



Oyu Tolgoi LLC

Human Resources and Training

HR-06: Hours of Work Procedure

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Introduction

1. Procedure Number

This document is known as ***HR-06: Hours of Work Procedure***.

2. Purpose

The Hours of Work Procedure is to provide information on components that influence an employee's working hours such as, guidelines on the standard working day, overtime and non-standard working hours.

3. Application

This Hours of Work Procedure applies to all employees of the Company who are employed under local terms and conditions of employment in Mongolia

This Hours of Work Procedure does not apply to:

- contractors; and
- expatriate employees on International Assignment or direct hires. International Assignees should refer to the applicable work hour guidelines stipulated in their International Assignment agreement, or refer to the leave policy operating within their home business unit.

This Hours of Work Procedure replaces the following documents that previously governed Hours of Work for Oyu Tolgoi LLC:

- Concise Policy and Procedure Handbook, First Edition, January 2005, Ivanhoe Mines New Horizons;
- Oyu Tolgoi LLC Procedure in Roster, Site allowance, Overtime and Night shift (Resolution No. 12/10 , July 28, 2010); and
- Site Allowance (Resolution No. 07/10 , April 23, 2010)

Any changes to Rio Tinto Global policies and standards, Mongolian labour laws or the Collective Agreement may result in changes to this procedure.

4. Commencement

This procedure applies from ***1 September 2012***.

5. Authority and Management

The ***Vice President Human Resources and Training*** approved this Hours of Work Procedure on ***1 September 2012***.

It will be reviewed annually.

The ***Vice President Human Resources and Training*** is the custodian of this Hours of Work Procedure. Any requests for changes to this procedure must be addressed to this person and will be subjected to the appropriate review and approval processes.

Procedure

1. Standard Work Hours

1.1. Standard working day

A normal working day is 8 hours and shall not normally exceed 12 hours work in a 24 hour period.

For office based employees, this is Monday to Friday 9:00am until 6:00pm with unpaid meal break.

For site based employees, times of work hours vary according to department roster schedules.

Site based employees when required to work on weekends are provided by days off in lieu during their roster breaks.

1.2. Reduction of working hours

The hours of work per week of employees under 18 years of age and disabled person will be according to Mongolian Labour law.

In non-standard working conditions, the Company shall adjust the hours of work to conform to health and safety standards as outlined in HR-09 Non-Standard Working Conditions Allowances Policy.

1.3. Work breaks

Employees are required to have the target minimum period of 12 hours between working shifts.

An employee shall be given work breaks for eating and resting aligned to their roster schedules.

An unpaid 60 minute meal-break is part of a normal day-worker only roster, it is not included as worked hours. The timing of the break will be at the leaders' discretion aligned with operational requirements.

A paid meal-break is made in operational areas where it is not feasible to have employees absent from the normal workplace due to either logistic or operational reasons. In these circumstances, the paid meal-break is not part of total hours worked.

2. Non-Standard Work Hours

2.1. Night Hours

The period from 10pm to 6am shall be considered night hours and paid accordingly (see HR-14 Allowances (Citizens of Mongolia) Policy).

2.2. Overtime

Employees are expected to fulfil job responsibilities within their normal working hours, as outlined in their conditions of employment.

Circumstances may arise where an employee may work outside of normal rostered hours to meet the requirements of the role. In such circumstance an employee must get prior approval and mutual agreement to work additional hours and is eligible for allowances in accordance with their role (see HR-14 Allowances (Citizens of Mongolia) Policy).

2.3. Time in lieu (Credit Hours)

Time in lieu is referenced in the HR-21 Leave policy and procedure.

3. Standard Roster Schedules

3.1. Office and Site-based Roster Schedule

At all times the roster schedule will endeavour to meet the Company requirements for health and safety of employees and the needs of the business, and may be subject to change to fulfil these needs.

Employees are required to attend each scheduled shift on time and for the full duration of the shift. Any absences from an employee's scheduled rostered work time must be scheduled as approved leave.

Appendices

1. Definitions

In this procedure document the following outlines the key terms and their meanings:

- **The “Company”** – The business units/functional groups of Oyu Tolgoi LLC;
- **Employee** – All regular full-time, part-time and casual employees unless otherwise specified;
- **Roster** – Roster if a fixed pattern of work;
- **Company Holidays** – A discretionary holiday or day of rest where the Company designates the specific day;
- **Office based employee** – Office based employee refers to a role where an employee lives in Ulaanbaatar and the role is based in Ulaanbaatar office and/or an employee lives in Dalanzadgad and the role is based in Dalanzadgad office;
- **Site based employee** – Site based employee refers to a role where the role is based at Oyu Tolgoi site and works according to a scheduled roster time;
- **Day worker** – An employee who works on only day shift;
- **Continuous Shift worker** – An employee who works on both day and night shifts.

2. Templates and Standard Documents

- Timesheet form;
- NSWC Timesheet

3. Related Policies

The following processes support the execution of the Hours of Work Procedure:

- HR- 21 Leave Policy and Procedure;
- HR-14 Allowances (Citizens of Mongolia) Policy and Procedure; and
- HR-09 Non-Standard Working Conditions Policy and Procedure

4. Mongolian Laws and Regulations Review

Through putting forward this procedure for review and approval, the policy owner acknowledges that a review of the implications of the implementation of this document under Mongolian laws and regulations for Oyu Tolgoi has been completed.

This review has identified the following Mongolian laws and regulations that are relevant to this procedure, and the implications of these laws and regulations has been included into the document.

- Labour Law, 1999;

- Law on Social Protection of Persons with Disabilities, 2005;
- Law on Transferring 5 Working Days ,1997;
- Law on Public Holidays, 2003;
- Supreme Court Resolution on Interpretation of Some Provisions of Labour Law No.33, 2006;
- The Cabinet Resolution on The Procedure for Consolidated Calculation Working Hours No. 122, 1999; And
- Social Protection and Labour Minister's Order on the Guidance for Granting Annual Leave No.166, Annex 1, 2000


Document Information

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| File Name | HR-06: Hours of Work Procedure |
| Description | Provides information on components that influence an employee's working hours such as guidelines on the standard working day, overtime and non-standard working hours and the provision of public holidays. |
| Original Author(s) | Jared Armstrong and Deloitte Consultants |
| Creation Date | September 2012 |

Revision History

| Version | Revision Date | Author(s) | Revision Notes |
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| 1 | | | |
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Document Approval

| Date | Approver Name | Approver Signature | Company Seal Stamp |
|-----------|--|---|---|
| 1/09/2012 | <u>OT Policy Owner:</u> Nadia Sodnom Senior Manager – HR Policy and Procedure |  |  |
| 1/09/2012 | <u>Policy Approver:</u> Michael Beck VP Human Resources & Training |  | |