- c) [IS] suggestions for inclusion into future improvement plans;
- d) [IS] any other alteration, modification and improvement to the management system that demonstrates a commitment to continual improvement; and
- e) [Q] product improvements and resource needs.