

1C Legislation, Standards and Administrative Framework

1C.1 Introduction

This annex describes the administrative and regulatory context of the Project. It provides a succinct summary of the main legal texts and standards applicable to the environmental and social aspects of the Project. This annex is not intended to provide a complete list of all Guinean environmental and social legislation.

Simfer S.A. (“Simfer”), as part of the Rio Tinto Group, through its application to construct and operate the Project, is committed to meeting the spirit and intent of international, national and corporate policies, guidelines, laws and regulations. These include the following:

- Guinean legislation ⁽¹⁾ and regulations, including applying for all necessary permits and approvals;
- International conventions to which Guinea is a party;
- The IFC Performance Standards (2012);
- Rio Tinto’s corporate policies and best practice commitments; and
- Good International Industry Practice (GIIP) that helps defines leading industry practices.

This annex sets out the legal and policy context for the Project, including a description of the administrative structures in Guinea within which the Project will operate. The rest of the annex is structured as follows:

- Section 1C.2 describes the structure of national and local administration in Guinea, and identifies the principal authorities who will be involved in making regulatory and administrative decisions for the Project;
- Section 1 C.3 identifies the international conventions to which Guinea is a party, and which thus provide the international legal context within which the Project must operate;
- Section 1C.4 summarises the national environmental and social legislation relevant to the Project;
- Section 1C.5 summarises the requirements of the IFC Performance Standards applicable to the Project; and
- Section 1C.6 identifies the applicable Rio Tinto corporate standards, including standards for good international industry practice adopted by Rio Tinto.

(1) Including the Basic Convention signed between Simfer and the Republic of Guinea in November 2002 which was ratified by law in 2003 (and which shall be amended to incorporate the terms of the Settlement Agreement signed between the parties in April 2011), which contains legislative stabilization provisions and establishes its priority over other Guinean laws.

1C.2 Guinean Government and Administration

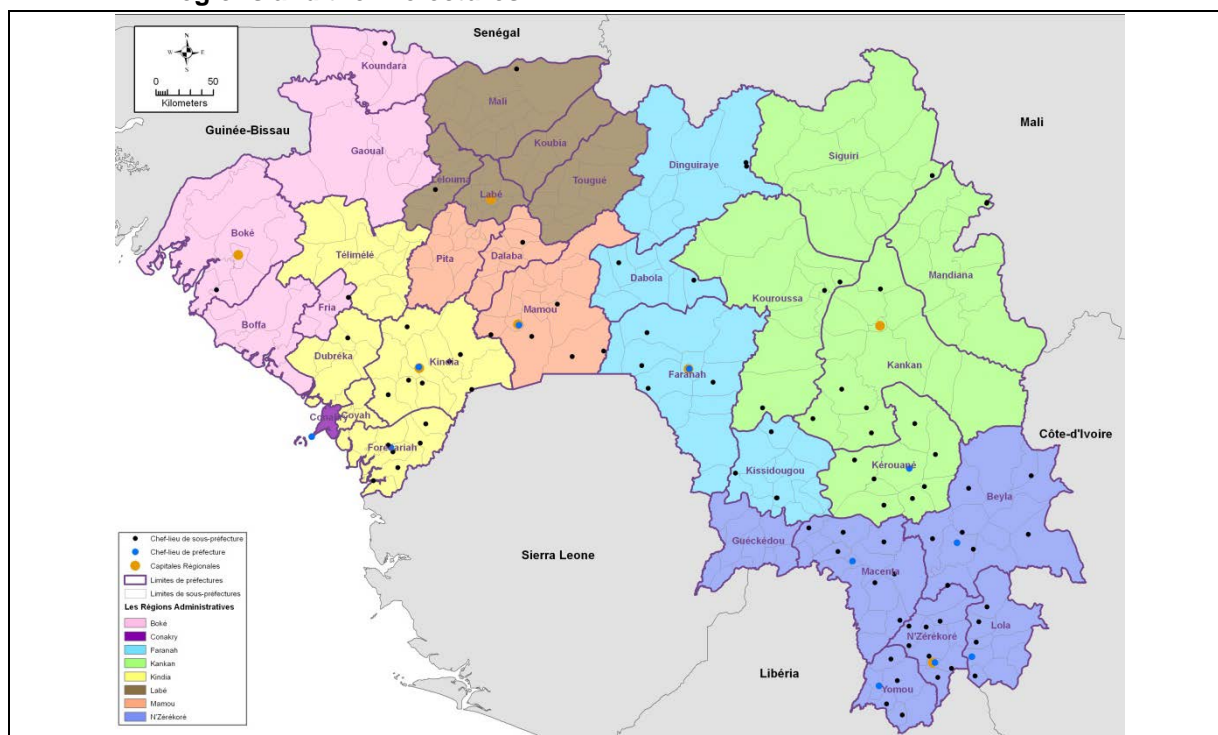
1C.2.1 Government Structure

Executive power resides with the president who is elected by popular vote for a 5-year term and has the option to stay in office for life if re-elected as per the results of the 2001 national referendum. Under the Constitution of the Third Republic created in 1990, the President appoints a Prime Minister, who proposes ministers for nomination, thus forming the executive government. The President can also submit laws, and dissolve the National Assembly in Guinea. In March 2010, a 155 member National Transition Council (CNT) was appointed and has since acted as the national legislature. CNT members come from a diverse background, including academics, opposition party members, trade unionists and representatives of civil society groups. Legislative elections are planned during 2012. These elections would lead to the dissolution of the CNT and the creation of a new legislative assembly.

Guinea operates a civil law system based on the French model. The most recent constitution is dated 7 May 2010. Judicial authority is exercised by courts and tribunals under the constitution.

Guinea is divided in eight administrative Regions, each led by a Governor, subdivided in 33 Prefectures and one 'special zone' (Conakry) made up of one region and one zone. Each prefecture is led by a Prefect, supported by a council of appointed prefectural advisors (*conseillers préfectoraux*). The prefectures are subdivided into 304 sub-prefectures or rural districts (*communes rurales*) run by elected mayors. There are also 28 Urban Districts (*Communes Urbaines*), headed by elected mayors.

Figure 1C.1 Administrative Map of Guinea showing the administrative boundaries of the eight Regions and the Prefectures.



1C.2.2 Institutional Framework

National

The government has established a number of Ministries led by appointed Ministers and Ministers of State. Each Ministry delivers and implements specific responsibilities. The Ministers have the authority to issue consents for development which relate to their administrative areas

Environmental affairs are the responsibility of the Minister Delegate for the Environment, Water and Forests (*Ministre délégué à l'Environnement et aux eaux et forêts*), under the authority of the Minister of State for Energy and the Environment (*Ministre d'Etat de l'Energie et de l'Environnement*). Other relevant ministers of the current Government of Guinea are:

- State Minister for Public Works and Transports (*Ministre d'Etat chargé des Travaux publics et des Transports*);
- Minister for Town & Country Planning, Housing and Construction (*Ministre de l'Urbanisme, de l'Habitat et la Construction*);
- Minister for Youth and Youth Employment (*Ministre de la Jeunesse et de l'Emploi des Jeunes*);
- Minister for Industry and Small and Medium Enterprises (*Ministre de l'Industrie et des Petites et Moyennes Entreprises*);
- Minister for Animal Farming (*Ministre de l'Elevage*);
- Minister for Employment, Technical Education and Professional Training (*Ministre de l'Emploi, de l'Enseignement technique et de la Formation professionnelle*);
- Minister for Territorial Administration and De-centralisation (*Ministre de l'Administration du Territoire et de la Décentralisation*);
- Minister for Agriculture (*Ministre de l'Agriculture*);
- Minister for Culture, Arts and Cultural Heritage (*Ministre de la Culture, Arts et du Patrimoine*);
- Minister for Health and Public Hygiene (*Ministre de la Santé et de l'Hygiène publique*);
- Minister for Mines and Geology (*Ministre des Mines et de la Géologie*);
- Minister for Spatial Planning (*Ministre du Plan*);
- Minister for Fishing and Aquaculture (*Ministre de la Pêche et de l'Aquaculture*);
- *Minister Delegate for Social Affairs, Women's Promotion and Childhood (Ministre délégué aux Affaires sociales, à la Promotion féminine et à l'Enfance)*;
- Minister Delegate for Transport (*Ministre délégué aux Transports*); and
- Minister Delegate for the Environment, Water and Forests (*Ministre délégué à l'Environnement et aux Eaux et Forêts*).

Regional

Guinea is divided in eight administrative Regions, each led by a Governor, subdivided in 33 Prefectures and one 'special zone' (Conakry) made up of one region and one zone. Each prefecture is led by a Prefect, supported by a council of appointed prefectural advisors (*conseillers préfectoraux*). The prefectures are subdivided into 304 sub-prefectures or rural districts (*Communes Rurales*) run by elected mayors. There are also 28 Urban Districts (*Communes Urbaines*), headed by elected mayors. The prefect represents the national government at the local level and as such exercises the powers that are constitutionally attributed to the national government. The prefect issues ordinances written for the application of local law, eg to close a building that does not conform to safety codes, or modify vehicular traffic regulations (speed limit, construction permits).

Local

At the local level, the territory is divided into *communes* led by elected mayors, themselves divided into *quartiers* or neighbourhoods (presided over by *présidents de quartier*). In rural areas, the territory is divided into *Communes Rurales*, subdivided into *districts*, (districts are also divided into *secteurs* led by a *Chef de secteur*). In urban areas, the territory is divided into *Communes Urbaines*.

1C.3 International Obligations and Commitments

In addition to its national laws, Guinea is a signatory to a number of international conventions and regional agreements on environmental and social issues (see Table C3.1), which have contributed to shaping and influencing the development of policy, guidelines and regulations applicable to the Project.

