

HEALTH, SAFETY, ENVIRONMENT AND COMMUNITY MANAGEMENT STANDARDS

CONTRIBUTING TO SUSTAINABLE DEVELOPMENT

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BHP Billiton Charter and Sustainable Development Policy

BHP BILLITON CHARTER

WE ARE BHP BILLITON, A LEADING GLOBAL RESOURCES COMPANY.

Our purpose is to create long-term value through the discovery, development and conversion of natural resources, and the provision of innovative customer and market-focused solutions.

To prosper and achieve real growth, we must:

- actively manage and build our portfolio of high quality assets and services,
- continue the drive towards a high performance organisation in which every individual accepts responsibility and is rewarded for results,
- earn the trust of employees, customers, suppliers, communities and shareholders by being forthright in our communications and consistently delivering on commitments.

We value:

- **Safety and the Environment** – An overriding commitment to health, safety, environmental responsibility and sustainable development.
- **Integrity** – Including doing what we say we will do.
- **High Performance** – The excitement and fulfilment of achieving superior business results and stretching our capabilities.
- **Win-Win Relationships** – Having relationships which focus on the creation of value for all parties.
- **The Courage to Lead Change** – Accepting the responsibility to inspire and deliver positive change in the face of adversity.
- **Respect for Each Other** – The embracing of diversity, enriched by openness, sharing, trust, teamwork and involvement.

We are successful in creating value when:

- our shareholders are realising a superior return on their investment.
- our customers and suppliers are benefiting from our business relationships.
- the communities in which we operate value our citizenship.
- every employee starts each day with a sense of purpose and ends each day with a sense of accomplishment.



Marius Kloppers
Chief Executive Officer

October 2007



OUR APPROACH TO HEALTH, SAFETY, ENVIRONMENT AND THE COMMUNITY

BHP BILLITON'S SUSTAINABLE DEVELOPMENT POLICY

At BHP Billiton our objective is to be the company of choice – creating sustainable value for our shareholders, employees, contractors, suppliers, customers, business partners and host communities.

We aspire to Zero Harm to people, our host communities and the environment and strive to achieve leading industry practice. Sound principles to govern safety, business conduct, social, environmental and economic activities are integral to the way we do business.

Wherever we operate we will develop, implement and maintain management systems for sustainable development that drive continual improvement and ensure we:

- do not compromise our safety values, and seek ways to promote and improve the health of our workforce and the community
- identify, assess and manage risks to employees, contractors, the environment and our host communities
- uphold ethical business practices and meet or, where less stringent than our standards, exceed applicable legal and other requirements
- understand, promote and uphold fundamental human rights within our sphere of influence, respecting the traditional rights of Indigenous peoples and valuing cultural heritage
- encourage a diverse workforce and provide a work environment in which everyone is treated fairly, with respect and can realise their full potential
- set and achieve targets that promote efficient use of resources and include reducing and preventing pollution
- enhance biodiversity protection by assessing and considering ecological values and land-use aspects in investment, operational and closure activities
- engage regularly, openly and honestly with people affected by our operations, and take their views and concerns into account in our decision-making
- develop partnerships that foster the sustainable development of our host communities, enhance economic benefits from our operations and contribute to poverty alleviation
- work with those involved through the lifecycles of our products and by-products to promote their responsible use and management
- regularly review our performance and publicly report our progress.

In implementing this Policy, we will engage with and support our employees, contractors, suppliers, customers, business partners and host communities in sharing responsibility for meeting our requirements.

We will be successful when we achieve our targets towards Zero Harm, are valued by our host communities, and provide lasting social, environmental and economic benefits to society.



Marius Kloppers
Chief Executive Officer

1 October 2007



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INTRODUCTION

This section describes the background, application and scope of the BHP Billiton Health, Safety, Environment and Community (HSEC) Management Standards (hereinafter referred to as 'these Standards').

