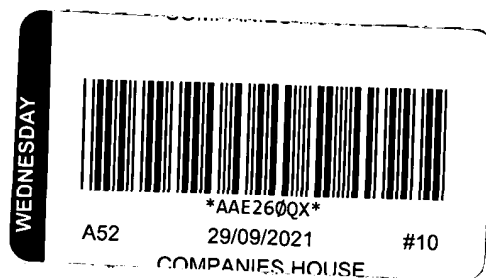

RIO TINTO EUROPEAN HOLDINGS LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**



RIO TINTO EUROPEAN HOLDINGS LIMITED

CONTENTS

| | Pages |
|-----------------------------------|--------------|
| Company information | 1 |
| Strategic report | 2 to 3 |
| Directors' report | 4 to 6 |
| Independent auditor's report | 7 to 9 |
| Statement of comprehensive income | 10 |
| Balance sheet | 11 |
| Statement of changes in equity | 12 |
| Notes to the financial statements | 13 to 36 |

RIO TINTO EUROPEAN HOLDINGS LIMITED

COMPANY INFORMATION

| | |
|----------------------------|---|
| Directors | M Cox S P Allen J P Kiddle |
| Company secretary | Rio Tinto Secretariat Limited |
| Registration number | 00993068 |
| Registered office | 6 St James's Square London United Kingdom SW1Y 4AD |
| Independent auditor | KPMG LLP, Statutory Auditor Chartered Accountants 15 Canada Square London, E14 5GL |

RIO TINTO EUROPEAN HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their Strategic report on Rio Tinto European Holdings Limited (the "Company") for the year ended 31 December 2020.

Introduction

The Company was incorporated, domiciled and registered in England and Wales under the Companies Act 2006 and is a private company limited by shares. The Company's ultimate parent undertaking and controlling party is Rio Tinto plc, which together with Rio Tinto Limited and their respective subsidiaries form the Rio Tinto Group (the "Group").

Business review

The Company's results from year to year are highly sensitive to the timing of dividend flows and of movements in provisions and do not necessarily reflect the performance of its group undertakings.

During the 2020 financial year, the Company received dividend income of \$1,280,000,000 (2019: \$28,003,000) from its subsidiary undertakings and paid a \$1,254,000,000 (2019: \$nil) dividend to its immediate parent, Rio Tinto plc. Dividend income of \$1,254,000,000 was received from Rio Tinto Western Holdings Limited and \$26,000,000 was received from Rio Tinto Uranium Limited (2019: dividend income of \$28,003,000 was received from Rio Tinto Diamonds NV).

The Company also recognised impairment charges relating to the investment in Rio Tinto Minerals Development Limited of \$60,796,000 (2019: impairment charges relating to the investments in 7999674 Canada Inc. of \$195,741,000, Rio Tinto Minerals Development Limited of \$68,480,000 and Rio Tinto Metals Limited of \$105,537,000).

Principal risks and uncertainties

The Company's principal risks and uncertainties, such as financial, operational and compliance risks, are integrated with those of the Group and are not managed separately.

Assessment of the potential economic and non-economic consequences of risks is undertaken by the Group's business units and functions using the framework defined by the Group's Risk policy and standard. Once identified, each principal risk and uncertainty is reviewed and monitored by the relevant internal experts and by the Risk Management Committee, the relevant board committees and the board. Full details of the Group's risk factors and policies for financial risk management are discussed in its 2020 Annual Report which does not form part of this report.

Section 172(1) statement

Section 172 of the Companies Act 2006 requires the directors of a company to act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing this, section 172 also requires the directors to have regard, amongst other matters, to the interests of wider stakeholders; including, for example, employees, suppliers, customers and others. In discharging their section 172 duties, the directors do this.

The views of and the impact of the Company's activities on its stakeholders are an important consideration for the directors when making relevant decisions specific to the Company. More generally however, the size and spread of both our stakeholders and the Rio Tinto Group means, in practice, that stakeholder engagement best takes place at an operational or group level. For further details on how the Group engages with stakeholders, please see pages 122 to 123 of the Rio Tinto 2020 Annual Report.

RIO TINTO EUROPEAN HOLDINGS LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

Key performance indicators

The Company's directors are of the opinion that there are no meaningful financial or non-financial key performance indicators that would be necessary or appropriate for an understanding of the development, performance or position of the Company's activities.

The report was approved by the board and signed on its behalf by:

Steve Allen

.....
S P Allen
Director

Date: 28-09-21

RIO TINTO EUROPEAN HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and the audited financial statements for the year ended 31 December 2020.

Principal activities

The principal activity of the company is to act as an investment holding company for the Group.

Results and dividends

The profit for the financial year, after taxation, amounted to \$1,217,247,000 (2019: loss of \$353,404,000).

Interim dividends of \$1,254,000,000 were paid during the year (2019: \$nil). The directors do not recommend the payment of a final dividend (2019: \$nil).

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

S P Allen

J P Kiddle

P L Cunningham (resigned 15 January 2021)

A Martins Alexandre (resigned 17 March 2021)

The following director was appointed after the year end:

M Cox (appointed 15 January 2021)

The directors had no material interest in any contract or arrangement during the year to which the Company or any subsidiary is, or was, a party.

Statement of directors' responsibilities in respect of the Annual Report and the Financial Statements

The directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

RIO TINTO EUROPEAN HOLDINGS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

Matters subsequent to the end of the financial year

In April 2021, the Rio Tinto Group entered into a binding Heads of Agreement (HoA) with Turquoise Hill Resources (TRQ) for an updated funding plan (the "Funding Plan") for the completion of the Oyu Tolgoi (OT) Underground Project in Mongolia. The Funding Plan addresses the estimated remaining known funding requirement of approximately \$2,300,000,000, building on and replacing the arrangements established in the Memorandum of Understanding that Rio Tinto and TRQ previously entered into on 9 September, 2020. The Company holds a 10.69% share of TRQ.

In June 2021, the Company recapitalised Rio Tinto Metals Limited (RTML) by an equity injection of \$220,000,000 in return for 220,000,000 ordinary shares of \$1 each in RTML. The recapitalisation is proposed to fund Rio Tinto Mining and Exploration Limited (RTME).

In addition, in June 2021 the Company recapitalised Rio Tinto Minerals Development Limited (RTMD) by an equity injection of \$110,000,000 in return for 110,000,000 ordinary shares of \$1.00 each in RTMD. The recapitalisation is proposed to fund the Jadar Project.

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected the Company's operations, results or state of affairs, or may do so in future years.

Future developments

The Company's future developments are integrated with those of the Group which are discussed in the Group's 2020 Annual Report, which does not form part of this report.

Financial risk management

The Company's capital risk and financial risks and uncertainties including the exposure to price, credit risk, liquidity risk and cash flow risks, are integrated with those of the Group and are not managed separately. The Group's objectives, policies and processes for managing capital, and principal risks and uncertainties are discussed in the financial instrument and risk management policies of the Rio Tinto 2020 Annual Report which does not form part of this report.

Engagement with suppliers, customers and other relationships

The directors of the Company are required to act in the way they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole, and to have regard for the interests of wider stakeholders; including suppliers, customers and others.

The views of and the impact of the Company's activities on its stakeholders are an important consideration for the directors when making relevant decisions specific to the Company. More generally however, the size and spread of both our stakeholders and the Rio Tinto Group means, in practice, that stakeholder engagement best takes place at an operational or group level. For further details on how the Group engages with stakeholders, please see pages 122 to 123 of the Rio Tinto 2020 Annual Report.

Indemnities and insurance

In accordance with section 233 of the Companies Act 2006 the Company has purchased and maintains insurance against liabilities arising from claims against directors' and officers' actions taken in connection with the Group's business.

RIO TINTO EUROPEAN HOLDINGS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

Going concern

In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the Company can continue in operational existence for the foreseeable future.

Notwithstanding \$3,300,700,000 of amounts owing to group undertakings, net current liabilities of \$1,412,959,000 as at 31 December 2020 and a profit for the year then ended of \$1,217,247,000, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

As the principal activity for the Company is to act as an investment holding company and facilitate the payment of dividends to its immediate parent entity, its ability to continue as a going concern is dependent on the operational performance of the Group and the support provided by Rio Tinto Finance plc. The directors have received an undertaking from Rio Tinto Finance plc that they will not seek repayment of a loan outstanding until the Company has sufficient funds to do so.

