

# EVOLVING THE EXECUTIVE VESTING



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Rio Tinto is a **leading international mining** and **metals** group



Rio Tinto has **55,000 employees** in **35 countries**

# RioTinto



**Many industries use the materials** that Rio Tinto sources including:

- > Construction
- > Communication
- > Recreation
- > Transport
- > Healthcare
- > Renewable energy



In January 2013, Rio Tinto launched a **global all-employee share purchase plan** called myShare to replace a traditional ShareSave style plan

World's largest provider of equity plan administration:



**1,500** clients – **2,700** plans



**190+** countries, **23** exchanges



**4.8m** participants



Specialists in complex, regulated financial administration services – loan administration, transfer agency/share registration, equity compensation and employee share plans:



**16,000** employees in **90** global locations



**16,000** corporate clients in **20** countries



**125m** stakeholders

# Results of the New Tax Solution

Statistics from the myShare vestings:



Participants  
Traded

55,643



Number Of  
Shares

949,041



Vesting Value

GBP 19.1m  
AUD 38.2m  
USD 4.2m



Tax Withholding

GBP 8.8m  
AUD 2.1m  
USD 1.8m



Countries

32

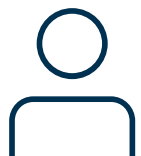


Payrolls

105

# Results of the New Tax Solution

Statistics from the executive vestings:



Participants  
Traded

1,758



Number Of  
Shares

1,234,870



Vesting Value

GBP 24.1m  
AUD 37.2m



Tax Withholding

GBP 7.7m  
AUD 5.9m



Countries

24



Payrolls

67

# What were Rio Tinto's Challenges?



Global tax compliance



Managing employee  
cash flow



Payroll reporting



Hypothetical taxation



Delivering a single  
vesting event for all  
employees

# Why Move to Cliff Vesting?

A single trade on the vesting day to sell for withholding tax followed by movement of net of shares to an online account.



Seamless vesting process, removing any action required by the participant



Uses new functionality to avoid the need for self-certification of location history by participants



Creates payroll administration efficiency (big bang processing)