Background

BHP Billiton owns and operates a diverse range of businesses in different countries and cultures around the world that, by their nature, may affect the health and safety of people, the environment or communities. As stated in the BHP Billiton Charter, we have an overriding commitment to sustainable development and we pursue this through the effective management of HSEC. We aspire to Zero Harm and seek to ensure our business contributes lasting benefits to society through the consideration of health, safety, social, environmental, ethical and economic aspects in all Company decisions and activities.

These Standards form the basis for the development and application of HSEC management systems at all levels in BHP Billiton. Although HSEC matters are interrelated and co-dependent, it is recognised that the skills and processes required to manage issues may vary according to the context.

Application

These publicly available Standards interpret and support the Sustainable Development Policy and apply to BHP Billiton sites and operations throughout the world. These include:

- Majority owned and/or operated and controlled facilities and activities (from exploration and planning through to closure and rehabilitation)
- Development projects, mergers, acquisitions and divestments
- Activities by contractors on BHP Billiton sites or under BHP Billiton management (including construction activities prior to hand-over).

Where BHP Billiton does not have operational responsibility but

has an equity stake, or where significant BHP Billiton assets are involved, these Standards are made available to the operator, so that comparable HSEC Management Standards may be applied.

It is important to note, although the HSEC requirements have been integrated in these Standards, the decision whether to comply with these Standards by means of a single integrated system or separate systems is at the discretion of individual businesses.

The resolution of conflicts presented by the implementation of these Standards must be consistent with the principles of the BHP Billiton Charter.

Scope

The scope of these Standards covers all operational aspects and activities that have the potential to affect HSEC either positively or negatively. The terminology 'Health, Safety, Environment and Community' (HSEC) has been utilised throughout these Standards to highlight four key components of sustainable development. These are:

1. *Health* – promoting and improving the health of the Company's workforce and host communities
2. *Safety* – ensuring safety values are not compromised, and providing a workplace where people are able to work without being injured
3. *Environment* – promoting the efficient use of resources, reducing and preventing pollution and enhancing biodiversity protection
4. *Community*
 - Internal community – upholding ethical business practices and encouraging a diverse workforce, where employees and contractors are treated fairly, with respect and can realise their full potential
 - External community – engaging regularly with those affected by BHP Billiton operations to enhance economic benefits and contribute to sustainable community development
 - Human rights – understanding, promoting and upholding fundamental human rights within BHP Billiton's sphere of influence.

These Standards cover the entire lifecycle of operations, from exploration and planning through to operation and closure (decommissioning, remediation and rehabilitation).

The related areas of personal and asset security are not specifically addressed by the Performance Requirements of these Standards. However, guidelines equivalent to HSEC guidelines, are available for site use. Please refer to the BHP Billiton Asset Protection intranet <http://assetprotection.bhpbilliton.net/main/home.asp> for more detail.

The objectives of these Standards are to:

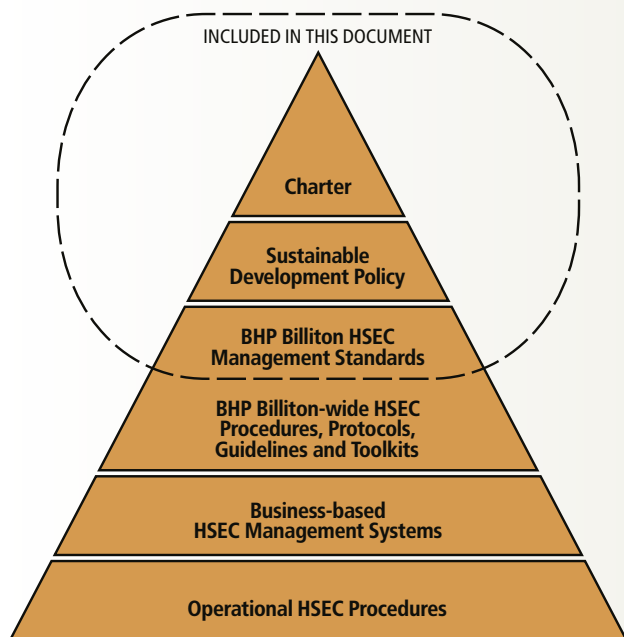
- Support the implementation of the Charter, the Sustainable Development Policy and the Guide to Business Conduct across BHP Billiton
- Provide a risk-based HSEC management system framework, consistent with:
 - BHP Billiton Enterprise-Wide Risk Management Policy
 - ISO 14001
 - OHSAS 18001
 - SA 8000
 - International policies, standards and management practices to which BHP Billiton has committed, including the:
 - United Nations Global Compact
 - United Nations Universal Declaration of Human Rights
 - International Council on Mining and Metals (ICMM) Sustainable Development Framework
 - World Bank Operational Directive on Involuntary Resettlement
 - US-UK Voluntary Principles on Security and Human Rights
 - other regional commitments
- Set out and formalise the expectations for progressive development and implementation of more specific and detailed HSEC management systems at all levels of BHP Billiton
- Provide auditable criteria, against which HSEC management systems across BHP Billiton can be measured
- Drive continual improvement towards leading industry practice.