The directors have determined that there are no foreseeable circumstances which would indicate that the Company could not continue to operate as a going concern for at least twelve months from the issuance of the financial statements.

Disclosure of information to auditor

Each of the persons who were directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent auditor

KPMG LLP has been appointed as the Company's auditor for the year ended 31 December 2020 in accordance with section 485 of the Companies Act 2006. PricewaterhouseCoopers LLP resigned as the Company's auditor in 2020 following completion of its procedures on the financial statements for the financial year ending 31 December 2019.

This report was approved by the board and signed by order of the board.

Hayley Clifton

.....
Director, for and on behalf of Rio Tinto Secretariat Limited
Company secretary

Date: 28-09-21

6 St James's Square
London
United Kingdom
SW1Y 4AD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIO TINTO EUROPEAN HOLDINGS LIMITED

Opinion

We have audited the financial statements of Rio Tinto European Holdings Limited ("the Company") for the year ended 31 December 2020 which comprise the Balance Sheet as at 31 December 2020 and the Statement of comprehensive income and the Statement of changes in equity for the year then ended and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 "Reduced Disclosure Framework"; and,
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud.

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management, directors including obtaining and reviewing supporting documentation concerning the Company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Discussions amongst the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes audit partners and staff who have extensive experience.

Using analytical procedures to identify any unusual or unexpected relationships.

Communication of fraud risk

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

Fraud risks

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements. On this audit we do not believe there is a fraud risk related to revenue recognition as the only source of revenue is in relation to intercompany balances. We did not identify any additional fraud risks.

Procedures to address fraud risks

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of some of the Company-wide fraud risk management controls

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIO TINTO EUROPEAN HOLDINGS LIMITED (continued)

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included, for example, those posted by senior finance management or those containing unusual journal descriptions.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

Risk assessment

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements through the following:

- Our general commercial and sector experience;
- Through discussion with the directors and other management (as required by auditing standards);
- From inspection of the Company's regulatory and legal correspondence; and
- Discussions with the directors and other management about the policies and procedures regarding compliance with laws and regulations.

Risk communications

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation (direct and indirect). We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

We have nothing to report in these respects.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIO TINTO EUROPEAN HOLDINGS LIMITED (continued)

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

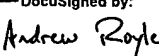
Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

91F459BD376B463...

Andrew Royle (Senior Statutory Auditor)
for and on behalf of
KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London, E14 5GL
28 September 2021

RIO TINTO EUROPEAN HOLDINGS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

| | Note | 2020 \$ 000 | 2019 \$ 000 |
|--|------|------------------|------------------|
| Investment income | 3 | 1,280,000 | 28,003 |
| Impairment charges | 9 | (60,796) | (369,758) |
| Net foreign exchange gains/(losses) | | 787 | (25) |
| Finance income | 4 | 10,916 | 41,949 |
| Finance costs | 5 | (14,944) | (57,152) |
| Profit/(loss) before taxation | | 1,215,963 | (356,983) |
| Taxation | 7 | 1,284 | 3,579 |
| Profit/(loss) for the financial year | | 1,217,247 | (353,404) |
| Other comprehensive income/(expense): | | | |
| Actuarial loss on defined benefit pension schemes | 12 | (866) | (269) |
| Tax on actuarial loss on defined benefit pension schemes | 7 | 165 | 46 |
| Other comprehensive expense | | (701) | (223) |
| Total comprehensive income/(expense) for the financial year | | 1,216,546 | (353,627) |

The notes on pages 13 to 36 form an integral part of these financial statements.

RIO TINTO EUROPEAN HOLDINGS LIMITED

**BALANCE SHEET
AS AT 31 DECEMBER 2020**

| | Note | 2020 \$ 000 | 2019 \$ 000 |
|--------------------------------|------|-------------------|-------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Investments | 9 | 8,328,895 | 8,269,391 |
| Deferred tax assets | 8 | 291 | 159 |
| | | 8,329,186 | 8,269,550 |
| Current assets | | | |
| Receivables | 10 | 1,887,741 | 1,878,888 |
| Total assets | | 10,216,927 | 10,148,438 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Payables | 11 | 3,300,700 | 3,194,534 |
| Tax liabilities | | 718 | 1,535 |
| | | 3,301,418 | 3,196,069 |
| Non-current liabilities | | | |
| Retirement benefit obligations | 12 | 1,528 | 934 |
| Total liabilities | | 3,302,946 | 3,197,003 |
| Net assets | | 6,913,981 | 6,951,435 |
| EQUITY | | | |
| Share capital | 13 | 168,200 | 168,200 |
| Share premium account | | 42,000 | 42,000 |
| Other reserves | 14 | 23,195 | 23,195 |
| Retained earnings | 14 | 6,680,586 | 6,718,040 |
| Total equity | | 6,913,981 | 6,951,435 |

These financial statements were approved and authorised by the board and were signed on its behalf by:

Steve Allen

S P Allen
Director

Date: 28-09-21

Company registered number: 00993068

The notes on pages 13 to 36 form an integral part of these financial statements.

RIO TINTO EUROPEAN HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

| | Share capital \$ 000 | Share premium \$ 000 | Other reserves \$ 000 | Retained earnings \$ 000 | Total equity \$ 000 |
|---|----------------------------|----------------------------|-----------------------------|--------------------------------|---------------------------|
| At 1 January 2020 | 168,200 | 42,000 | 23,195 | 6,718,040 | 6,951,435 |
| Comprehensive income for the year: | | | | | |
| Profit for the financial year | - | - | - | 1,217,247 | 1,217,247 |
| Items that will not be reclassified to profit and loss | | | | | |
| Actuarial loss on defined benefit pension schemes | - | - | - | (866) | (866) |
| Tax on actuarial loss on defined benefit pension schemes | - | - | - | 165 | 165 |
| Total other comprehensive expense | - | - | - | (701) | (701) |
| Total comprehensive income for the financial year | - | - | - | 1,216,546 | 1,216,546 |
| Transactions with owners: | | | | | |
| Dividends paid | - | - | - | (1,254,000) | (1,254,000) |
| At 31 December 2020 | 168,200 | 42,000 | 23,195 | 6,680,586 | 6,913,981 |

| | Share capital \$ 000 | Share premium \$ 000 | Other reserves \$ 000 | Retained earnings \$ 000 | Total equity \$ 000 |
|---|----------------------------|----------------------------|-----------------------------|--------------------------------|---------------------------|
| At 1 January 2019 | 168,200 | 42,000 | 23,195 | 7,071,667 | 7,305,062 |
| Comprehensive expense for the year: | | | | | |
| Loss for the financial year | - | - | - | (353,404) | (353,404) |
| Items that will not be reclassified to profit and loss | | | | | |
| Actuarial gain on defined benefit pension schemes | - | - | - | (269) | (269) |
| Tax on actuarial gain on defined benefit pension schemes | - | - | - | 46 | 46 |
| Total other comprehensive expense | - | - | - | (223) | (223) |
| Total comprehensive expense for the financial year | - | - | - | (353,627) | (353,627) |
| At 31 December 2019 | 168,200 | 42,000 | 23,195 | 6,718,040 | 6,951,435 |

The notes on pages 13 to 36 form an integral part of these financial statements.

RIO TINTO EUROPEAN HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

This note provides a list of all significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of preparation of financial statements

These financial statements have been prepared using the historical cost convention, and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company is a wholly-owned subsidiary of its ultimate parent Rio Tinto plc and is included in the consolidated financial statements of Rio Tinto plc, which are publicly available. Therefore, the Company is exempt, by virtue of section 400 of the Companies Act 2006, from the requirement to prepare consolidated financial statements. The consolidated financial statements of Rio Tinto plc can be obtained as set out in note 19. These financial statements are therefore separate financial statements.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

The financial statements are presented in US Dollars (\$) and all amounts are rounded to the nearest thousand ('000) unless otherwise stated.

