

## NEWS RELEASE



### The Ecumenical Council for Corporate Responsibility

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#### **Rio Tinto's social, environmental and ethical performance reviewed in new report**

Rio Tinto has improved its social, environmental and ethical performance, but there are still issues of serious concern. This is the assessment of the UK/Australian mining multinational in a detailed new report published this week by the Ecumenical Council for Corporate Responsibility.

The report, *Rio Tinto - Revisiting the Principles: A Decade of Corporate Responsibility Reviewed*, acknowledges that Rio Tinto has developed policies on environmental and social issues, enhanced transparency and cleaned up its image. But ECCR identifies weaknesses in the company's community consultation processes and in its approach to financial transparency.

"As with other multinationals in the extractive sector, there are often stark differences between the image portrayed by Rio Tinto's corporate literature and the views of community and environmental groups," says Suzanne Ismail, ECCR's researcher and the report's author.

"We hope the report will help shed light on the often controversial issues surrounding minerals extraction and help investors and responsible shareholders in their investment and engagement strategies, as well as informing communities and other stakeholders impacted by Rio Tinto operations."

The report is based on a wide range of publicly available sources produced by the company, the international media, industry, and community-based and non-governmental organizations.

Rio Tinto's joint venture interest in the Grasberg Freeport copper mine in West Papua (Indonesia) is identified as where the company faces perhaps its greatest reputational risk. Freeport has been associated with human rights abuses through its relationship with the Indonesian military and has long been a source of discontent among indigenous communities.

The report also looks at Madagascar, where Rio Tinto's QIT subsidiary has a majority stake in a controversial ilmenite sand mining project in the littoral forests. Communities here say their views have not been properly taken into account during consultations.

Other case studies in the report focus on Rio Tinto's former Capper Pass smelter, Kingston upon Hull, UK; the Diavik diamond mine, Yellowknife, Canada; the Eagle copper and nickel project, Upper Peninsula, Michigan, USA; the Jabiluka uranium mine, Northern Territory, Australia; the Kelian gold mine, East Kalimantan, Indonesia; and the Ranger uranium mine, Northern Territory, Australia.

An interim response from Rio Tinto outlining its position on some of the issues raised is included in the report. ECCR is in dialogue with the company on these and other matters.

#### **Notes for editors**

*Rio Tinto - Revisiting the Principles: A Decade of Corporate Responsibility Reviewed* was published

by ECCR on 1 June 2006 at 118 pages.

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Electronic copies of the full report are available from: [info@eccr.org.uk](mailto:info@eccr.org.uk). Hard copies of the full report can be bought at: [www.eccr.org.uk/pub\\_form2.html](http://www.eccr.org.uk/pub_form2.html).

ECCR has researched and published assessments of company social, environmental and ethical performance since the 1990s, including *BHP Billiton: The End of the Pipe – Putting Policies into Practice* (2005), *GSK: Getting Better?* (2004) and *BP: Beyond Innovations* (2002).

ECCR has initiated responsible shareholder resolution with Shell (1997 and 2006) and BP (2001).

ECCR company reports are based on a comprehensive set of social and environmental criteria and business performance indicators: the *Principles for Global Corporate Responsibility: Bench Marks for Measuring Business Performance* ([www.bench-marks.org](http://www.bench-marks.org)).