Review and Document Control

These Standards are reviewed at least every three years or as required by Standard 3 – Risk and Change Management. If required, they are revised and reissued in accordance with the document control requirements of Standard 2 – Legal Requirements, Commitments and Document Control.

HIERARCHY OF HSEC DOCUMENTS

The BHP Billiton HSEC management system is hierarchical, where documents and systems must meet and support the requirements of those of higher levels.



Status of HSEC Documents

The BHP Billiton Charter, Sustainable Development Policy, Guide to Business Conduct and HSEC Management Standards are mandatory to all BHP Billiton sites and operations.

BHP Billiton-wide Procedures and Protocols are mandatory to all BHP Billiton sites, operations and controlled activities. These documents address specific areas (e.g. corporate performance reporting, fatal risk controls, incident investigation, etc) where it is important that activities are carried out consistently across BHP Billiton.

BHP Billiton-wide Guidelines are advisory and provide BHP Billiton businesses with guidance on the effective implementation of these Standards.

BHP Billiton-wide Toolkits are not mandatory but provide preferred methods for meeting the requirements of these Standards and BHP Billiton-wide Procedures, Protocols and Guidelines.

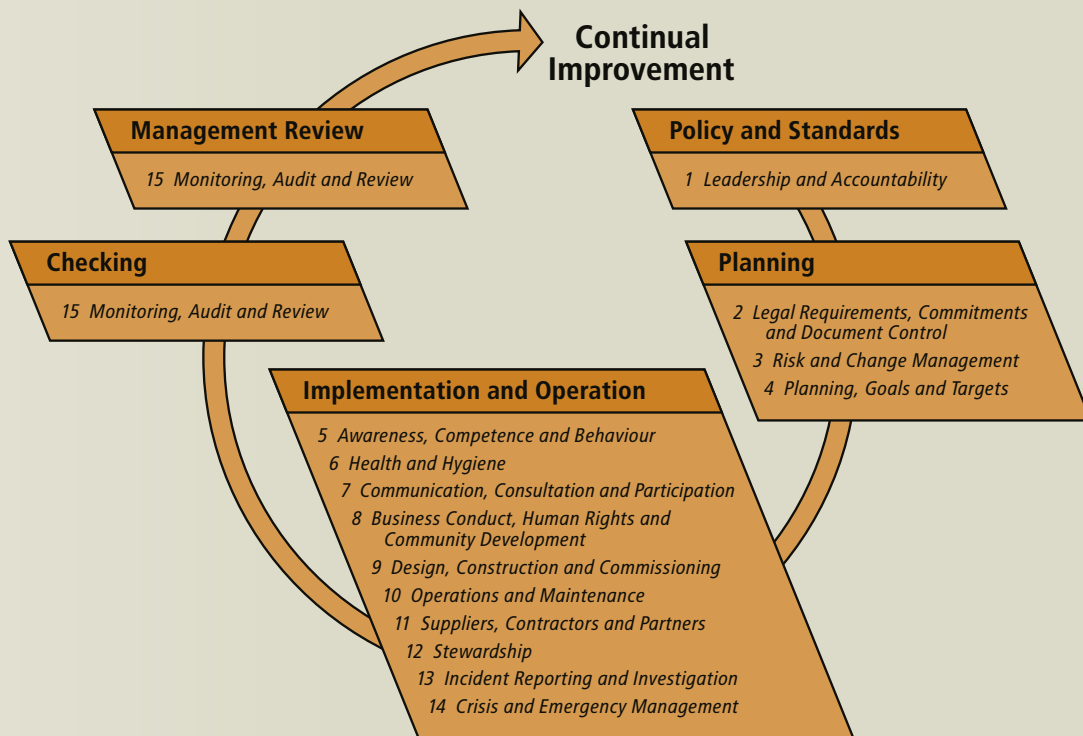
Business-based HSEC Management Systems may consist of both mandatory and advisory documents. These apply only to the sites, operations and activities controlled by the relevant business.