Table 1C.1 Main International Conventions and Regional Agreements Signed by Guinea

Convention	Date of Ratification/ Accession	Key Objectives
Convention on Climate Change	Guinea ratified the Convention in May 1993 and it entered into force in March 1994.	Since 1992, 192 countries around the world have joined an international treaty, the United Nations Framework Convention on Climate Change, that sets general goals and rules for confronting climate change. The ultimate objective of the Convention is to stabilise greenhouse gas concentrations in the atmosphere at a level that will prevent dangerous human interference with the climate system. The Convention provides that countries must meet the Convention objectives primarily through national measures.
Kyoto protocol to the United Nations Framework Convention on Climate Change	Guinea ratified the Kyoto protocol in September 2000. It entered into force in February 2005.	This Protocol was ratified by the Guinean Government in 2000 and it came into force in February 2005. Guinea is not an Annex I Party to the Protocol and therefore does not, currently, have to meet a specific greenhouse gas emission reduction target. There is currently no Guinean specific legislation implementing the Kyoto Protocol in Guinea.
Vienna Convention for the Protection of the Ozone Layer	Guinea ratified the Vienna Convention in June 1992 and the Convention came into force in September 1992.	Guinea ratified the Vienna Convention and the Montreal Protocol. The Convention provides for the international legal framework to protect the ozone layer. Guinea has not, to date, adopted specific legal instruments to implement the Convention in its legal system.
The Montreal Protocol on Substances that Deplete the Ozone Layer	Guinea ratified the Montreal Protocol in June 1992.	<p>The Montreal Protocol on Substances That Deplete the Ozone Layer (a protocol to the Vienna Convention for the Protection of the Ozone Layer) is an international treaty designed to protect the ozone layer by phasing out the production of a number of substances believed to be responsible for ozone depletion. The treaty was opened for signature on September 16, 1987, and entered into force on January 1, 1989. The Protocol provides for the international legal framework to protect the ozone layer by setting out phasing-out targets and schedules for named substances listed in the Protocol.</p> <p>The Protocol allows developing countries (meeting specific requirements listed in the Protocol), in order to meet their basic domestic needs, to delay their compliance with the control measures set out in the Protocol. At present, there is no Guinean specific legislation implementing the Montreal Protocol in Guinea.</p>
Convention on the Conservation of Migratory Species of Wild Animals	Guinea is a party to this Convention which came into force in August 1993.	The convention aims to ensure the conservation of Migratory Species and Natural Environment by an intergovernmental co-operation. The convention sets out to conserve wild flora and fauna and their natural habitats; promote co-operation between states; monitor and control endangered and vulnerable species; and to assist with the provision of assistance concerning legal and scientific issues. This convention was transposed into Guinean legislation via the Guinean Code of Protection of Wildlife and Rules of the Hunt.
Convention on Biological Diversity	Guinea ratified this Convention in May 1993.	The objective of this Convention is to develop national strategies for the conservation and sustainable use of biological diversity. It is often seen as the key document regarding sustainable development. The Convention has three main goals: conservation of biological diversity (or biodiversity); sustainable use of its components; and fair and equitable sharing of benefits arising from genetic resources. This Convention has been transposed at a national level in Guinea with the Code of Protection of Wildlife and Rules of the Hunt.

Convention	Date of Ratification/ Accession	Key Objectives
African Convention for Nature Conservation and the Conservation of Natural Resources	Guinea signed this Convention in September 1968, but has yet to ratify it.	This Convention aims for the conservation and rational use of soil, water, flora and fauna resources. The objectives of this Convention are: to enhance environmental protection; to foster the conservation and sustainable use of natural resources; and to harmonize and coordinate policies in these fields with a view to achieving ecologically rational, economically sound and socially acceptable development policies and programmes.
Convention concerning the Protection of the World Cultural and Natural Heritage	Guinea ratified this Convention in March 1979.	This Convention aims to protect the world cultural and natural heritage. This Convention provides for the creation of an intergovernmental committee for the protection of the world cultural and natural heritage and its associated fund.
Ramsar Convention on Wetlands of International Importance	Signed and ratified by Guinea	The Convention on Wetlands of International Importance, called the Ramsar Convention, is an intergovernmental treaty that provides the framework for national action and international cooperation for the conservation and wise use of wetlands and their resources. The Convention uses a broad definition of the types of wetlands covered in its mission, including lakes and rivers, swamps and marshes, wet grasslands and peatlands, oases, estuaries, deltas and tidal flats, near-shore marine areas, mangroves and coral reefs, and human-made sites such as fish ponds, rice paddies, reservoirs, and salt pans. Guinea has signed and ratified this Convention and it came into force in March 1993. Guinea has submitted national reports on the implementation of the RAMSAR Convention in Guinea which show that the Guinean government has taken some steps to implement the Convention.
Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal	Guinea has acceded to but not ratified the Convention in April 1995	The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal was adopted on 22 March 1989 in Basel, Switzerland, in response to a public outcry following the discovery, in the 1980s, in Africa and other parts of the developing world of deposits of toxic wastes imported from abroad. The overarching objective of the Basel Convention is to protect human health and the environment against the adverse effects of hazardous wastes. Its scope of application covers a wide range of wastes defined as "hazardous wastes" based on their origin and/or composition and their characteristics, as well as two types of wastes defined as "other wastes" - household waste and incinerator ash.
United Nations Convention on the Law of the Sea	Guinea ratified this Convention in September 1985 and the Convention came into force in November 1994	The United Nations Convention on the Law of the Sea (UNCLOS), also called the Law of the Sea Convention or the Law of the Sea treaty, is the international agreement that defines the rights and responsibilities of nations in their use of the world's oceans, establishing guidelines for businesses, the environment, and the management of marine natural resources.
Convention for the Cooperation in the Protection and Development of the Marine and Coastal Environment of the Western and Central African Regions	Guinea ratified this Convention in March 1982 and the Convention came into force in August 1984.	This convention, also known as the Abidjan Convention, covers the marine environment, coastal zones and related inland waters falling within the jurisdiction of the States of the West and Central African Region, from Mauritania to Namibia inclusive. It is a comprehensive umbrella agreement for the protection and management of the marine and coastal areas and lists the sources of pollution which require control: pollution from ships, dumping, land based sources, exploration and exploitation of the sea-bed, and pollution from or through the atmosphere. It also identifies environmental management issues from which co-operative efforts are to be made: coastal erosion, specially protected areas, combating pollution in cases of emergency; and environmental impact assessment. The convention also aims to foster scientific and technological co-operation, as well as environmental liability management and compensation.

Convention	Date of Ratification/ Accession	Key Objectives
Convention to Combat Desertification (A/AC.241/27)	Guinea ratified this Convention in June 1997.	The objective of this Convention, which came into force in December 1996, is to combat desertification and mitigate the effects of drought in countries experiencing serious drought and/or desertification, particularly in Africa. The Convention aims to achieve this through effective action at all levels, supported by international cooperation and partnership arrangements, in the framework of an integrated approach which is consistent with Agenda 21, with a view to contributing to the achievement of sustainable development in affected areas. Guinea has also produced a national action plan against desertification. The aims and objectives of the Convention have been incorporated into existing legislation such as the Environmental Code, the Mining Code etc.
World Heritage Convention (UNESCO)	The Convention came into force in 1975. Guinea ratified the Convention in March 1979.	The Convention aims to promote cooperation among nations to protect the world's natural heritage and cultural properties that is of such outstanding universal value that its conservation is important for current and future generations. It defines the kind of natural or cultural sites which can be considered for inscription on the World Heritage List; and sets out the duties of States Parties, of which Guinea is one of, in identifying potential sites and their role in protecting and preserving them. By signing the Convention, each country pledges to conserve not only the World Heritage sites situated on its territory, but also to protect its national heritage. The <i>Mount Nimba Strict Nature Reserve</i> was established by Decree in 1944 and declared as a biosphere reserve in 1980. Guinea has listed the <i>Mount Nimba Strict Nature Reserve</i> on the list of world heritage in danger in 1992. The Guinean government has also listed the cultural landscape of the <i>Mount Nimba</i> range on the tentative list of cultural sites to be protected under the Convention.
ILO Convention 87 on Freedom of Association and Collective Bargaining, Convention 1948	Guinea ratified Convention 87 in January 1959.	The Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87) establishes the right of all workers and employers to form and join organizations of their own choosing without prior authorization, and lays down a series of guarantees for the free functioning of organizations without interference by the public authorities.
ILO Convention 98 on Right to Organise and Collective Bargaining Convention 1949	Guinea ratified Convention 98 in March 1959.	The Right to Organise and Collective Bargaining Convention 1949 (98) provides for protection against anti-union discrimination, for protection of workers' and employers' organizations against acts of interference by each other, and for measures to promote and encourage collective bargaining.
ILO Convention 111 on Elimination of Discrimination in Respect of Employment and Occupation	Guinea ratified Convention 111 in September 1960.	The Convention on the Elimination of Discrimination in Respect of Employment and Occupation provides that member states pursue a national policy designed to promote, by methods appropriate to national conditions and practice, equality of opportunity and treatment in respect of employment and occupation, with a view to eliminating any discrimination in respect thereof.
ILO Convention 182 on Worst Forms of Child Labour 1999	Guinea ratified Convention 182 in June 2003.	The Worst Forms of Child Labour Convention 1999 provides that each member who ratifies the Convention must take immediate and effective measures to secure the prohibition and elimination of the worst forms of child labour as a matter of urgency. This includes slavery, trafficking, prostitution and pornography, forced labour and recruitment into militia, as well as occupations that harm the child's safety, morals or health.
ILO Convention 138 on Minimum Age 1973	Guinea ratified Convention 138 in June 2003.	The ILO Minimum Age Convention, 1973 (No.138) sets the age below which children should not be in work at 15 (or 14 if a country's economic status requires that in the short term). Two years before they reach this minimum legal age, children can do 'light work' -- non-hazardous work for no more than 14 hours a week, and that does not interfere with schooling. Children under the minimum working age who are engaged in more than light work are in child labour. UNICEF additionally considers a child to be in child labour if they do domestic work for 28 hours or more a week.

Convention	Date of Ratification/ Accession	Key Objectives
Extractive Industries Transparency Initiative	Guinea is a candidate country under the EITI	Guinea's candidate status was reinstated on 1 March 2011, following the temporary suspension of its candidate status in 2009 in light of the political difficulties experienced by the country. The aim of the EITIG is to ensure the transparency of the payments and revenues made by companies in the extractive industry.

1C.4 National Policy and Regulation

1C.4.1 Environmental Legislation and Policy

The Environment Code or the Code for the protection and development of the environment (*Ordonnance N°045/PRG/87 du 28 Mai 1987, modifiée par l'Ordonnance N°022/PRG/89 du 10 Mars 1989, portant Code de la protection et de la mise en valeur de l'environnement*) establishes the administrative and legal framework enabling the Guinean State to deliver on its constitutional obligation to provide for a clean and healthy environment to every person in Guinea.

The Environment Code is the cornerstone of environmental protection and enhancement in Guinea and sets out the fundamental legal principles to be complied with to ensure the protection of environmental resources and the human environment.

Title I sets out the general principles applicable in relation to environmental protection in Guinea and sets out the administrative structures in charge of administering environmental protection activities in Guinea and provides that the Ministry for natural resources, energy and the environment (*Ministère des Ressources Naturelles, de l'Energie et de l'Environnement*) is the key administrative institution for the protection and management of environmental resources in Guinea. This Code creates a National Committee to help the Ministry in charge of the environment in formulating the national policy for environmental protection.

