Registration number: 06404791

RTA HOLDCO 4 LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR

THE YEAR ENDED 31 DECEMBER 2020

RTA HOLDCO 4 LIMITED

CONTENTS

RTA HOLDCO 4 LIMITED

COMPANY INFORMATION

Directors	R A Avery J P Kiddle
Company secretary	Rio Tinto Secretariat Limited
Registration number	06404791
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

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their Strategic report on RTA Holdco 4 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").

The Company is an intermediate holding company for the Group.

Business review

The Company's principal continuing activity during the year was an intermediate investment holding company for the Group. The directors review the value of the Company's investments at each year end. As a result of these reviews an impairment loss of $750,688,000 relating to the Company's investment in RTA Holdco Australia 1 Pty Limited (2019: $181,000,000 relating to the Company's investment in RTA Holdco Australia 5 Pty Limited) has been provided for in these financial statements.

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.

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.

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.

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

DocuSigned by:
Richard Avery
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....

R A Avery
Director

Date: 14-12-21

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 operate as an investment holding company for the Group.

Results and dividends

The loss for the financial year, after taxation, amounted to $758,782,000 (2019: loss of $168,572,000).

No Interim dividend was 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:

R A Avery

J P Kiddle

A Martins Alexandre (resigned 17 March 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.

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

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.

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.

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 $1,928,836,000 of amounts owing to group undertakings, net current liabilities of $1,926,836,000 as at 31 December 2020 and a loss for the year then ended of $758,782,000, 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 operate as an investment holding company, its ability to continue as a going concern is dependent on the operational performance of the Group and the support provided by the Company's immediate parent company Rio Tinto International Holdings Limited. The directors have received an undertaking from Rio Tinto International Holdings Limited 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.

Matters subsequent to the end of the financial year

In December 2021, the Company expects to issue 1,931,549,000 ordinary shares of $1 each to its parent undertaking Rio Tinto International Holdings Limited ("RTIH") for a total consideration of $1,931,549,000. The Company proposes to utilise the funds acquired through the recapitalisation to settle the borrowings owed to RTIH, which amounted to $1,931,549,000 as of November 2021. The proposal obtained functional approval in November 2021, and the refinancing transaction is expected to be completed before 31 December 2021.

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

Please refer to the Strategic report, principal risks and uncertainties section.

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.

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.

DocuSigned by:
Mike Pasmore
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Mike Pasmore

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

Date: 14-12-21

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RTA HOLDCO 4 LIMITED

Opinion

We have audited the financial statements of RTA Holdco 4 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 loss 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

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.

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.[1]

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.

Heidi Broom-Hirst (Senior Statutory Auditor)
for and on behalf of
KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London, E14 5GL
14 December 2021

RTA HOLDCO 4 LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 $ 000	2019 $ 000
Revenue	3	-	48,571
Impairment charges		(750,688)	(181,000)
Finance costs	5	(10,094)	(44,143)
Loss before taxation		**(760,782)**	**(176,572)**
Taxation	6	2,000	8,000
Loss for the financial year		**(758,782)**	**(168,572)**
Other comprehensive income/(expense)		**-**	**-**
Total comprehensive expense for the financial year		**(758,782)**	**(168,572)**

The notes on pages 13 to 23 form an integral part of these financial statements.

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 $ 000	2019 $ 000
ASSETS			
Non-current assets			
Investments	7	2,310,052	3,060,740
Current assets			
Trade and other receivables	8	2,000	8,000
Total assets		**2,312,052**	**3,068,740**
LIABILITIES			
Current liabilities			
Borrowings and other financial liabilities	9	(1,928,836)	(1,926,742)
Total liabilities		**(1,928,836)**	**(1,926,742)**
Net assets		**383,216**	**1,141,998**
EQUITY			
Share capital	10	2,263,581	2,263,581
Share premium account		630,155	630,155
Capital reserve		471,335	471,335
Accumulated losses		(2,981,855)	(2,223,073)
Total equity		**383,216**	**1,141,998**

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

DocuSigned by:

Richard Avery

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R A Avery

Director

Date: 14-12-21

Company registered number: 06404791

The notes on pages 13 to 23 form an integral part of these financial statements.

