

NZAS operations sustainable development

2020 Scorecard



Safety

Putting the health and safety of our people first

5

Recordable injuries

5

Recordable occupational illnesses

0.53

All Injury Frequency Rate (AIFR)

Safety

NZAS received special commendation at the Rio Tinto CEO Safety Awards as one of the sites with the highest safety maturity score in 2020. Safety remained the first priority throughout an extremely difficult year with the team focussing on building leadership capability through coaching and strong engagement with teams during quality pre-shift meetings.

Employee health and wellbeing

NZAS' Peer Supporter Programme was launched with 20 employees completing training to help colleagues who may be affected by stress. Peer supporters help by lending a listening ear, encouraging personal accountability and providing information on the resources and additional help available at NZAS.

Cash

Maximising cash to increase our resilience

335,405t

Saleable metal

\$49M

Capital expenditure

\$54M

Local spend on goods and services

\$394M

National spend on goods and services

Growth

Growing our business responsibly to benefit future generations

Production milestone reached

A significant production milestone was reached in November—casting the 13 millionth tonne of aluminium at NZAS.

Aluminium Stewardship Initiative (ASI)

NZAS maintained ASI certification for responsibly produced aluminium—the highest internationally recognised standard. This sets us apart as producers of safer, smarter, sustainable products.

Economic contribution
(includes salaries, partnerships, in-kind support, taxes, total national supplier spend)

\$482M

People

Building a workplace where we all feel valued, connected and can grow

738

Full Time Equivalent (FTE) employees

257

Full Time Equivalent (FTE) contractors

10.2%

12

Apprentices through Southern Group Training Trust

\$87M

Salaries and benefits paid

Female employees (FTE)

Partnership

Building relationships that enable us to operate and pioneer progress

\$47,900

Community investment

19

Community organisations supported

0

Significant community complaints

\$100,000

COVID response

Partner to operate

After 16 years of financial and in-kind support, the final year of funding the Graeme Dingle Foundation's **Kiwi Can Programme** in Southland.

Three top Year 13 students from **Southland Girls' High School** carried out engineering projects on site as part of the annual education partnership.

The NZAS **Southland Science & Technology Fair** was cancelled due to the COVID-19 pandemic. Funding was reallocated to James Hargest College to purchase Chromebooks for science students.

Environment

1

Significant environmental incident

Burst pipe at cathode effluent treatment plant resulted in up to 40m3 of liquid waste containing fluoride and cyanide being spilt to ground

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Our operation

New Zealand's Aluminium Smelter (NZAS) is New Zealand's only aluminium smelter, located on Tiwai Peninsula in Southland.

The smelter is a tolling plant, producing primary aluminium in the form of ingot, billet, rolling block and t-bar. The majority of our metal is cast to customer requirements – either pure aluminium or aluminium alloys – and is shipped to domestic and international markets. Approximately 90% of the aluminium produced is exported, with the largest market being Japan.

NZAS has one of the lightest carbon footprints per tonne of aluminium of a smelter anywhere in the world.

Operations commenced at NZAS in April 1971 and we are looking forward to celebrating our 50th anniversary during 2021.

NZAS is a joint venture owned by Rio Tinto (79.36%) and Sumitomo Chemical Company (20.64%).



Case studies

New electricity contract with Meridian Energy announced

In January 2021, Rio Tinto reached an agreement on a new electricity contract with Meridian Energy that allows NZAS to continue operating the Tiwai Point aluminium smelter until 31 December 2024. This extension provides certainty to employees, the local community and customers while providing more time for all stakeholders to plan for the future.

The extension also provides time for detailed closure studies to be completed and for NZAS to support the government and Southland community in planning for the future. Plans for the eventual closure of the smelter will include extensive stakeholder consultation, including within the Southland community and reflect the company's robust closure and remediation standards.

COVID-19 response

New Zealand was put into a national lockdown in March and all non-essential businesses closed as the COVID-19 pandemic swept across the world. The smelter was fortunate to have been granted a Government exemption which enabled operations to continue at Tiwai Point.

NZAS was the first Rio Tinto site in the Pacific region to face the challenge of operating during a national lockdown. The exemption came with strict conditions—all employees in non-operational roles were required to work from home, with essential production workers on site segregated to keep them and their families safe. This complex and challenging piece of work was set up within 48 hours, which was an excellent result.

In order to stabilise and ensure the safe operation of the plant during lockdown, Line 4 was taken out of circuit with Line 4 team members transferred to support production on the other three reduction lines.

Employee engagement was key to ensure people were connected, engaged and informed during the lockdown.

Supporting vulnerable families in Southland

Rio Tinto donated \$100,000 to Invercargill Women's Refuge as part of its COVID-19 relief package, a global community programme to support communities around the world as they respond and recover from COVID-19.

Refuge Services Co-ordinator Cathy Robertson was very grateful for the support. "I would really like to thank Rio Tinto for this very generous donation, it means a lot to our organisation and will make a huge difference in the work we do. We expect the impacts of COVID-19 to be felt for a very long time and this funding will help many families in need," she said.

A number of other donations will be announced during 2021.