Title II provides for the protection of specific resources such as the soil and sub-soil; inland waters; the sea and its resources and the air.

Title III provides for the protection and valorisation of environmental resources and the human environment.

Title IV deals with nuisance and covers a broad range of topics. Chapter I deals with waste management; of particular interest Article 60 provides that waste must be treated to eliminate or reduce the negative impacts on human health, natural resources, fauna, flora and the overall quality of the environment. Article 66 provides that wastewaters and other liquid wastes originating from industrial or commercial installations such as quarries or mines must be treated by physical, biological or chemical means before being disposed of. Chapter II deals with installations requiring an environmental permit (also known as classified installations) and provides that these installations must obtain a permit before construction or operation commences. This permit is delivered jointly by the Minister Delegate for the Environment (*Ministre Délégué à l'Environnement*) and the Minister for Industry and Small Medium Enterprises (*Ministre de l'industrie et PME*).

Chapter III deals with harmful or dangerous chemical substances and Chapter IV deals with noise and odour nuisance.

Title V provides for the administrative procedures and financial arrangements applicable in Guinea. Chapter I establishes the procedure for environmental impact assessment. Article 82 sets out that the developer or the project manager must submit an environmental impact study to the relevant regulatory authority for projects, structures or installations that may, by their size or the nature of their activities, have an impact on the environment. Article 83 of the Code on the protection and enhancement of the environment provides for a Ministerial Decree to set out a list of activities that may require an environmental impact study and also provide for a Ministerial Order to provide the content, methodology and the procedure to follow in relation to the environmental impact study. Article 83 provides, however, that the study must include a baseline

assessment of the site and the environment the proposed development will be located in; an assessment of the foreseeable impacts that the Project/ development may have on the natural and human environment; a synopsis of the mitigation measures proposed by the developer to eliminate, reduce or compensate the negative impacts that the Project may have and an estimate of the costs associated with these measures. A description of the alternatives and the reasons why, from an environmental protection perspective, the Project envisaged was selected. Chapter II of Title V deals with emergency plans and Chapter III provides for a financial fund dedicated to environmental protection.

Title VI deals with offences and penalties and Title VII deals with miscellaneous arrangements. In addition to the administrative structures in place, a new structure, the Nimba Mountain and Simandou Management Centre, created by virtue of Order 2005/406/ME/CAB, is mandated with the mission of coordinating and promoting protection activities and sustainable development of the resources in those mountains and their areas of influence.

1C.4.2 Land Law (*droit Foncier*)

There are a number of Guinean laws applicable to the Project that control the use of land and the built environment. The role of land law in Guinea is three fold.

Ensure that environmental protection is considered at the level of policy making. These plans set the basic ground rules for action on the environment in any particular area. These plans are generally drafted at the national and / or regional levels and must be read in conjunction with central government policy documents.

- Ensure control over the development process through the use of planning permission/ building permit which needs to be obtained from the local planning authority before development can take place. In most instances, a building permit can only be obtained if the authorities have given a positive decision to the development through the environmental impact assessment process.
- Ensure environmental protection through the use of conditions, agreements *etc* related to environmental protection on a grant of planning permission / building permit via, for example, the need to obtain an environmental permit (also known as a classified installation permit) before production can begin.

The cornerstone of property rights in Guinea is the Constitution of the Third Republic adopted by the CNT on 19 April 2010 and promulgated on 7 May 2010. Article 13 of the Constitution proclaims that the right to own property is guaranteed. The Constitution expressly recognises the right to private property ownership in Guinea. With regards to expropriation, it states that: "no one can be expropriated if it is not for the wider public interest and only if it is accompanied by fair and prior compensation."

Law L/99/013/AN of 30 March 1992 on the Land Code (*Loi L/99/013/AN du 30 mars 1992 adoptant et promulguant le Code foncier et domanial*) sets out the over-arching legal framework that sets out the rules applicable to land in Guinea. It reinforces and underlines the right of private ownership in accordance with the general principle set forward by the Constitution of the Third Republic adopted by the CNT on 19 April 2010 and promulgated on 7 May 2010. The Land Code (*Code Foncier et Domanial*) primarily deals with registered properties and provides for the registration of properties through the use of titles, leases and deeds. It defines two land registration procedures.

- Through the land ownership plan: it is a simple administrative document, not in itself a property title, which is held at the urban municipality level for towns and at the rural development community level for rural areas.
- Through the land ownership registration: this results in the deliverance of a full ownership deed and the document will be held by the land ownership conservation service.

In practice, these land registration procedures have not been comprehensively implemented in rural areas, where customary rights predominate, and, in the absence of formal private ownership, land remains essentially a State property.

The *Code Foncier et Domanial* provisions relate to registered property; and the Code does not explicitly recognise customary rights. The *Code Foncier et Domanial* sets out that orphan (*ie* without an owner) and vacant land becomes the property of the Guinean State. A wide interpretation of the *Code Foncier et Domanial* would lead to the understanding that any project land without a property title (*ie* a non-registered property) would, by default, be the property of the State. However, Article 39 can be interpreted as recognising customary rights. It defines land owners as physical persons or legal entities that can demonstrate peaceful, personal, continuous (in excess of thirty years) and bona fide occupation of a dwelling as an owner. Therefore, it is likely that all owners (registered or not), occupiers and users will need to be indemnified in line with recognised international standards.

The *Code Foncier et Domanial* also sets out provisions for expropriation in the public interest. It does not however provide detailed provisions with regards to the level of compensation over and above the general principal of fair compensation set out in Article 55. Article 69 also states that "compensation must cover the whole of the quantifiable and known loss incurred as a direct result of the expropriation".

The administrative procedure for expropriation in the public interest, provides for a public enquiry and a land survey to take place before an expropriation Decree can be promulgated. At this time, the Guinean legal framework does not set the details of the public enquiry or the land survey; but work is on-going between Simfer and the Guinean Government to carry out this work.

The *Code Foncier et Domanial* also provides for the need to obtain a building permit before building occurs.

Law L/98 n° 017/98 of 13 July 1998 on the Urban Code (*Loi L/98 n° 017/98 du 13 juillet 1998 adoptant et promulguant la loi portant Code de l'urbanisme de la République de Guinée*) (also known as the *Code de l'Urbanisme*) sets out that the Guinean State is responsible for the management and development of the national territory. This control is exercised through the national land development plan (also known in French as the *Schéma National d'Aménagement du Territoire-SNAT*) and the Regional Development Master Plans (*Plans Directeurs d'Aménagement Régionaux, PDAR*), which provide the different level of governments with the tools to influence development at a policy making level.

In addition to the *Code de l'Urbanisme*, the Guinean Government has published the *Declaration de politique foncière en milieu rural* (Decree D/ 2001/037/PRG) which is aimed at promoting rural economic and social development by securing rural land rights and rules in favour of agricultural development, improving sustainable resource management, and allowing the development of a transparent and equitable land market. This Decree is the strategic framework for rural land management.

At a local level, the Code on Local Government (*Code des Collectivités locales*) which provides for the decentralisation of powers from Central Government defines the local authorities' competencies, missions, domain and assets as well as the boundaries for community intervention. This Code defines the local authorities' roles and responsibilities in land use management. The local council must give its opinion prior to every investment project and all soil occupation / exploitation. Local authorities share with the State the responsibility for land use management.

1C.4.3 Environmental Planning and EIA Legislation

Article 82 of Title V of Ordinance 045/PRG/87 of 28 May 1987, amended by Ordinance 022/PRG/89 of 10 March 1989 on the Code to protect and enhance the environment (*Ordonnance N°045/PRG/87 du 28 Mai 1987, modifiée par l'Ordonnance N°022/PRG/89 du 10 Mars 1989, portant Code de la protection et de la mise en valeur de l'environnement*) sets out that a project proponent must submit an environmental impact study to the relevant regulatory authority for projects, structures or installations that may, by their size or the nature of their activities, have an impact on the environment.

Presidential Decree 199/PRG/SGG/89, made under Article 82 of the Environment Code (*Code de l'Environnement*) (*Décret présidentiel 199/PRG/SGG/89 du 18 novembre 1989 portant Codification des études d'impact sur l'environnement, pris conformément à l'article 82 du Code de l'environnement*), sets out

the projects which require an environmental impact assessment (EIA) study ⁽²⁾. This decree lists the types of projects that require an EIA and the content of the EIA study. Simfer activities that are likely to fall under the scope of the EIA Decree include the construction and/ or development of harbours; mining and quarrying activities; construction of airports, railway lines and roads; and all sites that would be classified as a Class I classified installation.

Order 990/ MME/SGG/90, made under Art 7 of Decree 199/PRG/SGG/89 (L'Arrêté ministériel 990/ MME/SGG/90, du 31 Mars 1990, définissant le contenu, la méthodologie et la procédure de l'étude d'impact sur l'environnement), establishes the content, methodology, and procedures to be complied with when carrying out an environmental impact assessment. Environmental Impact Studies must include the five following sections.

- A summary Project description including its aim(s); geographical location; estimated build costs; the date the investment decision was made and the timeline for the Project.
- A description of the environmental and social baseline of the site and the surrounding environment, focussing on the aspects that may be affected by the Project such as sites, natural resources, landscapes, and the socio-economic and cultural landscape of populations). Topics to be covered in relation to the Project include geology and pedology; hydrogeology; hydrology; fauna and flora; landscape and visual; air pollution and noise / odour nuisance; traffic and infrastructure; social and socio-economics.
- An assessment of the impacts of the Project on the environment in respect of, in particular, landscape and visual; fauna and flora , the natural environment and biological interactions and, if applicable, nuisances (noise, vibration, odour *etc*); on public hygiene and the cultural heritage.
- A justification of why the proposed Project alternative has been selected. In particular, this section should address the selection of the site and the selection of the various production processes that have been chosen.
- A detailed description of the measures envisaged by the developer to eliminate, reduce, or mitigate the negative impacts of the Project, including cost estimates to put these measures into action.