1.2 Financial Reporting Standard 101 - Reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 *Financial Instruments: Disclosures*;
- the requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement*;
- the requirement in paragraph 38 of IAS 1 *Presentation of Financial Statements* to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 *Presentation of Financial Statements*;
- the requirements of IAS 7 *Statement of Cash Flows*;
- the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*;
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 *Impairment of Assets*;
- the requirements of paragraph 17 of IAS 24 *Related Party Disclosures*; and
- the requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Where required, equivalent disclosures are given in the consolidated financial statements of Rio Tinto plc which can be obtained as set out in note 19.

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

1 Accounting policies (continued)

1.3 Changes in accounting policy

The Company has applied the following interpretations, standards and amendments for the first time in their annual reporting period commencing 1 January 2020:

- Definition of Material – amendments to IAS 1 and IAS 8;
- Definition of a Business – amendments to IFRS 3;
- Interest Rate Benchmark Reform – amendments to IFRS 9, IAS 39 and IFRS 7; and
- Revised Conceptual Framework for Financial Reporting.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

The impact of IBOR reform has been assessed at the Group level and a working group has been established to manage the transition plan for the Group as a whole. See page 207 of the 2020 Rio Tinto Group Annual Report where details regarding the Group's approach to IBOR reform have been disclosed.

1.4 Going concern

In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the Company can continue in operational existence for the foreseeable future.

Notwithstanding \$3,300,700,000 of amounts owing to group undertakings, net current liabilities of \$1,412,959,000 as at 31 December 2020 and a profit for the year then ended of \$1,217,247,000, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

As the principal activity for the Company is to act as an investment holding company and facilitate the payment of dividends to its immediate parent entity, its ability to continue as a going concern is dependent on the operational performance of the Group and the support provided by Rio Tinto Finance plc. The directors have received an undertaking from Rio Tinto Finance plc that they will not seek repayment of a loan outstanding until the Company has sufficient funds to do so.

The directors have determined that there are no foreseeable circumstances which would indicate that the Company could not continue to operate as a going concern for at least twelve months from the issuance of the financial statements.

1.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). These financial statements are presented in US Dollars (\$), which is the Company's functional and presentation currency.

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

1 Accounting policies (continued)

1.5 Foreign currency translation (continued)

(b) Transactions and balances

Transactions denominated in other currencies are converted to the functional currency at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at year-end exchange rates. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are translated using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

1.6 Investment income

Dividend income

Dividend income is recognised when the right to receive payment is established. Dividends from subsidiary undertakings registered overseas are presented inclusive of any overseas withholding tax.

1.7 Finance income and costs

Finance income includes interest income. Interest income is recognised on a time proportionate basis using the effective interest method.

Finance costs includes interest expense and similar charges. Interest expense is recognised on a time proportionate basis using the effective interest method.

1.8 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

1.9 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax, including UK corporation tax and overseas tax, is the tax expected to be payable on the taxable income for the year calculated using rates that have been enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Where the amount of tax payable or recoverable is uncertain, the Company establishes provisions based on either: the Company's judgement of the most likely amount of the liability or recovery; or, when there is a wide range of possible outcomes, a probability weighted average approach.

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

1 Accounting policies (continued)

1.9 Taxation (continued)

Except as otherwise required by IAS 12 ("Income Taxes"), deferred tax is provided in full on temporary differences at the balance sheet date.

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply in the periods when the asset is realised or the liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date. Deferred tax assets have been recognised to the extent that their recovery is probable, having regard to the availability of sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, the projected future taxable income of the entity and the wider UK group, after taking account of specific risk factors that are expected to affect the recovery of these assets.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

1.10 Financial assets

Classification and measurement

The Company classifies its financial assets in the following categories:

- financial assets at amortised cost
- financial assets at fair value through other comprehensive income ("FVOCI")
- financial assets at fair value through profit or loss ("FVPL")

Classification depends on the business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of financial assets at initial recognition. Generally, the Company does not acquire financial assets for the purpose of selling in the short term. The Company's business model is primarily that of 'Hold to collect' (where assets are held in order to collect contractual cash flows). When the Company enters into derivative contracts, these transactions are designed to reduce exposures relating to assets and liabilities, firm commitments or anticipated transactions.

Accounting policies for the categories which the Company holds financial assets are set out below.

Financial assets at amortised cost

This classification applies to debt instruments which are held under a hold to collect business model and which have cash flows that meet the "Solely payments of principal and interest" (SPPI) criteria.

At initial recognition, trade receivables that do not have a significant financing component, are recognised at their transaction price. Other financial assets are initially recognised at fair value plus related transaction costs; they are subsequently measured at amortised cost using the effective interest method. Any gain or loss on de-recognition or modification of a financial asset held at amortised cost is recognised in profit or loss.

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

1 Accounting policies (continued)

1.10 Financial assets (continued)

Impairment

A forward looking expected credit loss ("ECL") review is required for; debt instruments measured at amortised cost or held at fair value through other comprehensive income; loan commitments and financial guarantees not measured at fair value through profit or loss; lease receivables and trade receivables that give rise to an unconditional right to consideration.

As permitted by IFRS 9, the Company applies the "simplified approach" to external trade receivable balances and the "general approach" to all other financial assets. The general approach incorporates a review for any significant increase in counterparty credit risk since inception. The ECL reviews include assumptions about the risk of default and expected loss rates. For trade receivables, the assessment takes into account the use of credit enhancements, for example, letters of credit. Impairments for undrawn loan commitments are reflected as a provision.

1.11 Financial liabilities

Borrowings and other financial liabilities (including trade payables but excluding derivative liabilities) are recognised initially at fair value, net of transaction costs incurred, and are subsequently measured at amortised cost.

1.12 Pension and post retirement benefits

On 20 November 2009, the Company became a replacement employer in relation to the CRE Group Employer's Fund (the "CRE Fund") within Industry Wide Coal Staff Superannuation Scheme ("IWCSSS"). The IWCSSS provides benefits on a defined benefit basis and the Company is responsible for 50% of the liabilities in respect of Gastec at CRE Ltd members ("Gastec members") and 100% of the liabilities in respect of the non Gastec members. All amounts recorded in the financial statements reflect the Company's proportionate share of the liabilities. The Company has no active members in the IWCSSS and contributions will only be required in respect of any funding shortfall identified by the triennial actuarial valuation. The assets of the CRE Fund are held under a trust and the Company is the only employer in the Fund.

In accordance with IAS 19, for post-employment defined benefit plans, the difference between the fair value of any plan assets and the present value of the plan obligations is recognised as an asset or liability in the balance sheet.

Actuarial gains and losses arising in the year are credited/charged to the statement of comprehensive income and comprise the effects of changes in actuarial assumptions and experience adjustments due to differences between the previous actuarial assumptions and what has actually occurred. In particular, the difference between the interest income and the actual return on plan assets is recognised in the statement of comprehensive income.

Pension scheme liabilities have been calculated using a triennial actuarial valuation at 31 December 2020 year end FRS 101 assumptions. Other movements in the deficit/surplus are recognised in profit and loss, including the current service cost, any past service cost and the effect of any curtailment or settlements.

1.13 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

2 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. These judgements and assumptions are based on management's best knowledge of the facts and circumstances, but actual results may differ materially from the amounts included in the financial statements. The estimates and assumptions that could have a significant impact on the results of the Company are set out below.

Defined benefit pension plans

The value of the Company's obligations for post-retirement benefits is dependent on a number of assumptions about salary increases, life expectancy, inflation and asset valuations.

Impairment of investments

The key area of judgement that has the most significant effect on the amounts recognised in the financial statements is the review for impairment of investment carrying values. The review is performed by comparing the aggregate carrying value of the investments to the recoverable amount of the group of cash-generating units for which the related goodwill is monitored in the Group financial statements. Where available, the listed share price of the subsidiary company is used to determine the recoverable value of the investment.

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

3 Investment income

The analysis of the Company's investment income for the year is as follows:

| | 2020 \$ 000 | 2019 \$ 000 |
|---|------------------|----------------|
| Dividend income from shares in subsidiaries | <u>1,280,000</u> | <u>28,003</u> |

All 2020 dividend income was received from Rio Tinto Uranium Limited and Rio Tinto Western Holdings Limited, companies incorporated in the United Kingdom. All 2019 dividend income was received from Rio Tinto Diamonds NV, a company incorporated in Belgium.