Operational HSEC Procedures apply within the sites and operations where they are issued, and are intended to support the BHP Billiton Charter, Sustainable Development Policy and these Standards.

Copies of BHP Billiton-wide HSEC procedures, protocols, guidelines and toolkits can be found on the BHP Billiton intranet at <http://hsec.bhpbilliton.net/Bb/standards/standards.asp>.

HSEC MANAGEMENT STANDARDS

The framework for the HSEC Management Standards is based on the Plan-Do-Check-Act (PDCA) methodology. The figure below illustrates how these Standards fit into the PDCA model.



The remainder of this section specifies the Performance Requirements for each of the 15 HSEC Management Standards.

- | | |
|--|--|
| Standard 1 <i>Leadership and Accountability</i> | Standard 8 <i>Business Conduct, Human Rights and Community Development</i> |
| Standard 2 <i>Legal Requirements, Commitments and Document Control</i> | Standard 9 <i>Design, Construction and Commissioning</i> |
| Standard 3 <i>Risk and Change Management</i> | Standard 10 <i>Operations and Maintenance</i> |
| Standard 4 <i>Planning, Goals and Targets</i> | Standard 11 <i>Suppliers, Contractors and Partners</i> |
| Standard 5 <i>Awareness, Competence and Behaviour</i> | Standard 12 <i>Stewardship</i> |
| Standard 6 <i>Health and Hygiene</i> | Standard 13 <i>Incident Reporting and Investigation</i> |
| Standard 7 <i>Communication, Consultation and Participation</i> | Standard 14 <i>Crisis and Emergency Management</i> |
| | Standard 15 <i>Monitoring, Audit and Review</i> |

Performance Requirements aligned with the Company Business Excellence criteria are identified for each Standard.

LEADERSHIP AND ACCOUNTABILITY

Intent

Directors, managers, employees and contractors understand their accountabilities and demonstrate leadership and commitment to sustainable development and Zero Harm through effective HSEC management.

Performance Requirements

- 1.1 BHP Billiton maintains a Sustainable Development Policy that is appropriate to the nature, scale and HSEC impacts of the Company's activities, products, services and commitments. The Policy is available to stakeholders.
- 1.2 The Sustainable Development Policy is approved by the BHP Billiton Office of the Chief Executive and these Standards are approved by the Operating Committee.
- 1.3 The BHP Billiton Board of Directors seeks assurance of conformance with these Standards and regularly reviews HSEC performance, risks and strategic issues.
- 1.4 Site management defines and documents the scope of the HSEC management system for their operations.
- 1.5 Managers are accountable for the HSEC performance of their business, the implementation of the Sustainable Development Policy and meeting the Performance Requirements of these Standards through management systems designed to measure and drive continual improvement in HSEC performance.
- 1.6 Managers provide sufficient resources to support effective HSEC management, the implementation and maintenance of HSEC management systems, and the provision of specialist HSEC advice.
- 1.7 Managers demonstrate visible leadership and proactive commitment to HSEC excellence through personal example, by promoting initiatives and encouraging strong teamwork at all levels, and by conducting frequent site inspections, reviews and behavioural observations.
- 1.8 The HSEC roles and accountabilities of employees and contractors are defined, documented, communicated, kept up-to-date, understood and applied.
- 1.9 Effective HSEC leadership is a prerequisite for promotion. Specific and measurable HSEC activities, goals and targets are included in performance plans and appraisal systems for all employees.
- 1.10 Systems are in place to ensure that employees and contractors are aware of expected HSEC behaviours and have a clear understanding of the consequences of inappropriate conduct.
- 1.11 Systems are in place that recognise, reinforce and reward HSEC innovation, initiatives and desired behaviours and outcomes.
- 1.12 Employees and contractors understand that they have the right and responsibility to stop work or refuse to work in situations that may cause HSEC harm, and to immediately bring these situations to the attention of those at imminent risk and to management.