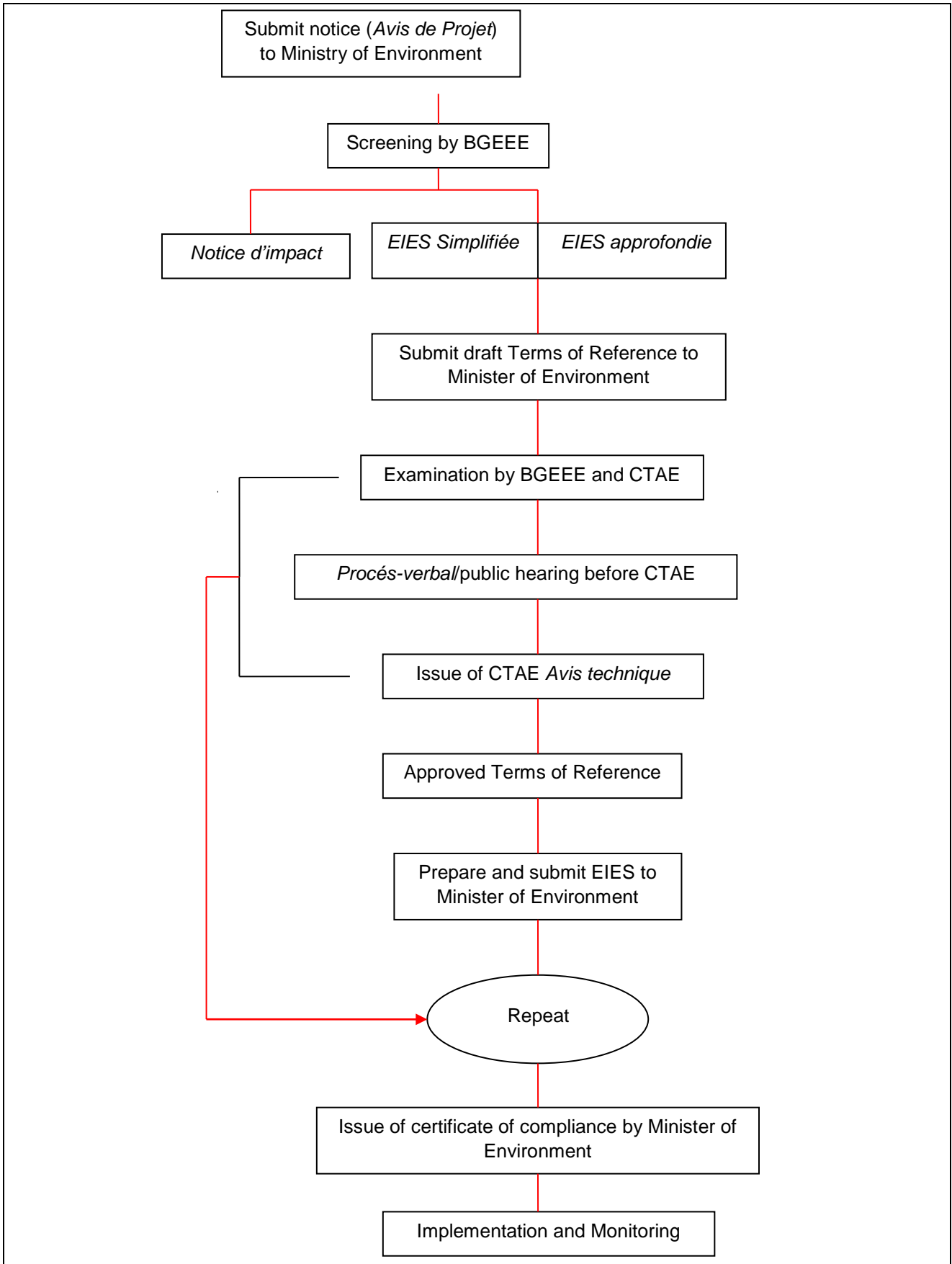
Article 9 of Order 990/ MME/SGG/90 provides for the publicity arrangements depending on whether the Project is to be (or not) subjected to a public enquiry.

Chapter II of Order 990/ MME/SGG/90 deals with the procedure relating to the environmental impact study. Article 10 states that all environmental impact assessment studies must gain the approval of the Environmental Minister (on the recommendation of the National Directorate for the Environment). Article 11 provides for work to be suspended by Order of the Environment Minister if an environmental impact assessment study has not been submitted or if the procedure for submitting such a study has not been complied with. Article 12 establishes the role of the National Directorate for the Environment in ensuring that mitigation measures presented in the environmental impact study and agreed upon in the planning Order are complied with.

In practice, the Guinean environmental impact assessment authorisation process is illustrated in Figure 1C.2. This process includes a public enquiry in which a Review Commissioner is responsible for obtaining relevant comments from stakeholders, the public, the local leaders and the local representatives of the ministries interested or affected by the project. At the end of the 30-day public enquiry, the concerned ministries have 30 days to issue a Joint Ministerial Order (*Arrêté*) that either grants or refuses authorisation for the project to proceed, and determines the conditions to be met by the Proponent for the protection of the environment. This Ministerial Order is valid for a period of 3 years from the date of publication.

(2) Note that this assessment is entitled a Social and Environmental Impact Assessment and is designed to meet the Guinean requirements for EIA and also IFC and Rio Tinto corporate policies requiring consideration of social as well as environmental issues.

Figure 1C.2 SEIA Approach



BGEEE = *Bureau Guinéen des Etudes et Evaluations Environnementales*, charged with inter alia reviewing EIES against deferred criteria organising public consultations preparing *Certificats de Conformité* for projects for approval by the Minister (*Arrêté No. 5311/2011*) CTAE = *Comité Technique d'analyse environnementale* (interministerial committee charged with assisting the Minister of the Environment in the analysis and approval of Terms of Reference and EIES reports (*Arrêté No. 03182, 2010*))

1C.4.4 Biodiversity Legislation and Policy

Guinea has, to date, limited stand-alone biodiversity and species legislation. However, it is a signatory of a number of key international conventions such as the Convention on Biological Diversity at the United Nations Conference on the Environment and Development held in Rio de Janeiro in June 1992, which it ratified on 7 May 1993. Guinea thus became the second African country to sign the Convention and the 16th of all the contracting parties.

By ratifying this Convention, Guinea has undertaken to adopt general measures to promote conservation and sustainable use of biological diversity, identify and use in a sustainable manner the components of this biodiversity, and establish a policy for biodiversity conservation. The key relevant agency in Guinea is the Ministry of Environment's National Branch for the Protection of Nature (*Département Nationale pour la Protection de la Nature-DNPN*) is responsible for applying the Convention, which is the focal point of the country's biodiversity policy.

The main biodiversity policies being implemented in Guinea are:

- National Action Plan for the Environment (PNAE);
- National Forest Action Plan;
- Mangrove Forest Development Master Plan;
- Energy Sector Study Programme;
- National Sustainable Human Development Programme;
- Action Plan for the Promotion of Women;
- Framework Programme to Promote Civil Society Decentralisation and Capacity;
- Building; and
- Framework Programme to Support Basic Initiatives.

To date, Guinea has registered, under the Convention on Biological Diversity, four biosphere reserves including the Monts Nimba (171 km²), Ziama (1,162 km²), Badiar (2,843 km²) and Haut Niger (6,470 km²). The core of the Nimba Mountain Biosphere zone includes part of the Nimba mountain range (125 km²), the Bossou classified forest (3 km²) and the Déré classified forest (89 km²).

In addition to the Convention on Biological Diversity, Guinea is also a signatory to the Convention on the Conservation of Migratory Species of Wild Animals, Convention concerning the Protection of the World Cultural and Natural Heritage 1972, the Convention for Co-operation in the Protection and Development of the Marine and Coastal Environment of the West and Central African Region. Guinea has also signed, but not ratified, the African Convention on the Conservation of Nature and Natural Resources, Organization of African Unity.

The key legal text, through which international conventions on biodiversity and species protection, have been transposed into Guinean legislation, is the Code on the Protection of Wildlife and the Rules of the Hunt (*Code de Protection de la Faune Sauvage et Réglementation de la chasse*) (*La Loi L/97/038/AN du 9 décembre 1997 adoptant et promulguant le Code de protection de la vie sauvage et des règles de la chasse*). This Code sets out the legal framework for the protection, conservation and management of wildlife and its habitats; and provides for the right to hunt to be recognised. This text also provides for some rules on hunting and aims to promote the sustainable use of animal species and ensure their sustainability for the satisfaction of human needs. This Code and its interaction with the EIA legislation is currently the cornerstone of biodiversity protection and enhancement in Guinea.

The Code sets out that national parks, nature reserves, special wildlife reserves or sanctuaries, hunting reserves and hunting areas can be created in Guinea in order to ensure wildlife conservation and management. These areas are dedicated to the conservation of biodiversity, wildlife, landscapes and geological formations that have scientific or special aesthetic value. Strict controls are typically implemented to preserve habitats and species. It is prohibited, except in unusual cases, to capture animals, damage lairs, collect eggs, destroy vegetation in any way, travel off-road, park outside of designated parking areas, bear weapons, fly over at low altitude or use the land for farming, grazing, forestry or mining. To date, only five areas have been classified in Guinea: two Na

tional Parks (Badiar and Haut Niger) and two Wildlife Reserves (Kankan and Blanche Island).

Article 40 of this Code sets out that any work likely to harm the physical integrity or ecological equilibrium of national parks, nature reserves, or fauna sanctuaries or hunting reserves should be preceded, prior to the work taking place, by an environmental impact assessment.

The Code is supported by a National Wildlife Policy, which sets conservation objectives and an action plan for conservation, rehabilitation and development.

In addition the Code sets out that some fauna and flora species are a national resource, which must be protected. It lists species which need to be fully protected, or partially protected. Species that are fully protected cannot be hunted, captured, or exported except under a scientific licence delivered by the Guinean government. Chimpanzees are included in the fully protected list. For species that do not fall under a specific protection regime, hunters must comply with the rules of the hunt and must obtain a hunting permit which allows hunting between the 15th December and the 30th April of the following year between sunrise and sundown. Hunting, capturing or keeping in captivity a protected species may result in a custodial sentence of six months to one year and/ or a fine of 40 000 à 80 000 Guinean Francs.

Biodiversity protection in Guinea is further enhanced through the interaction between species and landscape protection under the Code on the Protection of Wildlife and the Rules of the Hunt (*Code de Protection de la Faune Sauvage et Réglementation de la chasse*) and forestry legislation and, in particular, the Forestry Code (*Code forestier*). In Guinea, there are 162 classified forests which represent 4.8% of the total area of the country. Forestry legislation is dealt with in section 4.7.

1C.4.5 Marine Legislation and Policy

Decree 201/PRG/SGG/89 (*Le décret 201/PRG/SGG/89 du 8 novembre 1989 portant préservation du milieu marin contre toutes formes de pollution*), under Articles 32 to 39 of the Environment Code (*Code de l'Environnement*), sets out the legal framework for the control of pollution in the marine environment. Article 4 of the Decree sets out that all vessels, within Guinean territorial waters must comply with the *Code de l'Environnement*, this Decree and all applicable legal texts made under these. A vessel is defined as any type of structure used in the marine environment including ships, submarines, platforms, and fixed and floating structures.

