Role of MRV in Effective Emissions Trading Programs: Rio Tinto’s perspective

US-China Workshop Domestic MRV of Climate Efforts
Washington, DC 4 June 2012
A brief introduction to Rio Tinto

**Aluminium**
- #1 in bauxite
- #2 in aluminium
- #3 in alumina

**Iron Ore**
- #2 in seaborne iron ore

**Diamonds & Minerals**
- #1 in TiO2 and seaborne salt
- #2 in borates
- #5 in diamonds

**Copper**
- #5 in copper
- #7 in molybdenum

**Energy**
- #4 in uranium
- #6 in export coking coal
- #9 in export thermal coal

**2011 Emissions (Mt)**
- Scope 1: 27.5
- Scope 2: 17.2
- Scope 3: 499

**Scope 3 Emissions:**
- Steelmaking
- Coal Combustion
- 3rd Party Transport
Rio Tinto’s business is strongly tied to the Pacific Rim
Rio Tinto’s businesses are increasingly exposed to climate policies
Global CO2 Emissions (MMT, Energy and Industrial Processes only), 2009

- **EU-27, 3,755**
- **Rest of world, 6,108**
- **US outside California, 5,103**
- **China, outside of 7 provinces, 6,116**
- **India, 1,686**
- **Canada outside, BC, Alberta and Quebec, 314**
- **Vietnam, 124**
- **Ukraine, 322**
- **Turkey, 284**
- **Thailand, 244**
- **Morocco, 45**
- **Jordan, 21**
- **Indonesia, 395**
- **Costa Rica, 7**
- **Colombia, 68**
- **Brazil, 403**
- **Mexico, 453**
- **South Korea, 545**
- **Chile, 70**
- **South Africa, 336**
- **China provinces, 1,545**
- **Australia, 400**
- **New Zealand, 33**
- **California, 393**
- **Quebec, 70**
- **Rest of world, 6,108**
- **India, 1,686**
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**Chart Data:**
- **Energy emissions:** IEA (2011) for 2009
- **Industrial Emissions:** UNFCCC, most recent year

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Energy and Climate Reporting

- In 2011 Rio Tinto introduced monthly reporting of our energy use and GHG emissions for all operations with more than 50K tons of emissions.
- A monthly summary of GHG performance is provided to Rio Tinto’s executive committee, alongside established operational, safety, and financial reporting.
- GHG emissions one of seven Key Performance Indicators (KPI) reported in our annual report, along with (1) all injury frequency rate, (2) underlying earnings, (3) total shareholder return, (4) net debt, (5) capital expenditure, and (6) operating cash flows
- As a KPI, extreme care taken with data quality as it will be exposed to substantial internal and external audit, so stringent controls are necessary.
Thank you!