4 Finance income

| | 2020 \$ 000 | 2019 \$ 000 |
|---|----------------|----------------|
| Interest income from group undertakings | <u>10,916</u> | <u>41,949</u> |

5 Finance costs

| | 2020 \$ 000 | 2019 \$ 000 |
|---|----------------|----------------|
| Interest paid to group undertakings | 14,874 | 57,062 |
| Interest expense on defined benefit obligations | 12 70 | 90 |
| | <u>14,944</u> | <u>57,152</u> |

6 Profit before taxation

- (a) The audit fee of \$10,000 (2019: \$13,511) is borne by a fellow group undertaking. In 2020, the audit fee is payable to KPMG LLP, and in 2019 the audit fee was payable to PwC LLP, who were the Company's statutory auditor for the previous financial year.
- (b) For the years ended 31 December 2020 and 31 December 2019, no remuneration was paid by the Company to the directors. All directors are remunerated by other Group companies in respect of their services to the Group as a whole. The directors holding office during the year consider their services to the Company to be incidental to their duties within the Group and accordingly no remuneration has been apportioned to the Company.
- (c) The average number of persons employed during the year, excluding directors, was nil (2019: nil).
- (d) Employees who are involved in the management and operation of the Company have contracts of service with other Group entities and therefore their remuneration is included within those entities' financial statements.

7 Taxation

| | 2020 \$ 000 | 2019 \$ 000 |
|--|----------------|----------------|
| Current tax | | |
| Current tax on loss for the year | (1,500) | (4,501) |
| Current tax adjustment in respect of prior periods | <u>183</u> | <u>1,035</u> |
| Total current tax | <u>(1,317)</u> | <u>(3,466)</u> |

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

7 Taxation (continued)

| | 2020 \$ 000 | 2019 \$ 000 |
|---|----------------|----------------|
| Deferred tax | | |
| Origination and reversal of temporary differences | 52 | 63 |
| Impact of change in tax rate | (19) | (7) |
| Deferred tax adjustment in respect of prior periods | - | (169) |
| Total deferred taxation | <u>33</u> | <u>(113)</u> |
| Tax benefit in statement of comprehensive income | <u>(1,284)</u> | <u>(3,579)</u> |

Tax recognised in other comprehensive income

| | 2020 Before tax \$ 000 | Tax expense \$ 000 | Net of tax \$ 000 | 2019 Before tax \$ 000 | Tax expense \$ 000 | Net of tax \$ 000 |
|---|------------------------------|--------------------------|----------------------|------------------------------|--------------------------|----------------------|
| Remeasurements of post employment benefit obligations | <u>(866)</u> | <u>165</u> | <u>(701)</u> | <u>(269)</u> | <u>46</u> | <u>(223)</u> |

The tax assessed for the year is higher than the standard rate of corporation tax in the UK (2019: higher than the standard rate of corporation tax in the UK) of 19% for the year ended 31 December 2020 (2019: 19%).

The differences are reconciled below:

| | 2020 \$ 000 | 2019 \$ 000 |
|--|------------------|------------------|
| Profit/(loss) before taxation | <u>1,215,963</u> | <u>(356,983)</u> |
| Profit/(loss) before taxation multiplied by the standard rate of corporation tax in the UK | 231,033 | (67,827) |
| Increase in current tax from adjustment for prior periods | 183 | 1,035 |
| Increase from effect of revenues exempt from taxation | (243,277) | (5,321) |
| Increase from effect of expenses not deductible in determining taxable profit | 11,551 | 70,254 |
| (Decrease)/increase arising from group relief tax reconciliation | (333) | 468 |
| Decrease from transfer pricing adjustments | (922) | (2,512) |
| Deferred tax credit from unrecognised temporary difference from a prior period | - | (169) |
| Deferred tax credit relating to changes in tax rates or laws | (19) | (7) |
| Other tax effects | <u>500</u> | <u>500</u> |
| Total tax benefit for the financial year | <u>(1,284)</u> | <u>(3,579)</u> |

Legislation to maintain the main rate of UK corporation tax at 19% from 1 April 2020 received Royal Assent on 22 July 2020. Any deferred tax balances have been calculated at 19%.

An increase to the main rate of UK corporation tax to 25% (from 19%) with effect from 1 April 2023 was substantively enacted on 24 May 2021. The remeasurement of the deferred tax balances is not expected to be material.

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

8 Deferred tax

| | 2020 \$ 000 | 2019 \$ 000 |
|---------------------|----------------|----------------|
| Deferred tax assets | <u>291</u> | <u>159</u> |

The analysis of deferred tax assets and liabilities is as follows:

Deferred tax movement during the year:

| | At 1 Jan 2020 \$ 000 | Recognised in the P&L \$ 000 | Recognised in OCI \$ 000 | At 31 Dec 2020 \$ 000 |
|-----------------------------|----------------------------|------------------------------------|--------------------------------|-----------------------------|
| Pension benefit obligations | <u>159</u> | <u>(33)</u> | <u>165</u> | <u>291</u> |

Deferred tax movement during the prior year:

| | At 1 Jan 2019 \$ 000 | Recognised in the P&L \$ 000 | Recognised in OCI \$ 000 | At 31 Dec 2019 \$ 000 |
|-----------------------------|----------------------------|------------------------------------|--------------------------------|-----------------------------|
| Pension benefit obligations | <u>-</u> | <u>113</u> | <u>46</u> | <u>159</u> |

9 Investments

| | Subsidiaries \$ 000 |
|-------------------------------|---------------------------|
| Cost or valuation | |
| At 1 January 2020 | 13,332,344 |
| Additions | <u>120,300</u> |
| At 31 December 2020 | <u>13,452,644</u> |
| Accumulated impairment | |
| At 1 January 2020 | (5,062,953) |
| Provision | <u>(60,796)</u> |
| At 31 December 2020 | <u>(5,123,749)</u> |
| Net book value | |
| At 31 December 2020 | <u>8,328,895</u> |
| At 31 December 2019 | <u>8,269,391</u> |

Additions of \$120,300,000 in the year were recorded relating to the Company's investment in Rio Tinto Minerals Development Limited.

The increase in the accumulated impairment provision includes an impairment charge of \$60,796,000 relating to the Company's investment in Rio Tinto Minerals Development Limited (2019: \$68,480,000). In the prior year, the Company also recognised an impairment charge of \$195,741,000 relating to the investment in 7999674 Canada Inc. due a deterioration in some internal and external indicators of value for the Group's Oyu Tolgoi cash generating unit, and an impairment charge of \$105,537,000 relating to the investment in Rio Tinto Metals Limited.

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

10 Receivables

| | 2020 \$ 000 | 2019 \$ 000 |
|-------------------------------------|-------------------------|-------------------------|
| Current | | |
| Amounts owed by group undertakings | 1,885,741 | 1,873,888 |
| Taxation owed by group undertakings | <u>2,000</u> | <u>5,000</u> |
| | <u>1,887,741</u> | <u>1,878,888</u> |

Amounts owed by group undertakings bear interest based on USD LIBOR plus a margin and are repayable on demand.

11 Payables

| | 2020 \$ 000 | 2019 \$ 000 |
|-----------------------------------|-------------------------|-------------------------|
| Current | | |
| Amounts due to group undertakings | 3,300,700 | 3,194,533 |
| Other payables | <u>-</u> | <u>1</u> |
| | <u>3,300,700</u> | <u>3,194,534</u> |

Included within amounts due to group undertakings is \$482,857,000 (2019: \$481,613,000) that is interest free and \$2,817,843,000 (2019: \$2,712,921,000) which is interest bearing at one month LIBOR less a margin and is repayable on demand.

12 Pension commitments

The Company operates a defined benefit pension scheme.