- Chapter II deals with discharges from vessels and accidents at sea. Article 14 of the Decree prohibits hydrocarbon releases to the marine environment except under very specific circumstances.
- Chapter III deals with discharges from land based structures to the marine environment. Chapter III makes provisions for discharges from land-based structures that have the potential to impact the marine environment to be prohibited or permitted by the Environmental Regulator.
- Chapter IV deals with discharges from offshore platforms or structures used for exploration or extraction purposes. Article 30 prohibits any hydrocarbons or mixed discharges that may impact public health, marine fauna or flora; or impact the coastal economic development or tourism.
- Chapter V deals with marine wrecks.

Dredging is not specifically mentioned in this Decree.

Annex I of the Decree lists substances for which discharges are prohibited, while Annex II lists substances for which discharges subject to permitting.

Guinea has enacted national legislation to protect its fishing resources. Fishing legislation is under the jurisdiction of the Ministry for Fisheries and Aquaculture (*Ministère de la Pêche et de l'Aquaculture*) who is in charge of drawing up, coordinating and controlling the implementation of the Guinean government policy regarding fishing and aquaculture.

Law L/95/13/CTRN of the 15th of May 1995 on the Sea Fishing Code (*Code de la Pêche Maritime*) sets out the legal framework for fishing activities inside Guinean marine waters. Title I, section 3, defines what is included in the fishing activities and in its section 5 what is a fishing vessel. Title II presents the fishing activities management system and Title VI and VII deal with offences and penalties under Law L/95/13/CTRN. Article 2 of Law L/95/13/CTRN, states that biological resources located within Guinean marine waters are a national resource. Only the Guinean State can allow the right to fish inside its territorial waters. The implementation of Law L/95/13/CTRN is reviewed annually through a meeting of the various stakeholders headed by the Fishing and Fisheries Ministry. This aim of this meeting is to review the management, conservation, protection and exploitation of the fishing resource and whether the law is still fit for purpose and/ or whether it needs to be modified in light of data (such as fish stock surveys) or changes to the regulatory framework (such as new international agreements on the protection of specific fish species).

Framework Law L/96/067/AN of the 22nd of July 1996 on freshwater fishing activities states that the preservation of freshwater environments and fishing resources are of national interest. Article 2 and 3 provide a definition of what constitute freshwaters. Section 2 defines what constitutes fishing, what is considered a fishing product and a fishing vessel. Chapter II deals with authorisations for fishing and aquaculture and Chapters VI, and VII deals with offences and penalties.

In addition, the Code on the Merchant Navy (*Code de la Marine Marchande*) deals with activities or developments within Guinean territorial waters, as well as discharges to sea, or activities involving the use of a motorised boat or vessel. Article 5 defines what constitutes Guinean territorial waters, which are waters that extend from the mean high water line to the 12 nautical miles line. Guinean territorial waters are officially shown on sea charts officially recognised by the Maritime Authority. In the case of islands, cliffs, bays and ports, the mean high water line may be defined by Decree as per Article 7 of the *Code de la Marine Marchande*. Article 14 provides a definition of what constitute the Sea Public Domain (*Domaine Maritime Public*) which includes the territorial waters and all areas within them including the shoreline (banks, fords etc) and infrastructure such as harbours, ports or other structures of public utility.

Under the *Code de la Marine Marchande*, the owner, the proponent of a marine installation or device listed in Article 10 (for example platforms, sea buildings, ships etc), must notify to the Maritime Authority:

- details of the proposed activities to take place during installation, removal or modification of new or existing installations; and
- notification that the works have been executed and a description of any accidents that may have occurred.

Article 46 of the *Code de la Marine Marchande* provides that navigation in harbour waters and access channels is governed by regulations adopted by the Maritime Authority. Article 48 provides for the authorisation to enter and exit harbours to be given by the Harbour Authorities at the request of the ship-owners, of their agents or of the captain of the ship. Authorisations are granted subject to compliance with regulations relating to navigation safety, fulfilment of sanitary prescriptions and observation of harbour regulations.

Article 268 of the *Code de la Marine Marchande* prohibits the dumping at sea of waste or other materials if it is not authorised by Order of the Minister in charge of the Merchant Navy. This Order sets out a list of waste or materials for which the dumping is expressly prohibited; a list of waste or other materials for which dumping is subject to the grant of a specific license and a list of waste and other materials which can be dumped at sea without a license. Article 269 allows the Maritime Authority to deliver an exemption from a license in case of an emergency which present an unacceptable risk to health & safety. The Authority in charge of the Merchant Navy can, by Order, sets further legal obligations with regards to the dumping at sea of waste or other materials. To date, no specific Decrees or Orders have been enacted by the Guinean Government in application of Article 268 of the *Code de la Marine Marchande*.

1C.4.6 Interaction between Environmental Planning and Permitting Legislation

Presidential Decree 200/PRG/SGG/89 of 8 November 1989, made under Article 73 of the *Code de l'Environnement*, on the Regulatory Regime applicable to Installations Classified for the purpose of Protecting the Environment (*Décret Présidentiel 200/PRG/SGG/89 du 8 Novembre 1989 sur le Régime Juridique des Installations Classées pour la Protection de l'Environnement*) sets out the administrative and financial provisions applicable to classified installations. Classified Installations are installations which by the nature of their activities or the actual volume of activities undertaken require specific permitting under Guinean environmental legislation.

Order 03/8003/PRG/SGG (*Arrêté 03/8003/PRG/SGG du 21 octobre 1993 fixant la nomenclature technique des installations classées pour la protection de l'environnement*) lists all industrial activities which fall under the scope of Decree 200/ PRG/SGG/89 and for which an integrated permit is required. This Order sets, for each industrial activity, thresholds that reflect the level of potential harm arising from the activity and for which different obligations will apply. Industrial sites are classified as Class I or Class II sites depending on the level of harm to the environment.

Similar activities that may potentially fall under the scope of the classified installation regime include vehicle maintenance workshops (category 23); any activities involving the crushing, screening of rocks or mineral or associated activities (category 29); treatment of waste including land filling of waste or incineration of waste (category 42); the storage of explosives (category 45); the storage of heavy fuel (category 49) and/ or LPG (category 50); the storage of fuel (59 to 62); the washing of minerals (category 65).

Article 2 of Presidential Decree 200/PRG/SGG/89 provides that the owner or the operator of a classified installation must request its environmental permit at the same time as its building permit. A building permit will need to be obtained prior to the construction of any building as per Article R221-1 of the *Code de l'Urbanisme*. However, a building permit can only be obtained only after the environmental permit for a classified installation has been obtained.

1C.4.7 Forestry Legislation and Policy

The *Code forestier* (*La Loi L/99/013/AN du 22 juin 1999 adoptant et promulguant le Code forestier*) sets out the legal framework in Guinea with regards to the protection of forests. It is the cornerstone of forestry legislation in Guinea and covers all aspects of commercial, conservation and community use of forests. The *Code forestier* details the requirements relating to the classification, management, usage, protection and replanting of Guinean forests. It also sets out the role of the Forestry police. Article 58 provides that trees (with very few exceptions) cannot be felled without a licence. When trees are located in an area covered by a forestry management plan, the felling licence can only be in line with the forestry management plan (Art. 59). Article 80 provides that work relating to exploration work, quarrying or mining activities, or infrastructure building that takes place within afforested areas will be subject to authorisation from the Minister in charge of forests who will, if required, issue a licence to fell trees or undertake land clearance. This authorisation will set measures to protect and regenerate the forestry resource in line with the *Code Forestier* and associated texts.

Section 2 of the *Code forestier* deals with the protection of forestry resources. Forests can be classified by the Guinean government or local administrative bodies through Decrees. The purpose of the classification of a forested area by Decree is to allow for the protection and enhancement of the forestry resource by the balanced and sustainable use and development of that classified area; and for the protection of the environment.

Classified forests are de facto considered as protected areas in Guinea, and are listed by the IUCN as Category VI "Managed Resource Protected Areas" in recognition of the fact that they are managed mainly for the sustainable use of natural ecosystems. They are typically created to preserve soil from erosion in areas of steep topography, prevent degradation of the country's forest resources and to protect forests as a source of energy and construction materials and to protect water sources. There are a number of protected forests which are located within the mining concession or along the rail route.

The Pic de Fon classified forest (25,600 hectares, located in and around the Simandou mining concession) was classified in 1953 according to the Decree No. 8113/SE/F. The classification was intended to maintain sufficient vegetation cover to sustain the dense network of waterways which have their sources in the Simandou Range and which feed the Loffa, Diani, Dion and other watersheds. It was also intended to preserve the forest and the soils; as well as wildlife habitat and characteristic flora and fauna species. The Decree acknowledges usage rights only to the inhabitants of the villages adjacent to the classified forest to harvest the products of existing coffee plantations and cola trees; and maintain crops and harvest products on lands that were under cultivation on the date of the decree.

The N'Zérékoré Forestry Centre (CFZ), under the authority of the National Directorate for Waters and Forests (*Direction Nationale des Eaux et Forêts*), is currently responsible for the management of seven classified forests in *Guinée forestière* region, including the Pic de Fon, under the Presidential Decree S/2004/50/PRG/SGG of July 2004. The CFZ have a mandate to manage the forest and increase the value of forest resources whilst respecting the environment and its constituent biodiversity. Rio Tinto and the CFZ have collaborated since 2002 to ensure the protection of the Pic de Fon Classified Forest, including GPS definition of forest boundaries, construction of surveillance posts, inventories of biological resources and bushfire control programmes.

- Section 3 deals with prevention of bush fires.
- Section 4 deals with reforestation.
- Section 5 deals with customary rights.
- Section 6 sets up the national forestry fund.
- Section 5 establishes the forestry police and provides for the procedure when investigating offences, sets out the types of offences, the punishment linked to these offences (typically monetary fines, custodial sentences or remedial works).
- Section 6 provides for the final administrative provisions with regards to this Code.

Joint Ministerial Order A/624/MMGE/MAEF on the Harmonisation of Law L/ 95/036/CTRN of 30 June 1995 on the Mining Code with Ordinance 81/PRG/SGG/89 of 20 December 1989 on the Forestry Code (*Arrêté A/624/MMGE/MAEF portant Harmonisation de la Loi L/95/036/CTRN du 30 Juin 1995 portant Code Minier avec l'Ordonnance 81/PRG/SGG/89 du 20 Décembre 1989, Portant Code Forestier*) Order aims to ensure mutual consultation between the Ministers of Mines and Forestry before mining or logging licenses are established or issued.

1C.4.8 Water Code

The Water Code (*Code de l'Eau*) (*Loi L/94/005/CRTN portant Code de l'Eau, de 14 février 1994*) establishes a system of water use rights and sets the overall framework for managing water resources. The Code states that a concession is granted by decree for permanent water uses, such as supplying potable water to towns and villages, hydropower, agricultural, industrial or other developments, requiring investments whose amortisation period exceeds 10 years.

