



FOR IMMEDIATE RELEASE

LAPFF Welcomes Rio Tinto Chair's Acceptance of Responsibility for Juukan Gorge

Thompson's resignation a necessary consequence of Juukan Gorge

London 14.00 (BST) LAPFF has noted Rio Tinto Chair Simon Thompson's announcement that he will not seek re-election at the company's 2022 Annual General Meeting (AGM). The Forum welcomes Mr. Thompson accepting responsibility for the avoidable Juukan Gorge incident and believes his resignation is a necessary consequence of the board's failure to take appropriate measures in response to this tragic event.

The board's initial response to the caves' destruction, insignificant remuneration consequences for the three executives deemed most culpable, was woefully inadequate. However, even the subsequent measures taken proved inadequate. The fact that the CEO resigned rather than his appointment being terminated was an insufficient response. Most recently, news that the outgoing CEO received a large pay increase in 2020 even after the events at Juukan Gorge was deeply worrying.

It is hoped that the incoming Chair and the new CEO will recognize the vital importance of meaningful and respectful engagement with Indigenous communities, and with affected communities more broadly. LAPFF is adamant that improved engagement must take place globally with all of Rio Tinto's projects, not just in Australia. Improved community engagement would undoubtedly bring about better outcomes, including financial outcomes.

Cllr Doug McMurdo, Chair of Local Authority Pension Fund Forum, said: "Unfortunately, Juukan Gorge is done. Whatever steps Rio Tinto takes to make amends for its actions will not be adequate. It has been said, and I will say it again, this event should not have happened in the first place.

Rio Tinto has operations globally. Many of these operations face similar concerns in relation to community engagement, not least at Resolution Copper and Oyu Tolgoi. It is my fervent hope that the company will start to engage properly with communities affected by these projects and others to ensure that another Juukan Gorge does not take place.



This hope stems not only from my concern for the rights of affected communities and the environment. The operational, reputational, legal, and consequently financial costs stemming from inadequate community engagement are staggering. As an investor, I want to see the proper protection of human rights and the environment as a means of protecting the pensions of LAPFF member beneficiaries.”

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About the Local Authority Pension Fund Forum: The Local Authority Pension Fund Forum (LAPFF) is a voluntary association of 82 public sector pension funds and seven pools based in the UK with combined assets of over £300 billion. It exists to ‘promote the long-term investment interests of local authority pension funds, and to maximise their influence as shareholders to promote corporate responsibility and high standards of corporate governance amongst the companies in which they invest.’ PIRC is the Research and Engagement partner to the Forum @lapfforum <https://lapfforum.org/>