1.1, 1.2, 1.3, 1.5, 1.6, 1.7, 1.8, 1.10, 1.11 aligned with Business Excellence criteria.

LEGAL REQUIREMENTS, COMMITMENTS AND DOCUMENT CONTROL

Intent

Relevant legal, regulatory and other HSEC requirements are identified, accessible, understood and complied with and an effective HSEC document control system is in place.

Performance Requirements

- 2.1 Systems are in place to identify and access all applicable HSEC laws, regulations, approvals, licences, permits, and other requirements (e.g. codes, charters, policies, standards, protocols, commitments), and document them in a compliance register that is reviewed and kept up-to-date.
- 2.2 Compliance with legal and other requirements is demonstrated through the implementation of documented procedures that ensure communication of specific requirements, periodic evaluation, record keeping and reporting.
- 2.3 Where local legislation does not require an adequate level of HSEC performance, activities are conducted in a manner that is consistent with these Standards, relevant international standards and practices, taking due account of social and cultural sensitivities.
- 2.4 Systems are in place to ensure that HSEC documents are controlled. Current versions of relevant documents are available and understandable to the user as required. Documents from external sources necessary for the planning and operation of the HSEC management system are registered and current.
- 2.5 Systems are in place to ensure that HSEC records are established and maintained, accurate, legible and identifiable. Medical records are kept confidential by appropriate health professionals.
- 2.6 HSEC documents and records are identified, securely stored, readily retrievable, have established retention times based on legal requirements and/or knowledge preservation, and responsible custodians are assigned. Disposal is in accordance with the BHP Billiton Records Disposal Manual.
- 2.7 The core elements of the HSEC management system and their interaction, including indexes or maps that provide direction to related documents, are described and maintained in paper or electronic form.

2.1, 2.2, 2.3, 2.4, 2.5, 2.6, 2.7 aligned with Business Excellence criteria.

RISK AND CHANGE MANAGEMENT

Intent

HSEC hazards are identified and associated risks assessed and managed. Planned and unplanned changes are identified and managed.

Performance Requirements

- 3.1 HSEC risk management processes are applied to all activities that BHP Billiton controls or can influence.
- 3.2 HSEC risks and opportunities are assessed, prioritised and managed as appropriate to the nature, scale and HSEC impacts of the operations and activities. This process takes into account health and safety, human rights, the surrounding physical, ecological, social and cultural environment, biodiversity, applicable legal and other requirements and financial implications. Low probability, high consequence events are specifically identified and assessed. The hierarchy of control is used in the development of risk mitigation activities.
- 3.3 The HSEC risk assessment and management process involves people with relevant knowledge and experience, including employees, contractors and other stakeholders as appropriate.
- 3.4 HSEC risks are recorded and maintained in a risk register. The risks are reviewed and updated at least annually, and following a significant incident, learnings and changes, or more often if the nature of the risk requires.
- 3.5 HSEC risks are evaluated by the appropriate level of management, consistent with the significance of the risk. Risk management decisions are documented and the implementation of resulting actions tracked.
- 3.6 Where BHP Billiton retains an HSEC risk, liability or obligation following closure or divestment, management plans are documented, responsibilities assigned and actions tracked.
- 3.7 Change management systems are in place to manage HSEC risks associated with planned changes, or when unplanned changes occur, whether permanent, temporary or as the result of incremental change. These systems address change events including changes in personnel, organisations, activities, processes, facilities, physical environment, equipment, technology, procedures, laws, regulations, standards, materials, products, systems and services.
- 3.8 Change management systems ensure that authorised employees or contractors approve changes, either permanently or for a defined period, once the level of HSEC risk has been demonstrated to be acceptable. The duration of a temporary change is not exceeded without review and approval.
- 3.9 Change management systems ensure that changes are communicated to and understood by all those who may be affected, including external stakeholders.
- 3.10 Change management systems ensure that change management actions have been completed, their intended outcomes validated and any unintended or additional risks are identified and managed. Documentation is updated to appropriately reflect the change, including the preparation of 'as built' plans, procedures and organisational requirements.