The Code states that any use of water resources must comply with the guidelines of the development plan of the watershed containing these resources. The Code also addresses the prevention of the harmful effects of waters and the protection of water quality.

The *Code de l'Eau* addresses groundwater issues, and more specifically the measures governing the exploration, exploitation and protection of groundwater sources. The arrangements for establishing protection perimeters, defining water resource safeguard areas and issuing drilling permits are determined by the National Directorate for Hydraulics (*Direction Nationale de l'Hydraulique-DNH*).

Article 16 of the Mining Code (*Loi L/95/036/CTRN du 30 Juin 1995 relative au Code Minier de la République de Guinée*) also provides for the protection of water resources from companies undertaking quarrying and mining activities and associated activities.

1C.4.9 Workers Protection

The Social Security Code (*Code de sécurité sociale - Loi L/94/006/CTRN du 14 février 1994 instituant un Code de la sécurité sociale*) is the primary source of legislation in Guinea for the protection of workers and their families against economic or social poverty and hardship that could result from any significant loss of earnings. This Code sets out the legal framework to protect workers and their families from such hardship and provides for a number of social protection regimes, including retirement pension funds, invalidity funds and survivors funds; work accidents and occupational illnesses funds; family support fund, illnesses fund and sanitary and social fund. All workers, falling under the scope of the Work Code (*Code du Travail*), fall under the scope of the social security regime. The Code establishes social contribution from employees and employers; and also provides for the redistribution process through the various funds.

The Public Health Code (*Code de la Santé Publique - Loi L/97/021/AN du 19 Juin 1997 portant Code de la santé publique*) provides for the protection and promotion of health and the rights and obligations of individuals, families and the community across Guinea. This Code is the corner stone of Guinean legislation in relation to the protection and promotion of public health in Guinea and covers many aspects that will be of interest to the Project, including provisions on drinking water destined for human consumption and water pollution, domestic and industrial sewage disposal, and the disposal of waste (Chapter I of Book II on sanitation and public health) and provisions relating to occupational medicine in the workplace which is dealt with in Chapter 10 of Book II.

Decree D/253/24/PRG on Occupational health (*Santé au travail*) creates a *Service National de la Médecine du Travail* within the Guinean Ministry of Health and Public Hygiene (*Ministère de la Santé et de l'Hygiène publique*); and sets out the roles and responsibilities of this Department. This Decree also sets a number of key requirements in relation to the monitoring of employees health in relation to medical exams (pre-employment and on an annual basis, whilst in employment; or when returning to work following a period of illness in order to determine the employee's fitness to work).

In addition to the *Code de sécurité sociale*, the National Framework Convention on mining and quarrying activities and the mining industry and Order 1386/MASE/DNTLS on the categorisation of workers in the private sector regulates the relationship between the employers who have signed the Convention and the unions for mines, quarries and the mining industry for companies that principally operate in the mines, quarries and mining industry sector. Simfer, as an employer that has signed the Convention, will fall under the scope of the Convention.

Key requirements under the Convention include the following.

- The requirement for Rio Tinto to comply with the current framework, set out by legislation and convention, with regards to work hours, compensation (in terms of time off) and overtime.
- The requirement for Rio Tinto to comply with current health & safety legislation and set-up health & safety committees whose purpose is to support the set-up of health & safety management programmes, their management and implementation to protect workers.
- The Requirement for Rio Tinto to comply with the relevant health & safety legislation, including Art.193 & 194 of the Work Code on occupational health medicine. Simfer is not limited by the law and can offer additional benefits over and above what is prescribed by law.

1C.4.10 Health, Safety and Environment

The Work Code (*Code du Travail*) is the primary source of legislation governing employment practices and labour relations in Guinea. The Code does not apply to civil servants, but applies to all private sector employees. It prohibits forced or compulsory labour. It establishes the rules for hiring and termination of employment; rules in relation to work conditions including salary entitlement, maximum work hours and overtime; employee benefits such as holiday pay and retirement pay. The Code also sets out requirements in relation to the health & safety protection of employees. It makes provisions for the creation of employers unions and trade unions and sets out rules for trade union representation within the workplace; employee

membership in labour unions, as well as setting out rules for dispute negotiations and collective bargaining. It provides for the creation of a specialised administrative branch of the state (Work Inspectorate) and a specialised branch of the legal system to deal with the implementation of, and compliance with, Labour laws.

In addition to the *Code du Travail*, the *Code Minier* also sets out requirements, in Chapter II on health & safety at work, applicable to the health & safety of workers. Article 133 of the Mining Code provides that persons (including bodies corporate like Simfer) undertaking mining or quarrying activities must comply with the highest standards of health & safety as set by the Mining Ministry (*Ministère des Mines et de la Géologie*) in collaboration with the Ministry in charge of Public Health (*Ministère de la Santé et de l'Hygiène Publique*) and the Work Ministry (*Ministère du Travail et de la Fonction Publique*). Companies are required to submit their health & safety policy (describing their health & safety arrangements) to the National Directorate of Mines. Article 134 provides a mechanism for addressing any sub-standard health & safety performance in the mining or quarrying sector. Article 135 prohibits under sixteen year olds from working in the mining or quarrying industry.

1C.4.11 Mining Legislation and Policy

The Simandou Project will be developed in compliance with the legal requirements of the following texts:

- *La Convention de base entre la République de Guinée et la société Simfer S.A. pour l'exploitation des gisements de fer de Simandou*, signée le 26 novembre 2002 et ratifiée par une loi en date du 3 février 2003 (the « Basic Agreement »);
- *L'Accord transactionnel entre la République de Guinée, Simfer S.A. et Rio Tinto Mining & Exploration Limited*, signé le 22 April 2011 (the « Settlement Agreement »); and
- *La Loi L/95/036/CTRN du 30 Juin 1995 relative au Code Minier de la République de Guinée*.

A new Mining Code was adopted by the Guinean Government in 2011. However, the State and Simfer agreed under the Settlement Agreement that the new Mining Code would not apply to the Project; Simfer has agreed however to meet with the State to explore the possible insertion of some of the provisions of the new Mining Code regarding Human Rights and Environment.

The legal basis under which the Project falls is therefore the *Code Minier 1995 (Loi L/95/036/CTRN du 30 Juin 1995)*, and subsidiary legislation made under this law. This establishes the legal framework relating to the ownership and rights to minerals and covers prospection, exploration, exploitation, storage, transport, commercial exchange and transformation of mineral substances and the tax system associated with these activities. Liquid and gaseous hydrocarbons do not fall under the scope of this Law.

Article 16 of the 1995 *Code Minier* sets out that mining or quarrying activity must be undertaken in an environmentally friendly way in compliance with the requirements of the *Code de l'Environnement*. Firms must take necessary measures to prevent pollution of the environment; treat waste, emissions to air and discharges to the environment; protect forests and water resources.

The 1995 Code also sets out requirements, in Chapter II on health & safety at work, applicable to the health & safety of workers (see Section 2.4.8).

The Basic Agreement provides for all the legal, administrative, financial, tax and customs and social framework applicable to the Project.

Article 37 of the Basic Agreement deals with the protection of the environment and cultural heritage and provides that Simfer must comply with the applicable Guinean environmental, health & safety, security and well-being legislation and international best practices as applicable to the mining sector.

Article 37.2 of the Basic Agreement provides that Simfer must, for all investment programmes relating to mining projects in the Concession area carry out an environmental and social impact assessment. The assessment will include mitigation measures to reduce the negative impacts of the Project including a

programme to rehabilitate impacted sites. The assessment will also include a monitoring programme. The scope of these assessments will be agreed between Simfer and the State within 6 months of the Basic Agreement being signed.

Article 37.4 provides that in the instance that an archaeological find is made within the Concession area, an appropriate assessment by a competent person will have to be carried out prior to the production phase and costs will have to be borne by Simfer. If Simfer discovers archaeological artefacts, it must ensure that these are not moved or removed and that the administration is contacted as soon as possible. Simfer also pledges to participate financially, to a reasonable level, in rescue work.

1C.5 International Best Practice Applicable to the Project

1C.5.1 Applicable IFC Performance Standards and EHS Guidelines

The International Finance Corporation (IFC) has an interest in the Project in its capacity as part owner of Simfer SA. As such the IFC's Policy on Social and Environmental Sustainability and the standards and guidelines developed under that policy are applicable to the Project. The updated IFC Performance Standards, which apply from 1st January 2012 comprise.

- Performance Standard 1: Assessment and Management of Social and Environmental Risks and Impacts.
- Performance Standard 2: Labour and Working Conditions.
- Performance Standard 3: Resource Efficiency and Pollution Prevention.
- Performance Standard 4: Community Health, Safety and Security.
- Performance Standard 5: Land Acquisition and Involuntary Resettlement.
- Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources.
- Performance Standard 7: Indigenous Peoples.
- Performance Standard 8: Cultural Heritage.

The social dimension of these standards encompass (i) labour standards and working conditions including occupational health and safety and (ii) community impacts such as public health, safety and security, gender equality, impacts on Indigenous Peoples and cultural heritage, involuntary resettlement, and affordability of basic services.

The Project will also seek to meet the standards set out in the IFC General and Industry Sector EHS Guidelines. The EHS Guidelines provide guidance on performance standards and measures that are generally considered to be achievable in new facilities at reasonable costs by existing technologies. The Project will work in partnership with the Guinean government, communities and other stakeholders to address relevant, applicable and specific recommendations from these standards and guidelines.

