

Climate Change Consultation

Department of Water and Environmental Regulation
Locked Bag 10,
Joondalup DC WA 6919

3 December 2019

Dear Sir/Madam

Climate Change in Western Australia – Issues Paper

Rio Tinto welcomes the opportunity to make a submission to the West Australian Government's consultation on the September 2019 Issues Paper – Climate Change in Western Australia (the *Issues Paper*).

Rio Tinto employs over 19,000 people in Australia, with 12,000 of those in WA. We're proud to be one of the largest employers of Indigenous Australians in the country (around 7 percent of our workforce). We are also one of Australia's largest corporate taxpayers. Our 2019 taxes paid report shows that of the A\$8.8 billion Rio Tinto paid in taxes and royalties globally during 2018, A\$6.5 billion was paid in Australia. This included A\$4.2 billion in corporate income tax and A\$1.9 billion in royalties, of which A\$1.8b billion was paid in taxes and royalties in WA.

There is more than A\$10 billion in investment required over the next 3 years to sustain our iron ore business in Western Australia.. With all of our mine developments, we have sought, and continue to seek ways to minimise our environmental impact and this extends to greenhouse gas emissions.

Rio Tinto actively participates in the development of climate policy. We have publicly acknowledged the reality of climate change, and its potential to affect our business, our communities and our world. By signing the Paris Pledge, we have supported a commitment to a safe and stable climate in which temperature rise is limited to well below two degrees Celsius.

Climate risks and opportunities have formed part of our strategic thinking for over two decades. We continue to take steps to manage risks and build resilience to climate change, as well as to position ourselves for new opportunities. Rio Tinto has committed to:

- Supply essential metals and minerals for the transition to a low-carbon economy
- Reduce our own carbon footprint
- Identify and assess physical risk exposures
- Partner and advocate for policies that advance climate goals

We are aiming for a substantial decarbonisation of our business by 2050 and we are working to define new emissions reduction targets from 2020 – we are on track to deliver on our current commitment to a 24% reduction in emissions intensity on 2008 levels by 2020.

Rio Tinto is considering a variety of scenarios and abatement options to help us achieve our goals. Further detail is included in Rio Tinto's 2018 "Our Approach to Climate Change" report.¹ Of particular relevance to our West Australian operations are opportunities for the implementation of a portion of

¹ https://www.riotinto.com/documents/RT_Our_approach_to_climate_change_2018.pdf

renewable energy into our electricity generation and the longer term work across the global business considering the transitioning of the mobile mining fleet from diesel to low-emission energy. This is a long term project that will require technical and economic developments in renewable energy, development of electric mining vehicles and energy transfer systems.

Rio Tinto recognises the importance of, and deeply values our constructive working relationship with, the Western Australian Government, the Department of Water and Environmental Regulation and the EPA and our place within the WA community and regions. We have a large number of proposals that have been approved under Part IV of the *Environmental Protection Act 1986 (WA)* and which are currently under assessment and intended to be referred and assessed in the future. Rio Tinto at all times looks to have a consultative approach, working together for a pragmatic and sensible system, including streamlining where possible to enable economic development but ensuring appropriate environmental protection.

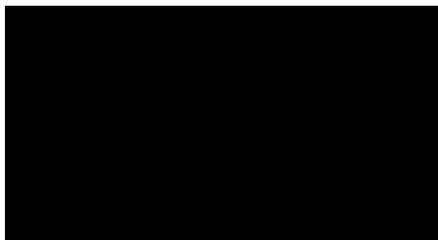
We note the Western Australian Government's *Greenhouse Gas Emission Policy for Major Projects* and particularly the integration of that policy within the Federal Government's climate policy framework. This is aimed at delivering a Nationally Determined Contribution (NDC) under the Paris Agreement of 26 to 28 per cent reduction on 2005 levels by 2030 which will over time progressively become more ambitious. Rio Tinto supports a national approach to delivering on Australia's international commitments and welcomes a continued approach by the Western Australian Government of working to deliver state based policy that is integrated into a national framework.

We continue to be vitally interested in the approach adopted to greenhouse gas emissions by the Western Australian EPA and how that will integrate with the Western Australian Government's policy approach.

In setting out a more defined State Climate Policy it is vital that the Western Australian Government continues with the approach outlined in the Issues paper of working together with all sectors of the economy to deliver on climate action, including focussing on the significant levers that are under the control of the State Government particularly with regard to state land holdings and the electricity sector. Rio Tinto looks forward to working with the Government on innovative pathways that build on the great capabilities within Western Australia to deliver a resilient low carbon economy and community.

We would welcome the opportunity to discuss this submission further with you. For further information, please contact Travis Inman, Manager Environment [REDACTED].

Yours sincerely

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Chris Salisbury
Chief Executive – Iron Ore