On 20 November 2009, the Company became a replacement employer in relation to the CRE Fund within Industry Wide Coal Staff Superannuation Scheme. The IWCSSS provides benefits on a defined benefit basis and the Company is responsible for 50% of the liabilities in respect of Gastec members and 100% of the liabilities in respect of the non Gastec members. All amount recorded in the financial statements reflect in the Company's proportionate share of the liabilities. The Company has no active members in the IWCSSS and contributions will only be required in respect of any funding shortfall identifies by the triennial actuarial valuation. The assets of CRE Fund are held under a trust.

An annual valuation of the CRE Fund was carried out by independent qualified actuaries on 31 December 2020 under FRS 101 and on this basis the CRE Fund had a deficit of \$1,528,000 (2019: \$934,000) which is reflected in the balance sheet.

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

12 Pension commitments (continued)***Reconciliation of scheme assets and liabilities to assets and liabilities recognised***

The amounts recognised in the balance sheet are as follows:

| | 2020 | 2019 |
|--|---------------|---------------|
| | \$ 000 | \$ 000 |
| Present value of obligation at the start of the year | 10,188 | 9,337 |
| Interest cost on defined benefit obligations | 208 | 248 |
| Actuarial loss | 1,245 | 944 |
| Benefits paid | (231) | (219) |
| Exchange gains on foreign schemes | 431 | (122) |
| Closing defined benefit obligation | 11,841 | 10,188 |

| | 2020 | 2019 |
|--|---------------|---------------|
| | \$ 000 | \$ 000 |
| Change in pension plan assets | | |
| Fair value of plan assets at the start of the year | 9,254 | 8,345 |
| Interest income on plan assets | 192 | 226 |
| Administration cost | (54) | (68) |
| Actuarial gains | 379 | 675 |
| Contribution by employer | 406 | 400 |
| Benefits paid | (231) | (219) |
| Exchange losses on foreign schemes | 367 | (105) |
| | 10,313 | 9,254 |

| | 2020 | 2019 |
|-------------------------------------|----------------|---------------|
| | \$ 000 | \$ 000 |
| Fair value of pension plan assets | 10,313 | 9,254 |
| Present value of plan liabilities | (11,841) | (10,188) |
| Net pension scheme liability | (1,528) | (934) |

Composition of plan assets:

| | 2020 | 2019 |
|----------------------------------|---------------|---------------|
| | \$ 000 | \$ 000 |
| Total pension plan assets | | |
| UK equities | 651 | 604 |
| Overseas equities | 1,521 | 1,410 |
| UK government bonds | 3,095 | 2,616 |
| Property | 690 | 677 |
| Cash and other | 4,356 | 3,947 |
| | 10,313 | 9,254 |

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

12 Pension commitments (continued)**Amounts recognised in profit and loss**

The amount of actuarial loss recognised in other comprehensive income was \$866,000 (2019: \$269,000).

The Company expects to contribute \$28,000 to its defined benefit pension scheme in 2021.

| | 2020 | 2019 |
|---|---------------|---------------|
| | \$ 000 | \$ 000 |
| Interest cost on defined benefit obligation | (208) | (248) |
| Interest income on pension plan assets | 192 | 226 |
| Administration cost on pension scheme | (54) | (68) |
| Total recognised in profit and loss | (70) | (90) |

Principal actuarial assumptions

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

| | 2020 | 2019 |
|--|--------------|--------------|
| | % | % |
| Discount rate | 1.20 | 2.10 |
| Inflation rate (RPI) | 2.90 | 2.90 |
| | 2020 | 2019 |
| | Years | Years |
| Mortality rates | | |
| - for current pensioners (from age 60) | 26.50 | 27.80 |
| - for future pensioners (from age 60) | 27.60 | 28.40 |

To develop the expected long term rate of return on assets, the Company considered the current level of expected returns on risk free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each investment asset. The expected returns for each asset class was then weighted based on the actual asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio.

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory. Mortality assumptions are based on 97% of the S3PMA_M/98% of the S3PFA_M year of birth tables with CMI 2019 tables and a 1.25% long term rate of improvement.

The income statement charge included within operating profit includes current service cost, interest cost, past service costs and gains and losses on settlement and curtailment.

| | 2020 | 2019 |
|---|--------------|--------------|
| Proportion relating to current employees | 0% | 0% |
| Proportion relating to former employees not yet retired | 80% | 86% |
| Proportion relating to retirees | 20% | 14% |
| | 100% | 100% |
| Average duration of obligation (years) | 18.65 | 19.61 |

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

13 Share capital**Allotted, called up and fully paid shares**

| | 2020 | | 2019 | |
|-----------------------------------|---------|---------|---------|---------|
| | No. 000 | \$ 000 | No. 000 | \$ 000 |
| Ordinary share capital of £1 each | 116,000 | 168,200 | 116,000 | 168,200 |

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

14 Reserves**Other reserves**

In 2000, the Company's share capital, share premium, capital reserves and other reserves were translated into US Dollars at the exchange rate in force when the US Dollar became the functional currency. The resulting currency translation adjustment has been included in other reserves.

Retained earnings

Retained earnings of \$6,680,586,000 (2019: \$6,718,040,000) includes an accumulated investment impairment provision of \$5,123,749,000 at 31 December 2020 (2019: \$5,062,953,000). The directors consider the value of the remaining investments in subsidiaries is more than their book value and, as permitted by Companies Act 2006 s841, diminutions in the value of investments in subsidiaries, associates and joint ventures may in certain conditions be treated as unrealised losses. Accordingly, the directors believe that, subject to any applicable legal review at the time of a future distribution, some of the accumulated impairment losses may be disregarded for the purposes of determining the distributable reserves of the Company.

15 Commitments**Operating lease commitments**

The Company together with Rio Tinto London Limited ("RTLL"), is party to two lease agreements both on full repairing and insuring terms. RTLL is bearing the full cost of both leases and no lease commitment arose for the Company.

Other financial commitments

RTLL disposed of its freehold interest in 6 St James's Square, London to Pontegadea UK Limited in return for which RTLL was granted a 15 year lease of approximately 80% of the premises. Under the sale and lease back arrangements, Rio Tinto European Holdings Limited has agreed to guarantee the obligations of RTLL as tenant.

16 Related party transactions

The Company has taken advantage of the exemption contained within paragraph 8(k) of FRS 101, and has not disclosed transactions entered into with wholly-owned group entities.

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

17 Dividends

| | 2020 \$ 000 | 2019 \$ 000 |
|--|----------------|----------------|
| Interim dividend of \$10.81 (2019 - \$Nil) per each fully paid share | 1,254,000 | - |

18 Events after the reporting period

In April 2021, the Rio Tinto Group entered into a binding Heads of Agreement (HoA) with Turquoise Hill Resources (TRQ) for an updated funding plan (the "Funding Plan") for the completion of the Oyu Tolgoi (OT) Underground Project in Mongolia. The Funding Plan addresses the estimated remaining known funding requirement of approximately \$2,300,000,000, building on and replacing the arrangements established in the Memorandum of Understanding that Rio Tinto and TRQ previously entered into on 9 September, 2020. The Company holds a 10.69% share of TRQ.

In June 2021, the Company recapitalised Rio Tinto Metals Limited (RTML) by an equity injection of \$220,000,000 in return for 220,000,000 ordinary shares of \$1 each in RTML. The recapitalisation is proposed to fund Rio Tinto Mining and Exploration Limited (RTME).

In addition, in June 2021 the Company recapitalised Rio Tinto Minerals Development Limited (RTMD) by an equity injection of \$110,000,000 in return for 110,000,000 ordinary shares of \$1.00 each in RTMD. The recapitalisation is proposed to fund the Jadar Project.

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected the Company's operations, results or state of affairs, or may do so in future years.

19 Parent and ultimate parent undertaking

The Company's immediate parent undertaking is Rio Tinto plc. The ultimate parent undertaking and controlling party is Rio Tinto plc, which together with Rio Tinto Limited and their respective subsidiaries form the Rio Tinto Group. Copies of the Rio Tinto Group consolidated financial statements can be obtained from the registered office at 6 St James's Square, London, SW1Y 4AD or from the Rio Tinto website at www.riotinto.com.