Removal of default processing and associated pain



Alignment of share price received and tax point for all



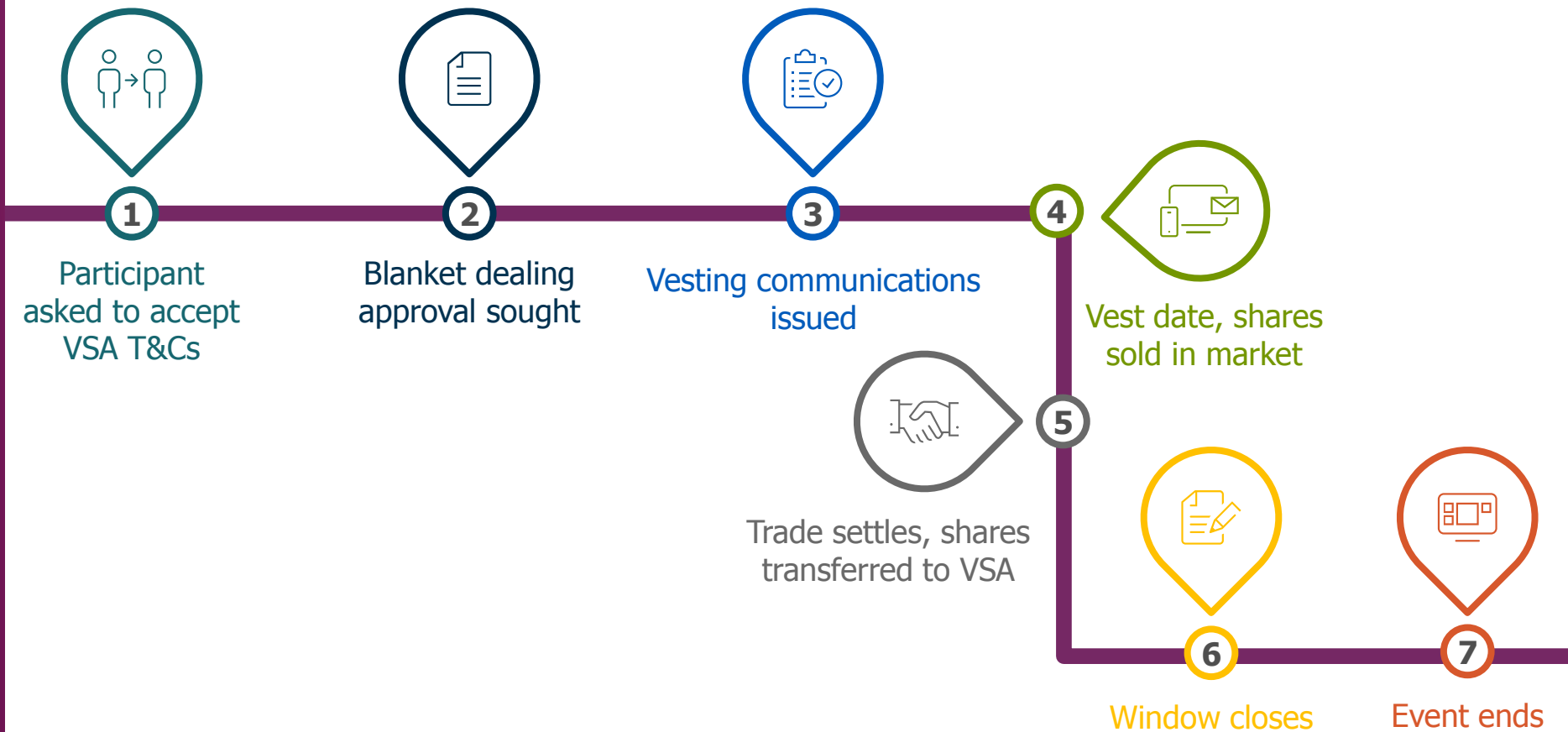
PDMR reporting alignment



Single trade

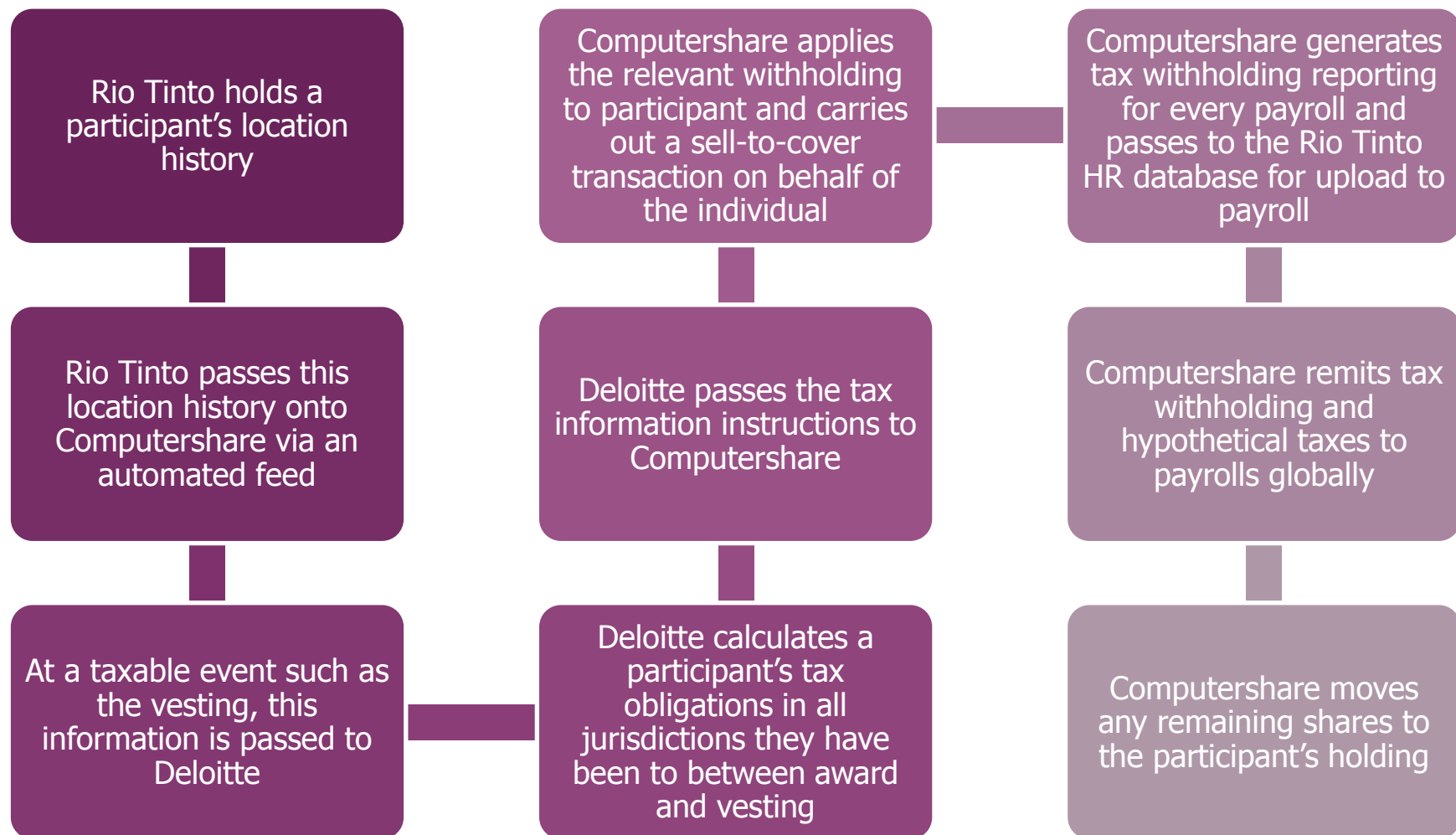


# Simple Process | Minimal Action From Participants





# What Happens Behind the Scenes?



# Any Questions?

THANK YOU

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