3.1, 3.2, 3.3, 3.4, 3.5, 3.7, 3.8, 3.9, 3.10 aligned with Business Excellence criteria.

PLANNING, GOALS AND TARGETS

Intent

Sustainable development is an integral part of business planning with HSEC goals and targets established to drive continual improvement in performance.

Performance Requirements

- 4.1 Systems are in place to ensure that HSEC is an integral part of business planning based on identified significant HSEC issues, risks and opportunities.
- 4.2 BHP Billiton sets Company-wide HSEC goals, targets and leading and lagging performance indicators that are measurable, documented, communicated, monitored and reviewed. They are consistent with the Sustainable Development Policy and consider the interests of stakeholders.
- 4.3 Businesses and operations annually set measurable HSEC goals, targets and leading and lagging performance indicators that are documented, communicated, monitored and reviewed. They are consistent with the BHP Billiton-wide HSEC targets, take into account the significant HSEC risks, legal and other requirements, and consider technological options, business requirements and the interests of stakeholders.
- 4.4 Plans and programmes that include designated responsibilities, resources and time frames to achieve HSEC goals and targets are in place, with systems to monitor and regularly report on progress. They are updated and communicated as changes, modifications or new developments occur.
- 4.5 HSEC performance information is used to refine plans, goals and targets to improve risk management and performance.

4.1, 4.2, 4.3, 4.4, 4.5 aligned with Business Excellence criteria.

AWARENESS, COMPETENCE AND BEHAVIOUR

Intent

Employees, contractors and visitors are aware of relevant HSEC requirements, hazards, risks and controls, are competent to conduct their activities and behave in a responsible manner.

Performance Requirements

- 5.1 Inductions that address relevant HSEC objectives, hazards, risks, controls, and behaviours are conducted and documented for employees, contractors and visitors at the commencement of their employment or visit. Inductions also cover the Charter, the Sustainable Development Policy, the Guide to Business Conduct and these Standards, to a level appropriate to the nature of the proposed activities.
- 5.2 As part of the broader competencies required for employees and contractors, HSEC competencies are identified, documented and periodically reviewed.
- 5.3 Recruitment criteria for employees and contractors include an assessment of HSEC awareness, competencies, behaviours and performance, and encourage diversity.
- 5.4 Systems are in place to identify, prioritise, plan, document and monitor the fulfilment of training needs so that employees and contractors are competent to meet their HSEC responsibilities. HSEC leadership training is undertaken by all managers.
- 5.5 Employees and contractors receive training and development in the recognition, assessment, control and elimination of hazards, at-risk behaviours and situations, including the HSEC consequences of departure from specified operating procedures.
- 5.6 An on-the-job behavioural observation process that engages all personnel and covers all activities is in place that reinforces desired HSEC behaviours and corrects at-risk behaviours.
- 5.7 Data from behavioural observation processes are analysed and used to identify, plan, implement and track initiatives and appropriate corrective actions.
- 5.8 Appropriate cross-cultural training is undertaken for employees and contractors who interact with people from different cultures, including Indigenous peoples.