20 Related undertakings

In accordance with section 409 of the Companies Act 2006, disclosed below is a full list of related undertakings of the Company. Related undertakings include "subsidiaries", "associated undertakings" and "significant holdings in undertakings other than subsidiary companies". The registered office address, country of incorporation, classes of shares and the effective percentage of equity owned by the Company calculated by reference to voting rights, is disclosed as at 31 December 2020.

Details of the related undertakings as at 31 December 2020 are as follows:

| Name of undertaking | Country of incorporation | Registered office | Share class | Direct holding % | Indirect holding % |
|---------------------|--------------------------|--|-------------------|------------------|--------------------|
| 46106 YUKON INC. | Canada | 200-204 Lambert Street, Whitehorse YT Y1A 3T2, Canada | CAD COMMON shares | 100 | - |
| 7999674 CANADA INC. | Canada | 400-1190 Avenue des Canadiens-de-Montréal, Montréal QC H3B 0E3, Canada | CAD COMMON shares | 100 | - |

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

20 Related undertakings (continued)

| Name of undertaking | Country of incorporation | Registered office | Share class | Direct holding % | Indirect holding % |
|---|---------------------------------|---|-----------------------------|-------------------------|---------------------------|
| Alcan Composites Brasil Ltda | Brazil | Avenida das Nações Unidas, 12.551 - 19th floor - Suite 1.911, São Paulo, SP, 04578-00, Brazil | BRL0.01 Ordinary shares | - | 100 |
| Alcan Corporation | United States | CSC, 211 East 7th Street, Suite 620, Austin TX 78701-3218, United States | US\$0.01 Ordinary shares | - | 100 |
| Alcan International Network U.S.A. Inc. | United States | 80 State Street, Albany NY 12207-2543, United States | US\$ Ordinary shares | - | 93 |
| Alcan Primary Products Company LLC | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$ Units shares | - | 100 |
| Alcan Primary Products Corporation | United States | CSC, 211 East 7th Street, Suite 620, Austin TX 78701-3218, United States | US\$0.01 Ordinary shares | - | 100 |
| CIA. Inmobiliaria e Inversiones Cosmos S.A.C. | Peru | Calle Santa Maria No. 110 Urb., Miraflores, Lima, Peru | PEN1,000.00 Ordinary shares | - | 100 |
| Compania de Transmision Sierraorient S.A.C. | Peru | Calle Santa Maria No. 110 Urb., Miraflores, Lima, Peru | PEN1,000.00 Ordinary shares | - | 100 |
| Daybreak Development LLC | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Common shares | - | 100 |
| Daybreak Property Holdings LLC* | United States | CSC, 15 West South Temple, Suite 600, Salt Lake City UT 84101, United States | - | - | - |
| Daybreak Secondary Water Distribution Company | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Common shares | - | 100 |
| Daybreak Water Holding LLC | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Common shares | - | 100 |
| DB Medical I LLC | United States | CSC, 15 West South Temple, Suite 600, Salt Lake City UT 84101, United States | US\$ Units shares | - | 100 |
| DBVC1 LLC* | United States | CSC, 15 West South Temple, Suite 600, Salt Lake City UT 84101, United States | - | - | - |
| Eastland Management Inc. | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$1.00 Common shares | - | 100 |
| Flambeau Mining Company | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Common shares | - | 100 |

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

20 Related undertakings (continued)

| Name of undertaking | Country of incorporation | Registered office | Share class | Direct holding % | Indirect holding % |
|--|---------------------------------|---|-----------------------------|-------------------------|---------------------------|
| Green Mountain Mining Venture* | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | - | - | - |
| Henlopen Manufacturing Co., Inc. | United States | 80 State Street, Albany NY 12207-2543, United States | US\$100.00 Ordinary shares | - | 100 |
| High Purity Iron Inc. | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$1.00 Common Shares | - | 100 |
| Industrias Metalicas Castello S.A. | Spain | Calle Tuset 10, 08006, Barcelona, Catalogna, Spain | €6.01 Ordinary shares | - | 100 |
| Integrity Land and Cattle LLC | United States | CSC, 8825 N. 23rd Avenue, Suite 100, Phoenix AZ 85021 | US\$ Units shares | - | 100 |
| Kennecott Barneys Canyon Mining Company | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Common shares | - | 100 |
| Kennecott Exploration Company | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Common shares | - | 100 |
| Kennecott Exploration Mexico, S.A. de C.V. | Mexico | Felix Berenguer 125 - 4, Col. Lomas Virreyes, Distrito Federal, 11000, Mexico | MXN1,000.00 Ordinary shares | - | 100 |
| Kennecott Holdings Corporation | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Common shares | - | 100 |
| Kennecott Land Company | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Common shares | - | 100 |
| Kennecott Land Investment Company LLC* | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | - | - | - |
| Kennecott Molybdenum Company | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Common shares | - | 100 |
| Kennecott Nevada Copper Company | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Common shares | - | 100 |
| Kennecott Ridgeway Mining Company | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$1.00 Common shares | - | 100 |
| Kennecott Royalty Company | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$100.00 Common shares | - | 100 |
| Kennecott Services Company | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Common shares | - | 100 |
| Kennecott Uranium Company | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Common shares | - | 100 |

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

20 Related undertakings (continued)

| Name of undertaking | Country of incorporation | Registered office | Share class | Direct holding % | Indirect holding % |
|-------------------------------------|----------------------------------|---|--|-------------------------|---------------------------|
| Kennecott Utah Copper LLC | United States | CSC, 15 West South Temple, Suite 600, Salt Lake City UT 84101, United States | US\$ Units shares | - | 100 |
| Kennecott Water Distribution LLC | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$ Ordinary shares | - | 100 |
| Lao Sanxai Minerals Company Limited | Lao People's Democratic Republic | 5th Floor, AGL Building, 33 Lane Xang Avenue, Hatsady Village, Chanthaboury District, Vientiane Capital, Lao People's Democratic Republic | US\$1.00 Ordinary shares | - | 70 |
| Magma Arizona Railroad Company | United States | CSC, 8825 N. 23rd Avenue, Suite 100, Phoenix AZ 85021 | US\$100.00 Common shares | - | 100 |
| Minera Kennecott, S.A. de C.V. | Mexico | Florencia 57, Piso 3, Col. Juarez, Delegacion Cuauhtemoc, Mexico, D.F., 06600, Mexico | MXN1.00 Series "B" shares | - | 100 |
| Pacific Coast Mines, Inc. | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$1.00 Common shares | - | 100 |
| Pechiney Bécancour, Inc. | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$1.00 Ordinary shares | - | 100 |
| Pechiney Cast Plate, Inc. | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$1.00 Ordinary shares | - | 100 |
| Pechiney Holdings, Inc. | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$1.00 Ordinary shares | - | 100 |
| Pechiney Metals LLC* | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | - | - | - |
| Pechiney Plastic Packaging, Inc. | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$ Ordinary shares | - | 100 |
| Pechiney Sales Corporation | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$1.00 Ordinary shares | - | 100 |
| Resolution Copper Company | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Common shares | - | 100 |
| Resolution Copper Mining LLC* | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | - | - | - |
| Rio Sava Exploration DOO* | Serbia | Resavska 23, 11000 Beograd, Beograd, 11000, Serbia | - | - | - |
| Rio Tinto America Holdings Inc. | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Class A Common shares | - | 100 |
| | | | US\$100.00 Series A Preferred Stock shares | - | 100 |