A summary of the requirements of the IFC Performance Standards is presented in Table 1C.2

Table 1C.2 Applicable IFC Performance Standards

Performance Standard	Applicable (Yes/No)	Requirements	Applicability / Actions
<p><i>Performance Standard 1:</i> Assessment and Management of Environmental and Social Risks and Impacts</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Conduct a process of Environmental and Social Assessment appropriate to the nature and scale of the project and commensurate with the level of its environmental and social risks and impacts which covers the entire Project lifecycle from design to decommissioning • Establish and maintain an Environmental and Social Management System appropriate to the nature and scale of the project and commensurate with the level of its environmental and social risks and impacts which incorporates: (i) policy; (ii) identification of risks and impacts; (iii) management programs; (iv) organizational capacity and competency; (v) emergency preparedness and response; (vi) stakeholder engagement; and (vii) monitoring and review • Establish an overarching Policy defining environmental and social objectives and principles that will guide the Project to achieve sound environmental and social performance which is consistent with the principles of the PSs • Environmental and social risks and impacts will be considered within the project's area of influence, this will include: (i) the project and the client's activities and facilities that are directly owned, operated or managed (including by contractors) and that are a component of the project; (ii) impacts from unplanned but predictable developments caused by the project that may occur later or at a different location; or (iii) indirect project impacts on biodiversity or on ecosystem services upon which Affected Communities' livelihoods are dependent; associated facilities, which are facilities that are not funded as part of the project and that would not have been constructed or expanded if the project did not exist and without which the project would not be viable; cumulative impacts that result from the incremental impact, on areas or resources used or directly impacted by the project, from other existing, planned or reasonably defined developments at the time the risks and impacts identification process is conducted • Establish management programs that will describe mitigation and performance improvement measures and actions including the establishment of environmental and social Action Plans such as Resettlement Action Plan • Establish, maintain and strengthen an organisational structure that defines roles, responsibility and authority to implement the ESMS • Establish and maintain an Emergency Preparedness and Response system which includes communication with Affected communities, periodic training <i>etc</i> • Undertake stakeholder engagement on an ongoing basis that involves the following elements: stakeholder analysis and planning, disclosure and dissemination of information, consultation and participation, grievance mechanism and ongoing reporting to Affect Communities; develop and implement a Stakeholder Engagement Plan that is scaled to the Project risks, impacts and development stage and tailored to the characteristics and interests of the Affected Communities 	<ul style="list-style-type: none"> • International ESIA in line with international lending requirements (<i>ie</i> IFC PSs) • Regulatory EIA which meets Guinean requirements. • Stakeholder Engagement Plan which will be updated throughout ESIA process to reflect ongoing stakeholder engagement. • Establish a Grievance Mechanism • Timely Disclosure of impacts and proposed mitigation measures • Stakeholder comments to be integrated into final Regulatory EIA and ESIA • ESHMP which details environmental, social and health considerations for construction and operational stage (outline) • Policy defining environmental and social objectives and principle. • Organisational structure to define roles and responsibilities in relation to E&S • Emergency Preparedness and Response Plan to respond to accidental and emergency situations associated with the Project

Performance Standard	Applicable (Yes/No)	Requirements	Applicability / Actions
Performance Standard 2: Labour and Working Conditions	Yes	<ul style="list-style-type: none"> • Create good working conditions and manage the worker relationship • Protect the work force, do not employ child or forced labour • Provide workers with a safe and healthy work environment • Use commercially reasonable efforts to contract non-employee workers • Consider any adverse impacts associated with supply chains • Adopt and implement human resource policies and procedures appropriate to size and workforce, that include workers rights to organise and bargain collectively, non-discrimination and equal opportunity, retrenchment and worker grievance mechanism; communicate workers rights and terms of employment to all workers • Establish policies on the quality, management and provision of basic services in relation to worker accommodation • In relation to occupational health and safety, address areas that include the (i) identification of potential hazards to workers, particularly those that may be life-threatening; (ii) provision of preventive and protective measures, including modification, substitution, or elimination of hazardous conditions or substances; (iii) training of workers; (iv) documentation and reporting of occupational accidents, diseases, and incidents; and (v) emergency prevention, preparedness, and response arrangements • Ensure that reasonable consideration of this PS is applied to workers engaged through third parties contractors to perform work related to core business processes for a substantial duration (contracted workers) and workers engaged by client's primary suppliers (supply chain workers) particularly where there is a high risk of child or forced labour 	<ul style="list-style-type: none"> • Human Resources policies and procedures consistent with PS and national law • Establish a worker accommodation policy • Establish a grievance mechanism • Health and safety procedures to be incorporated into ESHMP. • Where feasible execute a preferential employment policy which gives local workers an opportunity to benefit from the project.
Performance Standard 3: Resource Efficiency and Pollution Prevention	Yes	<ul style="list-style-type: none"> • Apply pollution prevention and control technologies and practices that are best suited to avoid, minimize or reduce adverse impacts on human health and the environment while remaining technically and financially feasible and cost-effective. • Energy Efficiency: examine and incorporate in its operations resource conservation and energy efficiency measures, consistent with the principles of cleaner production. • Promote the reduction of project-related GHG in a manner appropriate to the nature and scale of project operations and impacts; • Adopt measures that avoid or reduce water usage so that the project's water consumption does not have significant adverse impacts on others • Adopt measures that avoid the generation of hazardous and non hazardous waste; where this cannot be avoided, adopt a mitigation hierarchy that includes measures to recover, reuse, recycle, treat, destroy and dispose • Adopt measures to avoid, minimise and control the release of hazardous materials and consider production, transportation, handling, storage and use in the management of these materials • The project-specific pollution prevention and control techniques should be applied during 	<ul style="list-style-type: none"> • ESIA to apply the more stringent of Guinean standards or IFC emission and discharge standards contained in: <ul style="list-style-type: none"> - <i>IFC General EHS Guidelines, 2007</i> - <i>IFC EHS Guidelines – Mining, 2007</i> - <i>IFC EHS Guidelines – Ports, Harbours and Terminals, 2007</i> - <i>IFC EHS Guidelines – Railways, 2007</i> • Comply with International Standards for Energy Efficiency and Cleaner Production. • Quantify emissions and discharges • Evaluate options for reducing of offsetting disturbance and emissions, (eg creation of alternative biodiversity protection area, prevent erosion and retain sediments)

Performance Standard	Applicable (Yes/No)	Requirements	Applicability / Actions
		the entire Project life-cycle	
Performance Standard 4: Community Health, Safety and Security	Yes	<ul style="list-style-type: none"> • Evaluate the risks and impacts to the health and safety of the affected community throughout the entire Project life cycle for both routine and non-routine circumstances and establish appropriate preventive measures to address them • Infrastructure and Equipment Safety: Design, construct, operate and decommission structural elements of the Project in accordance with good international industry practice • Hazardous Materials Safety: Prevent or minimise the potential for community exposure to hazardous materials that may be released by the Project. Special attention to delivery/removal of hazardous waste / products along transportation routes • Environmental and Natural Resource Issues: Avoid or minimise the exacerbation of natural hazards, such as landslides or floods that could arise from land use changes • Community Exposure to Disease: Prevent or minimise the potential for community exposure to water-borne, water-based, water-related, vector-borne disease, and other communicable diseases that could result from project activities; where specific diseases are endemic in communities in the project area of influence, the client is encouraged to explore opportunities during the project life cycle to improve environmental conditions that could help reduce their incidence • Emergency Preparedness and Response Plan: Inform affected communities of significant potential hazards in a culturally appropriate manner. Assist and collaborate with the community and the local government agencies in their preparations to respond effectively to emergency situations • Security Personnel: ensure security arrangements for the Project are in line with good international practices in terms of hiring, rules of conduct, training, equipping and monitoring of such personnel and by applicable law • Identify risks and potential impacts on priority ecosystem services in relation to provisioning and regulating services; avoid adverse impacts and implement mitigation measures in accordance with the requirements of PS6 if these impacts are unavoidable 	<ul style="list-style-type: none"> • Health and safety procedures to be incorporated into ESHMP • Design project elements, especially Tailings Storage Facility, Waste Rock Disposal Facility, Flood Water Catchments & Diversion structures <i>etc.</i> to minimise risk from natural hazards such as flooding, soil erosion, earthquake • Disease and Health Management Plan which covers all workers for the Project • Pre-employment medicals; • Community investment/ development plan which will include access to medical check-ups, education about communicable diseases (such as STDs) • Emergency Preparedness and Response Plan: to be prepared in consultation with communities and local government. • SEP to include plan for stakeholder engagement on emergency response issues, grievance mechanism <i>etc.</i> • ESIA will identify capabilities of local emergency response resources, any gaps • Worker accommodation/camp management plan to determine workers behaviour, rules, interaction with non workers <i>etc</i> • Human Resources policy to determine worker code of conduct in relation to engagement with non workers • Influx Management Plan
Performance Standard 5: Land Acquisition and Involuntary Resettlement	Yes	<ul style="list-style-type: none"> • Compensation and Benefits for Displaced Persons: When displacement cannot be avoided, the client will offer displaced persons, and communities, compensation for loss of assets at full replacement cost and other assistance to help them improve or at least restore their standards of living or livelihoods and the client will take possession of acquired land and related assets only after compensation has been made available and, where applicable, resettlement sites and moving allowances have been provided to the displaced persons in addition to compensation • Where livelihoods of displaced persons are land-based, or where land is collectively owned, the client will offer land-based compensation, where feasible • Stakeholder engagement must be undertaken with Affected Communities as well as 	<ul style="list-style-type: none"> • Socio-economic Profile Report, and ESIA will inform which groups may be affected by land acquisition process and what measures were taken to avoid / minimise where possible, involuntary resettlement • SEP to include plan for consultation with those affected by land acquisition or resettlement as well as host communities • RAP which includes a grievance mechanism to be established for resettled and economically displaced

Performance Standard	Applicable (Yes/No)	Requirements	Applicability / Actions
		<p>any host communities</p> <ul style="list-style-type: none"> • Mitigate socio-economic impacts from land acquisition; • Improve livelihoods of those displaced and living conditions at resettlement sites • Special requirements for Physically and Economically Displaced Persons which may, depending upon circumstances, occur simultaneously • If resettlement is required, these requirements are achieved through the development of a Resettlement Action Plan (RAP) which incorporates: consultation, compensation, income restoration, monitoring etc • In cases where affected persons reject compensation offers that meet the requirements of this PS and, as a result, expropriation or other legal procedures are initiated, the client will explore opportunities to collaborate with the responsible government agency, and, if permitted by the agency, play an active role in resettlement planning, implementation, and monitoring • Commission an external completion audit of the Resettlement Action Plan or Livelihood Restoration Plan to assess whether the provisions have been met • Where project impacts on land, assets, or access to assets become significantly adverse at any stage of the Project, the client should consider applying the requirements of this Performance Standard, even where no land acquisition or land use restriction is involved 	<p>persons, compensation and eligibility criteria etc</p> <ul style="list-style-type: none"> • Livelihood Restoration Plan if appropriate • Demonstrate that due process has been followed for compensating existing land users, even if government manages land requisition
<p>Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Evaluate project impacts on biodiversity and ecosystems services (during ESIA) and adopt measures to eliminate or reduce impacts, paying particular attention to the problems of habitat destruction and restoration potential; • Special requirements for modified habitat, natural habitat, critical habitat and legally protected and internationally recognized areas • Follow mitigation hierarchy in relation to mitigating impacts which includes avoidance, minimization, restoration and as a last resort, biodiversity offsets which should be designed to achieve no net loss however, in critical habitats, requires a net gain • Proactive management of invasive alien species in order to prevent spreading them into areas in which they have not already been established. And as practicable, take measures to eradicate such species from natural habitats over which the client has management control • Conduct a systematic review, which includes appropriate stakeholder engagement, to identify priority ecosystem services which are two-fold: (i) those services on which project operations are most likely to have an impact and, therefore, which result in adverse impacts to Affected Communities; and/or (ii) those services on which the project is directly dependent for its operations (eg, water) • Supply chain considerations when purchasing primary production (especially but not exclusively food and fiber commodities) known to be produced in regions with a risk of 	<ul style="list-style-type: none"> • Evaluate impacts on biodiversity and ecosystems services (during ESIA) • Adopt measures to eliminate or reduce (in ESHMP). • Biodiversity Action Plan if required • Procurement Policy to identify any key biodiversity and ecosystem services factors which should be considered from a supply chain perspective