5.1, 5.2, 5.3, 5.4, 5.5, 5.6, 5.7, 5.8 aligned with Business Excellence criteria.

HEALTH AND HYGIENE

Intent

Employees and contractors are assessed for their fitness for work and, along with visitors, are protected from health hazards associated with Company operations. Community health issues relevant to Company operations are identified and effectively managed.

Performance Requirements

- 6.1 Occupational health and hygiene assessments and ongoing monitoring and medical surveillance programs, are conducted by competent people for all occupations, tasks and work environments, consistent with exposure risks.
- 6.2 Prevalence and incidence of work-related illness is recorded, assessed and reviewed, using data available from all sources including medical surveillance programs and incident related medical treatments.
- 6.3 Arrangements, in accordance with the hierarchy of control, are established and maintained to protect employees and contractors from health hazards associated with their employment.
- 6.4 Where the application of the hierarchy of control has not adequately reduced exposure, personal protective equipment requirements are identified and communicated, appropriate training provided, and properly maintained equipment made available to all employees and contractors. Compliance with and effectiveness of personal protective equipment requirements are regularly assessed.
- 6.5 Employees, contractors and visitors have access to adequate medical and first aid services as appropriate to the location and nature of operations.
- 6.6 Where appropriate, employees and contractors undergo assessment to ensure their fitness for work, including drug and alcohol and fatigue management programs.
- 6.7 Systems are in place for the rehabilitation of employees and contractors following work-related injury or illness. Employees suffering non work-related injuries or illness are assisted in their return to work, as appropriate.
- 6.8 Initiatives are in place to promote and encourage a safe and healthy lifestyle. Employee assistance programs are accessible.
- 6.9 Community health hazards relevant to BHP Billiton operations are identified, assessed and communicated. Control measures are implemented to manage the risks. Public health and other relevant authorities are engaged, as appropriate.
- 6.10 The risks to personnel and accompanying dependents from work-related travel or assignment in other locations or countries are effectively identified and managed.

6.1, 6.2, 6.3, 6.5, 6.8, 6.9, 6.10 aligned with Business Excellence criteria.

COMMUNICATION, CONSULTATION AND PARTICIPATION

Intent

Effective, transparent and open communication and consultation is maintained with stakeholders associated with Company activities. Stakeholders are encouraged to participate in and contribute to sustainable development through HSEC performance improvement initiatives.

Performance Requirements

- 7.1 Systems are in place to identify stakeholders and to ensure proactive development of strategies, including consultation, to identify and address their concerns and expectations. Consideration is given to the local context and social and cultural factors, in order to facilitate understanding and informed discussion.
- 7.2 The Sustainable Development Policy, these Standards, and relevant information on HSEC matters, risks, plans and performance are communicated throughout the organisation to all persons working for or on behalf of BHP Billiton, and to external stakeholders on a regular basis. Systems provide for consultation, feedback, and tracking of follow-up actions.
- 7.3 Employees and contractors participate (or have representation) in the development, implementation, review and improvement of HSEC initiatives and programmes, the establishment of HSEC goals and targets, and the review and verification of HSEC performance. External stakeholders are encouraged to participate in relevant activities. Participation of employees, contractors and external stakeholders is recorded.
- 7.4 Proactive and open consultation and communication with governments, authorities and other organisations is maintained in order to contribute to the development of public policy, relevant legislation and educational initiatives in relation to sustainable development.
- 7.5 HSEC information and learnings are shared across BHP Billiton sites and operations and, as appropriate, with external stakeholders.
- 7.6 Concerns, complaints and relevant external communications related to the HSEC aspects of BHP Billiton operations are recorded in a register, acknowledged, investigated as incidents and outcomes reported back to relevant stakeholders. Mechanisms are in place to resolve conflicts where they arise, through consultation and participation directly with stakeholders or their intermediaries.
- 7.7 Sustainability reports addressing HSEC performance, initiatives, risks and stakeholder concerns, are produced on an annual basis. Consideration is given to the local context and social and cultural factors, in preparing and distributing the reports to stakeholders.
- 7.8 Community relations plans are in place and the effectiveness of communication, consultation and participation processes is regularly reviewed in collaboration with stakeholders.