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

20 Related undertakings (continued)

| Name of undertaking | Country of incorporation | Registered office | Share class | Direct holding % | Indirect holding % |
|--|---------------------------------|---|--------------------------|-------------------------|---------------------------|
| Rio Tinto America Inc. | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$100.00 Common shares | - | 100 |
| Rio Tinto AuM Company | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Common shares | - | 100 |
| Rio Tinto Brazilian Holdings Limited | United Kingdom | 6 St James's Square, London, SW1Y 4AD, United Kingdom | £1.00 Ordinary shares | 100 | - |
| | | | US\$1.00 Ordinary shares | 100 | - |
| Rio Tinto Brazilian Investments Limited | United Kingdom | 6 St James's Square, London, SW1Y 4AD, United Kingdom | £1.00 Ordinary shares | 100 | - |
| | | | US\$1.00 Ordinary shares | 100 | - |
| Rio Tinto Chile SpA | Chile | Av. Pdte. Riesco 5435, of. 1302, Las Condes, Región Metropolitana, Chile | US\$1.00 Ordinary shares | - | 100 |
| Rio Tinto Commercial Americas Inc. | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 COMMON shares | - | 100 |
| Rio Tinto Desenvolvimento Minerais LTDA. | Brazil | SIG Quadra 04, Lote 175, Torre A, Salas 106 a 109, Edifício Capital Financial Center, , Brasília, Brasília, CEP 70610-440, Brazil | BRL Quotas shares | - | 100 |
| Rio Tinto Diamonds NV | Belgium | Hoveniersstraat 53, 2018 Antwerp, Belgium, Belgium | € Ordinary shares | 100 | - |
| Rio Tinto Energy America Inc. | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Common shares | - | 100 |
| Rio Tinto Escondida Limited | Bermuda | 22 Canon's Court, Victoria Street, Hamilton, HM 12, Bermuda | US\$1.00 Common shares | - | 100 |
| Rio Tinto Exploration Dunav d.o.o. Beograd-Vracar* | Serbia | Resavska 23, Belgrade-Vracar, 11000 Belgrade, Serbia | - | - | - |
| Rio Tinto Exploration Finland OY | Finland | c/o Revico Grant Thornton Oy, PL 18, Helsinki, 00271, Finland | € Ordinary shares | - | 100 |
| Rio Tinto Exploration India Private Limited | India | 21st Floor, DLF Building No. 5, Tower A DLF Cyber City, Phase III, Gurgaon, HR, 122002, India | INR10.00 Ordinary shares | - | 100 |

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

20 Related undertakings (continued)

| Name of undertaking | Country of incorporation | Registered office | Share class | Direct holding % | Indirect holding % |
|---|---------------------------------|--|------------------------------|-------------------------|---------------------------|
| Rio Tinto Exploration Kazakhstan LLP* | Kazakhstan | Dostyk 310/G, Almaty, 050020, Kazakhstan | - | - | - |
| Rio Tinto Exploration Zambia Limited | Zambia | Suit FF08, No.4 Bishops Road, Kabulonga, Lusaka, Zambia | ZMW1.00 Ordinary shares | - | 100 |
| Rio Tinto Finance (USA) Inc. | United States | CSC, 251 Little Falls Drive, Wilmington DE 19808, United States | US\$1.00 COMMON shares | - | 100 |
| Rio Tinto Holdings LLC | Mongolia | Floor 17, Shangri-La Center, Olympic Street-19, Khoroo 1, Sukhbaatar District, Ulaanbaatar, 14241, Mongolia | MNT20,000.00 Ordinary shares | - | 100 |
| Rio Tinto Hydrogen Energy LLC* | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | - | - | - |
| Rio Tinto Iron & Titanium Limited | United Kingdom | 6 St James's Square, London, SW1Y 4AD, United Kingdom | £1.00 Ordinary shares | - | 100 |
| Rio Tinto London Limited | United Kingdom | 6 St James's Square, London, SW1Y 4AD, United Kingdom | £1.00 Ordinary shares | 100 | - |
| Rio Tinto Marketing Services Limited | United Kingdom | 6 St James's Square, London, SW1Y 4AD, United Kingdom | £1.00 Ordinary shares | - | 100 |
| Rio Tinto Medical Plan Trustees Limited | United Kingdom | 6 St James's Square, London, SW1Y 4AD, United Kingdom | £1.00 Ordinary shares | - | 100 |
| Rio Tinto Metals Limited | United Kingdom | 6 St James's Square, London, SW1Y 4AD, United Kingdom | £1.00 Ordinary shares | 100 | 100 |
| | | | US\$1.00 Ordinary shares | 100 | - |
| Rio Tinto Minera Peru Limitada SAC | Peru | Av. La Paz 1049, Oficina 503, Miraflores, Lima, 18, Peru | PEN100.00 Ordinary shares | - | 100 |
| Rio Tinto Minerals Development Limited | United Kingdom | 6 St James's Square, London, SW1Y 4AD, United Kingdom | £0.25 Ordinary shares | 100 | - |
| | | | US\$1.00 Ordinary shares | 100 | - |
| Rio Tinto Minerals Exploration (Beijing) Co., Ltd | China | Units 15 - 16, 18/F, China World Office Building 2, No. 1 Jianguomenwai Dajie, Chaoyang District, Beijing, China | US\$1.00 Ordinary shares | - | 100 |
| Rio Tinto Minerals Inc. | United States | CSC, 15 West South Temple, Suite 600, Salt Lake City UT 84101, United States | US\$0.01 Common shares | - | 100 |

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

20 Related undertakings (continued)

| Name of undertaking | Country of incorporation | Registered office | Share class | Direct holding % | Indirect holding % |
|--|---------------------------------|--|---------------------------|-------------------------|---------------------------|
| Rio Tinto Mining and Exploration Inc. | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$1.00 Common shares | - | 100 |
| Rio Tinto Mining and Exploration Limited | United Kingdom | 6 St James's Square, London, SW1Y 4AD, United Kingdom | £1.00 Ordinary shares | - | 100 |
| | | | US\$1.00 Ordinary shares | - | 100 |
| Rio Tinto Mining and Exploration S.A.C. | Peru | Av, La Paz 1049, Oficina 503, Miraflores, Lima, 18, Peru | PEN0.50 Ordinary shares | - | 100 |
| Rio Tinto Nominees Limited | United Kingdom | 6 St James's Square, London, SW1Y 4AD, United Kingdom | £1.00 Ordinary shares | - | 100 |
| Rio Tinto Orissa Mining Private Ltd | India | 220, 2nd Floor, DLF, Cyber City, Chandaka Industrial Area, Patia, Bhubneshwar, Odisha, 751024, India | INR100.00 Ordinary shares | - | 51 |
| Rio Tinto Peru Limited | United Kingdom | 6 St James's Square, London, SW1Y 4AD, United Kingdom | US\$1.00 Ordinary shares | - | 100 |
| Rio Tinto Secretariat Limited | United Kingdom | 6 St James's Square, London, SW1Y 4AD, United Kingdom | £1.00 Ordinary shares | - | 100 |
| Rio Tinto Services Inc. | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Common shares | - | 100 |
| Rio Tinto Technological Resources Inc. | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 COMMON shares | - | 100 |
| Rio Tinto Uranium Limited | United Kingdom | 6 St James's Square, London, SW1Y 4AD, United Kingdom | US\$1.00 Ordinary shares | 100 | - |
| Rio Tinto Western Holdings Limited | United Kingdom | 6 St James's Square, London, SW1Y 4AD, United Kingdom | £1.00 Ordinary shares | 100 | - |
| | | | US\$1.00 Ordinary shares | 100 | - |
| Skymont Corporation | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$ Common shares | - | 100 |
| Sohio Western Mining Company | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$100.00 common shares | - | 100 |
| Swift Current Land & Cattle LLC* | United States | CSC, 8825 N. 23rd Avenue, Suite 100, Phoenix AZ 85021 | - | - | - |
| The Pyrites Company, Inc. | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$1.00 Common shares | - | 100 |