Performance Standard	Applicable (Yes/No)	Requirements	Applicability / Actions
		significant conversion of natural and / or critical habitats, systems and verification practices will be adopted as part of the client's ESMS to evaluate its primary suppliers	
Performance Standard 7: Indigenous Peoples	No	<ul style="list-style-type: none"> • Avoid adverse impacts on all communities of Indigenous Peoples (IPs) who may be affected by the project within the project's area of influence. When avoidance is not feasible, project proponents will minimize, mitigate or compensate for these impacts in a culturally appropriate manner commensurate to the nature, scale and vulnerability of the Affected IPs • Ensure Free, Prior and Informed Consent of the Affected Communities of Indigenous Peoples when there are: considered to be impacts on lands and natural resources subject to traditional ownership or under customary use; relocation of IPs from lands and natural resources subject to traditional ownership or under customary use; and where a project may significantly impact critical cultural heritage • Develop compensation measures and action with the informed participation of affected Indigenous Peoples and contained in a time-bound plan, which take account of the laws, institutions, and customs of these communities as well as their level of interaction with mainstream society • Establish an ongoing relationship with the Affected Communities of Indigenous Peoples from as early as possible in the project planning and throughout the life of the project through effective and appropriate stakeholder engagement. • Where the government has a defined role in the management of Indigenous Peoples issues in relation to the project, the client will collaborate with the responsible government agency and will prepare a plan that addresses the requirements of this PS if required 	<ul style="list-style-type: none"> • Evaluate impacts on indigenous people (during ESIA) • Adopt measures to eliminate or reduce (in ESHMP) • Indigenous Peoples Plan if required
Performance Standard 8: Cultural Heritage	Yes	<ul style="list-style-type: none"> • Comply with relevant national law on the protection of cultural heritage • Identify impacts and appropriate mitigation measures to protect cultural heritage through the ESIA process • Develop provision for managing chance finds through a "Chance-find Procedure" which will be implemented during the construction phase of the Project for archaeological relics not anticipated through the ESIA process • Stakeholder engagement should be undertaken with affected communities if the project may affect cultural heritage. This process should also help in the identification of potential cultural heritage considerations in the Project's Area of Influence • Where the client's project site contains cultural heritage or prevents access to previously accessible cultural heritage sites being used by, or that have been used by, Affected Communities within living memory for long-standing cultural purposes, the client should allow continued access to the cultural site or provide an alternative access route, subject to overriding health, safety, and security considerations • Specific requirements relate to removal of replicable cultural heritage, removal of non 	<ul style="list-style-type: none"> • Cultural Heritage Investigation as part of the ESIA • Chance-find Procedure to be implemented during construction

Performance Standard	Applicable (Yes/No)	Requirements	Applicability / Actions
		<p>replicable cultural heritage and impacts to critical cultural heritage which become more stringent and onerous on the client</p> <ul style="list-style-type: none"> • If the Project proposes to use cultural heritage, informed consultation and participation is required with local stakeholders 	

1C.5.2 Guinean Extractive Industries Transparency Initiative (ITIEG)

Guinea was accepted as an EITI Candidate country on 27 September 2007, and its candidate status confirmed by the EITI Board on 1 March 2011.

The Extractive Industries Transparency Initiative (EITI) is a global standard that promotes revenue transparency. It is founded on a process initially developed from the EITI Principles at the EITI Conference in 2003⁽¹⁾. The Standard is underpinned by the EITI Principles and the EITI Criteria. In short, the EITI requires companies to publish what they pay in taxes and royalty payments and governments to publish what they receive by applying a robust yet flexible methodology for monitoring and reconciling company payments and government revenues at the country level. The process is overseen by participants from the government, companies and national civil society. The EITI Board and the International Secretariat are the guardians of the EITI methodology internationally⁽²⁾.

The aims of the EITI are to:

- ensure the transparency of the payments and revenues made by companies in the extractive industry and the payments received by governments by the companies in the extractive industry;
- make this information public and to enhance dialogue with civil society and the general public; and
- ensure the good use of the wealth generated as an engine for growth and to contribute to sustainable development and poverty reduction.

The ultimate aim of a candidate EITI country is to achieve compliant status under the Standard. This is achieved by undergoing validation against the EITI Standard, which provides an independent assessment of the status of a country implementing the EITI and what measures they should take to make better and faster progress. This assessment is carried out by an independent auditor, using the Validation Grid and Indicator Assessment Tools as outlined in the EITI Rules. The EITI Board, through the EITI Secretariat, oversees the Validation process. The EITI Board reviews all Validation Reports. To achieve compliance, a country must complete an EITI Validation within 2 years of becoming a Candidate Country. Once a country is Compliant, the country must undergo Validation at least every 5 years, or upon the request from the EITI International Board.

If the Board considers that the country meets all of the EITI Indicators, the country will be designated as EITI Compliant. Where the validation report shows that a country has made progress but does not meet all the EITI Indicators, the country will remain a Candidate. Where Validation shows that no meaningful progress has been achieved, the Board may revoke the country's candidate status.

The administrative structures of the EITI in Guinea (also known as EITIG) were created as early as June 2005 and immediately started work on implementing the ITIE Principles and Standard. These structures are as follows.

- The Overseeing Committee. Its role is to exercise strategic oversight of the Steering Committee. It reviews progress against the plan and the budget to achieve validation against the Standard. Its aim is to remove any roadblocks.
- The Steering Committee, is a multi-stakeholder group in charge of implementation and follow up of the EITI in Guinea. It comprises 24 members, including 12 members from the Civil Service. It includes the Ministers in charge of mines and economy and finance; the president of the chambers of mine and the president of the national civil societies. It is chaired by the Prime Minister (*Le Premier Ministre*).

(1) Available at <http://eiti.org/eiti/principles>

(2) EITI Factsheet, 3 May 2011

- The Executive Committee was eliminated and replaced by two commissions in charge of the collection, processing and the audit of payment data; and the other one responsible for communicating and capacity building.
- The Executive Secrétariat is in charge of managing, organising and carrying out the activities of the ITIE in Guinea.

1C.6 Rio Tinto Corporate Policy

Rio Tinto is a world leader in finding, mining and processing the earth's mineral resources. Key Rio Tinto operating principles include protecting the health & safety of its employees, contributing to sustainable development and conducting business with integrity. Rio Tinto aims to work closely with host countries and communities, respecting their laws and customs and ensuring a fair share of benefits and opportunities ⁽¹⁾.

Rio Tinto's reputation for acting responsibly is embedded in the way Rio Tinto operates and is based on Rio Tinto's core values of Accountability, Respect, Teamwork and Integrity. These values are expressed through the principles and standards of conduct set out in the company's global code of business conduct, *The way we work*. A copy of this is provided in Annex 1D. This defines the way Rio Tinto manages the economic, social and environmental challenges of its operations and are important to fulfilling Rio Tinto's commitment to contribute to sustainable development. The key principles set out in *The way we work* can be summarised as follows.

- **Safety**- We are committed to an incident and injury free workplace. Our Goal is zero harm.
- **Health**- We are committed to protecting health and wellbeing.
- **Employment**- We respect the right and dignity of employees throughout our own operations and those of our business partners.
- **Drugs and alcohol impairment**- We must not possess or consume illegal drugs, or be impaired by alcohol or drugs, while working on Rio Tinto business or premises.
- **Security and business**- We are committed to protecting our employees, assets and reputation, and ensuring the resilience of our operations when confronted by crises, site disasters or any instance that might affect business continuity.
- **Human Rights**- We support and respect human rights consistent with the Universal Declaration of Human Rights and actively seek to ensure we are not complicit in human rights abuses committed by others.
- **Communities and indigenous peoples**- We set out to build enduring relationships with our neighbours that demonstrate mutual respect, active partnership, and long-term commitment.
- **Land access**- We seek to get the widest possible support for our proposals throughout the lifecycle of our activities.
- **Environment**- Excellence in environmental performance and product stewardship is essential to our business success.

As the developer of the Simandou Project, Simfer will abide by the Rio Tinto values and will comply with *The way we work*. As such it is committed to the sustainable development of Guinea and its people, aims to protect and develop Guinean's environmental resource and its people over the long term and is committed to the health & safety of its employees and the wider communities on which its activities will have an impact.

(1) Rio Tinto, "*The way we work*", our global code of business conduct, December 2009

Under the framework provided by *The way we work*, Rio Tinto policies relevant to the assessment include:

- Sustainable Development Policy;
- Environmental Policy and Standards;
- Communities Policy and Standards;
- Human Rights Policy and Guidance;
- Health Policy;
- Corporate Safety Standards;
- Climate Position Statement;
- Closure Standard; and
- Health, Safety, Environment and Quality Management System Standard.

A full list and access to all the relevant documents is available on the worldwide web ⁽¹⁾.

All parties to the Settlement Agreement have made the commitment that the project will be developed in accordance with international best practices (Article 10 of the Settlement Agreement).

In addition, Rio Tinto also supports a number of international voluntary commitments, agreements and conventions as follows.

- Extractive Industries Transparency Initiative.
- Global Sullivan Principles of Social Responsibility.
- International Chamber of Commerce Charter for Sustainable Development.
- International Council on Mining and Metals Sustainable Development Framework.
- International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work.
- International Labour Organisation Convention 169: Concerning Indigenous and Tribal Peoples in independent Countries.
- Kimberley Process.
- OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.
- OECD Guidelines for Multinational Enterprises.
- Transparency International.
- Business Principles for Countering Bribery.
- United Nations Global Compact.
- United Nations Universal Declaration of Human Rights.
- Sources Voluntary Principles on Security and Human Rights.
- World Economic Forum- Global Corporate Citizenship Initiative CEO Statement.
- World Economic Forum- Partnering Against Corruption Initiative (PACI).
- Principles for Countering Bribery.

(1) Available at http://www.riotinto.com/library/3608_policies.asp