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

	Share capital $ 000	Share premium account $ 000	Capital reserve $ 000	Accumulated losses $ 000	Total equity $ 000
At 1 January 2020	2,263,581	630,155	471,335	(2,223,073)	1,141,998
Comprehensive expense:					
Loss for the financial year	-	-	-	(758,782)	(758,782)
Total comprehensive expense for the financial year	**-**	**-**	**-**	**(758,782)**	**(758,782)**
At 31 December 2020	**2,263,581**	**630,155**	**471,335**	**(2,981,855)**	**383,216**

	Share capital $ 000	Share premium account $ 000	Capital reserve $ 000	Accumulated losses $ 000	Total equity $ 000
At 1 January 2019	2,263,581	630,155	471,335	(2,054,501)	1,310,570
Comprehensive expense:					
Loss for the financial year	-	-	-	(168,572)	(168,572)
Total comprehensive expense for the financial year	**-**	**-**	**-**	**(168,572)**	**(168,572)**
At 31 December 2019	**2,263,581**	**630,155**	**471,335**	**(2,223,073)**	**1,141,998**

The notes on pages 13 to 23 form an integral part of these financial statements.

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 the 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 12.

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 12.

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 $1,928,836,000 of amounts owing to group undertakings, net current liabilities of $1,926,836,000 as at 31 December 2020 and a loss for the year then ended of $758,782,000, 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 operate as an investment holding company, its ability to continue as a going concern is dependent on the operational performance of the Group and the support provided by the Company's immediate parent company Rio Tinto International Holdings Limited. The directors have received an undertaking from Rio Tinto International Holdings Limited 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 Revenue

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 Accounting policies (continued)

1.6 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.

(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.

1.7 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 Taxation

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.

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

1.9 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

1 Accounting policies (continued)

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 the 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.

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 raise 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 Borrowings and 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 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.

2 Critical accounting estimates and judgements

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.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount exceeds its recoverable amount. The assessment of the carrying amount often requires estimates of future cash flows and foreign exchange rates.

Impairment of financial assets
The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other receivables, management considers factors including the credit rating of the receivable, the ageing profile of receivables and historical experience.

3 Revenue

The analysis of the Company's revenue for the year from continuing operations is as follows:

	2020 $ 000	2019 $ 000
Dividend income	-	48,571

4 Loss before taxation

(a) The audit fee of $10,000 (2019: $6,764) 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.

5 Finance costs

	2020 $ 000	2019 $ 000
Interest paid to group undertakings	10,094	44,143

6 Taxation

	2020 $ 000	2019 $ 000
Current tax		
Corporation tax	(2,000)	(8,000)

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
Loss before taxation	(760,782)	(176,572)
Loss before taxation multiplied by the standard rate of corporation tax in the UK	(144,549)	(33,549)
Increase from effect of expenses not deductible in determining tax loss	142,631	34,390
(Decrease)/increase arising from group relief tax reconciliation	(82)	387
Decrease from effect dividends from UK companies	-	(9,228)
Total tax benefit for the financial year	(2,000)	(8,000)

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

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.

7 Investments

	Investment in subsidiaries $ 000
Cost	
At 1 January 2020	5,219,720
At 31 December 2020	**5,219,720**
Impairment	
At 1 January 2020	(2,158,980)
Impairment charges	(750,688)
At 31 December 2020	**(2,909,668)**
Carrying amount	
At 31 December 2020	**2,310,052**
At 31 December 2019	**3,060,740**

The Company's direct and indirect investments are listed in note 13. The directors review the value of the Company's investments at each year end. This review identified a further impairment charge of $750,688,000 relating to the Company's investment in RTA Holdco Australia 1 Pty Limited (2019: $181,000,000 relating to the Company's investment in RTA Holdco Australia 5 Pty Limited) was required which has been provided for in these financial statements.