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

20 Related undertakings (continued)

| Name of undertaking | Country of incorporation | Registered office | Share class | Direct holding % | Indirect holding % |
|-----------------------------------|-----------------------------------|--|---------------------------|-------------------------|---------------------------|
| Thos. W. Ward Limited | United Kingdom | 6 St James's Square, London, SW1Y 4AD, United Kingdom | £0.25 Ordinary shares | - | 100 |
| Three Crowns Insurance Company | United States | c/o CT Corporation System, 1108 E South Union Avenue, Midvale UT 84047, United States | US\$2.00 common shares | - | 100 |
| U.S. Borax Inc. | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.10 Common shares | - | 100 |
| Waste Solutions and Recycling LLC | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$ Units shares | - | 100 |
| Wyoming Coal Resources Company | United States | 251 Little Falls Drive, Wilmington DE 19808, United States | US\$0.01 Common shares | - | 100 |
| 201 Logistics Center, LLC* | United States | 1209 Orange Street, Wilmington, Delaware 19801, U.S.A. | - | - | - |
| 7600 West Center, LLC* | United States | 9090 S. Sandy Parkway, Sandy UT 84070, United States | - | - | - |
| AGM Holding Company Pte. Ltd. | Singapore | 77 Robinson Road, #13-00, Robinson 77, 068896, Singapore | US\$ Ordinary shares | - | 100 |
| Aluminerie De Bécancour, Inc. | Canada | 5555 Pierre Thibault Street, PO 30, Bécancour, Quebec G0X 1B, Canada | CAD1.00 Ordinary shares | - | 50 |
| Asia Gold Mongolia LLC | Mongolia | Floor 17, Shangri-La Center, Olympic Street-19, Khoroo 1, Sukhbaatar District, Ulaanbaatar, 14241, Mongolia | MNT1,250.00 COMMON shares | - | 166 |
| Asia Naran Bulag LLC | Mongolia | Floor 17, Shangri-La Center, , Olympic Street-19, Khoroo 1, , Sukbaatar district, Ulaanbaatar, 14241, Mongolia | MNT1,000.00 COMMON shares | - | 100 |
| Empresa de Mineracao Finesa Ltda. | Brazil | SIG, QUADRA 04, Lote 75, Sala 109 Parte C, Edificio Capital Financial Center, Brasilia DF, CEP, 71.610-440, Brazil | BRL Quotas shares | - | 49 |
| Enarotali Gold Project Limited | Jersey | IFC 5, St Helier, JE1 1ST, Jersey | £0.001 Ordinary shares | - | 25 |
| Fabrica De Plasticos Mycsa, S.A. | Venezuela, Bolivarian Republic of | Urbanización Industrial San Ignacio, parcela 2-A, vía San Pedro, Los Teques, Estado Miranda, Venezuela, Bolivarian Republic of | VEF1.00 COMMON shares | - | 49 |

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

20 Related undertakings (continued)

| Name of undertaking | Country of incorporation | Registered office | Share class | Direct holding % | Indirect holding % |
|---|---------------------------------|--|-----------------------------|-------------------------|---------------------------|
| Heruga Exploration LLC | Mongolia | Floor 17, Shangri-La Center, Olympic Street-19, Khoroo 1, Sukhbaatar District, Ulaanbaatar, 14241, Mongolia | MNT12,500.00 COMMON shares | - | 100 |
| IAL Holdings Singapore Pte. Ltd. | Singapore | 77 Robinson Road, #13-00, Robinson 77, 068896, Singapore | US\$ Ordinary shares | - | 100 |
| Minera Escondida Ltda* | Chile | Av. Cerro Plomo, Piso 18, Las Condes, Santiago, 7580154, Chile | - | - | - |
| Mineracao Tabuleiro Ltda | Brazil | SIG, QUADRA 04, Lote 75, Sala 109 Parte D, Edificio Capital Financial Center, Brasilia DF, CEP, 71.610-440, Brazil | BRL Quotas shares | - | 48 |
| Minmetals Rio Tinto Exploration Company Limited | China | Section C239, Level 3, Phase II, Standard Workshop, Innovative Industrial Park, Sanya City, Hainan Province, China | CNY1.00 Ordinary shares | - | 50 |
| Oyu Tolgoi Netherlands BV | Netherlands | Prins Bernhardplein 200, Amsterdam, 1097 JB, The Netherlands | €100.00 Ordinary shares | - | 100 |
| Pechiney Reynolds Quebec, Inc. | United States | CSC, 233 South 13th Street, Suite 1900, Lincoln NE 68508, United States | US\$10.00 Common shares | - | 50 |
| | | | US\$100.00 Preferred shares | - | 100 |
| SGLS LLC | Mongolia | Floor 17, Shangri-La Center, Olympic Street-19,, Khoroo 1, Sukhbaatar District, , Ulaanbaatar , 14241, Mongolia | MNT10,000.00 COMMON shares | - | 100 |
| Sharp Strategic Funding Pte. Ltd. | Singapore | 77 Robinson Road, #13-00, Robinson 77, Singapore, 068896, Singapore | US\$ COMMON shares | - | 100 |
| Singapore Metals Pte. Ltd. | Singapore | 77 Robinson Road, #13-00, Robinson 77, 068896, Singapore | US\$ Ordinary shares | - | 100 |
| THR Aruba Holdings LLC A.V.V. | Aruba | IMC International Management Trust Company N.V., Caya Dr. J.E.M. Arends, 18-A, , Oranjestad, Aruba | US\$1.00 COMMON shares | - | 100 |
| THR Delaware Holdings, LLC* | United States | | - | - | - |
| THR Kharmagtai Pte. Ltd. | Singapore | 77 Robinson, #13-00, Robinson 77, 068896, Singapore | US\$ Ordinary shares | - | 100 |

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

20 Related undertakings (continued)

| Name of undertaking | Country of incorporation | Registered office | Share class | Direct holding % | Indirect holding % |
|--|---------------------------------|---|--------------------------|-------------------------|---------------------------|
| THR MINES (BC) LTD. | Canada | 1800 - 510 West Georgia Street, Vancouver BC V6B 0M3 , Canada | CAD COMMON shares | - | 100 |
| | | | US\$ COMMON shares | - | 100 |
| THR Mines Services Co. Ltd. | Canada | Lackowicz Shier & Hoffman Barristers & Solicitors, 300-204 Black Street, Whitehorse YT Y1A 2M9, Canada | CAD COMMON shares | - | 100 |
| THR OYU TOLGOI LTD. | Virgin Islands, British | Craigmuir Chambers,, Road Town, Tortolla, VG1110, Virgin Islands, British | US\$1.00 Ordinary shares | - | 100 |
| THR Ulaan Pte. Ltd. | Singapore | 77 Robinson Road, #13-00, Robinson 77, 068896, Singapore | US\$ Ordinary shares | - | 100 |
| TRQ Australia Pty. Ltd. | Australia | C/o Intertrust Australia Pty. Ltd., Level 25, Suite 2, 100 Miller Street, North Sydney NSW 2060, Australia | AUD1.00 Ordinary shares | - | 100 |
| Turquoise Hill (Beijing) Services Company Ltd* | China | 07-119 Inner Room 101, 7th Floor, No. 219 Wangfujing Street, Dongcheng District, Beijing, China | - | - | - |
| Turquoise Hill Netherlands Cooperatief U.A. | Netherlands | Prins Bernhardplein 200, 1097 JB Amsterdam, The Netherlands | US\$ COOP share shares | - | 100 |
| Turquoise Hill Resources Ltd. | Canada | 300 - 204 Black Street, Whitehorse Yukon Territories Y1A 2M9, Canada | CAD COMMON shares | - | 21 |
| Turquoise Hill Resources Philippines Inc. | Philippines | Romulo Mabanta Buenaventura Sayoc & De Los Angeles, 21st Floor, Philamlife Tower, 8767 Paswo de Roxas, Makati City, 1226, Philippines | PHP100.00 COMMON shares | - | 100 |
| Turquoise Hill Resources Singapore Pte Ltd. | Singapore | 2 Venture Drive, #24-01, Vision Exchange, Singapore, 608526, Singapore | SGD1.00 COMMON shares | - | 100 |
| Wright Mgmt Services Pte. Ltd. | Singapore | 77 Robinson Road, #13-00 , Robinson 77, Singapore, 068896, Singapore | US\$ COMMON shares | - | 100 |
| 46117 YUKON INC. | Canada | 200-204 Lambert Street, Whitehorse YT Y1A 3T2, Canada | CAD Preferred shares | - | 100 |

RIO TINTO EUROPEAN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

20 Related undertakings (continued)

| Name of undertaking | Country of incorporation | Registered office | Share class | Direct holding % | Indirect holding % |
|----------------------------|---------------------------------|---|----------------------|-------------------------|---------------------------|
| 535630 YUKON INC. | Canada | c/o Macdonald & Company, 200-204 Lambert Street, Whitehorse YT Y1A 3T2, Canada | CAD Preferred shares | - | 100 |

(*) Ownership is held through an interest in capital. The entity has no classes of shares.