

RIO TINTO RESPONSE

Rio Tinto has reviewed the Business & Human Rights Resource Centre's recent [briefing](#) document "You can't eat lithium: community consent and access to information in transition mineral mining exploration in Europe and North America", including the case study on the Jadar project in Serbia, and acknowledges the complex issues and concerns raised.

There has been a lot of misinformation circulating in the public domain about Rio Tinto in Serbia. We believe fact-based information should form the basis of any public discussions about the Jadar project and thank BHRRC for the opportunity to respond to the report.

As the report makes clear, the world has a growing need for the minerals and materials required for the energy transition. Rio Tinto has the capability to extract and produce such essential materials and make them available for society's use. We continue to believe that Jadar, developed to the highest environmental and social standards, has the potential to be a world-class project that can contribute to decarbonization in line with global emission and climate change targets. The Jadar project would also provide Serbia with the opportunity to be a key provider of essential materials needed for the transition to a lower carbon future. It represents a huge economic opportunity for Serbia and Loznica: our projections show that the mine could generate more than 5000 jobs in the local area through direct and indirect employment arising from the project.

Using the information available, Rio Tinto engaged widely and sought to listen and respond to community concerns. Since 2019 we have held more than 900 individual local consultations, more than 30 group sessions and a series of open online meetings. In following the laws of the Republic of Serbia, Rio Tinto was required to follow a mandated sequencing of steps, which in turn determined the studies carried out and the information available at different points in time. As is always the case for large projects, the engineering and design evolves and improves over time, so there are inevitable changes in the information provided about the project.

Despite our best efforts, we understand that the information we shared could have been explained in more detail, so as to build further trust, more directly address the concerns raised by the community and provide additional reassurance about our commitment to responsible practice. These lessons will inform any future activities in Serbia and in other locations.

Were the project to proceed, Rio Tinto knows we must do it in the right way. Throughout all stages of our operations, we work in full compliance with Serbian laws and regulations, and in line with best practice as outlined by the United Nations' Guiding Principles on Business and Human Rights. We fully recognise that we must work in partnership with communities, listening to understand how our activities impact their lives, culture and heritage. And by doing so, we seek to respond to community concerns, respect human rights, reduce negative environmental and social impacts, and to deliver significant benefits to local communities. Adhering to these principles is fundamental to our social license to operate in any jurisdiction. Community views will never be unanimous, but legitimate consent to a project is about broad-based opinion, and the views expressed by those who legitimately represent the community.

From our dialogue with the community, we understand the importance of the Jadar region for Serbia. As the report points out, stakeholders have specifically expressed concern about the potential impacts to the environment and livelihoods near the mine in a predominantly agricultural area. We strongly believe, and there are many examples in the world, that the coexistence of mining and agricultural livelihoods is possible. One piece of misinformation was that the mine would be an open pit mine. The Jadar project would in fact be an underground mine, that would allow for the

continuation of agricultural activity on the land on the surface above the underground mine, in all areas other than the industrial site and plant. In addition, our livelihood restoration team has worked closely with local people to help them establish sound and long-term plans for local businesses.

We appreciate the concerns raised about the risk of flooding, in light of the experience of severe flooding in the area in 2014. When properly managed, the mining process would not increase the risk of flooding. Were the project to go ahead, detailed studies and water modelling would take place and the project would be designed to protect against flood risks greater than the maximum predicted flood events (as defined by the Serbian water authorities).

We also recognise that the proposed location of the waste landfill was of particular concern to local communities. Hearing these concerns, we were planning to revisit the location of the waste site, prior to the suspension of the project approvals. If the project were to re-start, we would still undertake additional consultation on waste management options with the intent of applying innovative methods and the highest standards to minimize impacts. For example, there is an opportunity to use a dry waste technology instead of a wet tailings dam which means we could store waste safely and reduce our impact on soil, air and water.

The report includes a number of other allegations against Rio Tinto with which we do not agree. The company has always communicated honestly about the project, and at no point have we exerted pressure on people to give consent. It is not the approach of the company, including our Jadar team members, to use aggressive tactics under any circumstances. We engage with care and respect for the diverse views expressed and for all stakeholders.

Our people have been in Loznica for two decades and a number of our employees are members of local community. We have close relations with the people in the villages around the project location and in our engagements with them, there is support for the project, although we acknowledge that there is not unanimous community consent. We feel that the BHRRC report does not accurately reflect the range of perspectives about the project within the community.

We would welcome the opportunity to meet with those interviewed for the report and to clarify any misunderstandings. We recognize that there is room for improvement in the way we communicate and intend to include the community more in our work and to work harder to ensure they have clarity on any questions or concerns. Through transparent and proactive discussions on the challenges and questions we hope to rebuild trust in the project. We recognise that trust is a fundamental ingredient of the relationship we need to build and maintain in any community where we operate.

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