8 Trade and other receivables

	2020 $ 000	2019 $ 000
Current		
Taxation owed by group undertakings	**2,000**	**8,000**

The trade and other receivables classified as financial instruments are disclosed below. The Company's exposure to credit and market risks, including maturity analysis, relating to trade and other receivables is disclosed in the financial risk review note.

9 Borrowings and other financial liabilities

	2020 $ 000	2019 $ 000
Current		
Amount due to group undertakings	**1,928,836**	**1,926,742**

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

10 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No. 000	$ 000	No. 000	$ 000
Ordinary shares of of $1 each	1,670,000	1,670,000	1,670,000	1,670,000
Ordinary shares of of $0.73 each	810,000	593,581	810,000	593,581
	2,480,000	2,263,581	2,480,000	2,263,581

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.

11 Reserves

The share premium represents the value in excess of nominal value received by the Company in consideration for issuing its shares.

Capital reserve represents a capital contribution received by the Company in the form of a loan payable being forgiven by its parent.

12 Parent and ultimate parent undertaking

The Company's immediate parent undertaking is Rio Tinto International Holdings Limited. 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.

13 Related undertakings

In accordance with section 409 of the Companies Act 2006, disclosed below in 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:

13 Related undertakings (continued)

Name of undertaking	Country	Registered office	Share class	Direct holding %	Indirect holding %
Alcan Gove Development Pty Limited	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 Ordinary shares	-	100
Alcan Holdings Australia Pty Limited	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 Class A Shares	-	100
			AUD1.00 Ordinary shares	-	100
Alcan Northern Territory Alumina Pty Limited	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 Ordinary shares	-	100
Alcan South Pacific Pty Ltd	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 Ordinary shares	-	100
Gove Aluminium Ltd	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 A Non Redeemable Preferece shares	-	100
			AUD100.00 A Redeemable Preference Shares	-	100
			AUD1.801851 Ordinary shares	-	100
			AUD1.00 Ordinary shares	-	100
Nhulunbuy Corporation Limited*	Australia	19 Westal Street, Nhulunbuy NT 0880, Australia	-	-	-
Rio Tinto Alcan Technology Pty Ltd	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 Ordinary shares	-	100
RTA AAL Australia Limited	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1,000.00 Ordinary shares	-	100
			AUD1,000.00 Ordinary shares	-	100
			AUD1.00 Ordinary shares	-	100
RTA AAL Australia Limited	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 Ordinary 1 shares	-	100
RTA Gove Pty Limited	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 Class A Shares	-	100

13 Related undertakings (continued)

Name of undertaking	Country	Registered office	Share class	Direct holding %	Indirect holding %
			AUD1.00 Class B Shares	-	100
RTA Holdco Australia 1 Pty Ltd	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD755,000,004 Ordinary shares	100	-
			AUD2.00 Ordinary shares	100	-
			AUD1.672341 Ordinary shares	100	-
			AUD Ordinary shares	100	-
			AUD Ordinary shares	100	-
RTA Holdco Australia 5 Pty Ltd	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD2.00 Ordinary shares	100	-
Swiss Aluminium Australia Limited	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 Ordinary shares	-	100
			AUD1,000.00 Stock Unit Shares A	-	100
			AUD999.00 Stock Unit Shares B	-	100
			AUD997.00 Stock Unit Shares C	-	100
Trans Territory Pipeline Pty Limited	Australia	123 Albert Street, Brisbane QLD 4000, Australia	AUD1.00 Ordinary shares	-	100
Queensland Alumina Limited	Australia	Plant Operations Building, Parsons Point, Gladstone QLD 4680, Australia	AUD2.00 Class B Sharess	-	100
			AUD2.00 Class C Shares	-	100

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

14 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.

15 Post balance sheet events

In December 2021, the Company expects to issue 1,931,549,000 ordinary shares of $1 each to its parent undertaking Rio Tinto International Holdings Limited ("RTIH") for a total consideration of $1,931,549,000. The Company proposes to utilise the funds acquired through the recapitalisation to settle the borrowings owed to RTIH, which amounted to $1,931,549,000 as of November 2021. The proposal obtained functional approval in November 2021, and the refinancing transaction is expected to be completed before 31 December 2021.

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.