7.1, 7.2, 7.3, 7.4, 7.5, 7.6, 7.7, 7.8 aligned with Business Excellence criteria.

BUSINESS CONDUCT, HUMAN RIGHTS AND COMMUNITY DEVELOPMENT

Intent

Activities and operations are conducted in an ethical manner that supports fundamental human rights and respects traditional rights, values and cultural heritage. Opportunities are sought for contributing to sustainable community development.

Performance Requirements

- 8.1 Systems are in place to ensure that employees and contractors are familiar with the BHP Billiton Guide to Business Conduct and abide by the requirements.
- 8.2 Systems are in place to ensure that the Articles of the United Nations Universal Declaration of Human Rights are assessed, prioritised and implemented as they apply to the organisation's sphere of influence. Employees and contractors receive training to ensure they are familiar with and abide by the Articles relevant to their activities.
- 8.3 Where security personnel are required, systems are in place to ensure they are familiar with and operate in accordance with the US-UK Voluntary Principles on Security and Human Rights.
- 8.4 Where involuntary resettlement cannot be avoided, plans consistent with the World Bank Operational Directive on Involuntary Resettlement are developed and implemented.
- 8.5 Local and indigenous communities, and their traditional and cultural heritage values potentially affected by BHP Billiton operations, are identified, and strategies developed to address their concerns.
- 8.6 Systems are in place to work with local communities to identify needs and aspirations, and prioritise support for sustainable community development and poverty alleviation initiatives where relevant.
- 8.7 Where plant and equipment is installed as part of community development programs, consideration is given to the provision of appropriate technology and training in its use, and the local capacity for ongoing care and maintenance.
- 8.8 Consideration is given to the particular training needs of local communities that facilitate employment or enhance skills, taking into account cultural traditions and sensitivities.

8.1, 8.2, 8.3, 8.5, 8.6, 8.8 aligned with Business Excellence criteria.

DESIGN, CONSTRUCTION AND COMMISSIONING

Intent

Management of HSEC risks and opportunities is an integral part of all projects through design, approval, procurement, construction and commissioning.

Performance Requirements

- 9.1 Toll-gate and associated due diligence processes assess the quality of HSEC risk assessment and management strategies as part of project approval.
- 9.2 Learnings from previous projects, current operations and other relevant sources are taken into account in project development to improve HSEC performance. Consideration is given to innovative design and practices.
- 9.3 Technical standards for design, construction and commissioning are compliant with legislation, relevant industry codes and standards, and utilise sound engineering practice and risk management principles.
- 9.4 The design and selection of new plant, equipment and processes, that BHP Billiton can control or influence, takes into account known and projected HSEC and life of asset requirements, provision for decommissioning, disposal and closure.
- 9.5 Design reviews for constructability, operability and maintainability of new plant, equipment and systems ensure that HSEC risks and other considerations are effectively identified, addressed and documented.
- 9.6 Development projects have a documented project management system that ensures that design and procurement specifications are met, and construction, commissioning and handover are in accordance with approved standards and procedures.
- 9.7 Critical equipment, systems, procedures and activities are identified and documented prior to commissioning.
- 9.8 A commissioning plan is documented and approved that incorporates HSEC risk management, defines responsibilities and competencies and ensures that the facility conforms to the required standards for operability.
- 9.9 Pre- and post-start up reviews are carried out and documented for newly installed and modified plant and equipment to confirm that construction is in accordance with design codes and standards and all required verification is complete.

9.1, 9.2, 9.3, 9.4, 9.5, 9.6, 9.7, 9.8, 9.9 aligned with Business Excellence criteria.

OPERATIONS AND MAINTENANCE

Intent

All plant and equipment is operated, maintained, inspected and tested using systems and procedures that manage HSEC risks.

Performance Requirements

- 10.1** Systems and procedures are established, implemented and maintained to ensure that operations and maintenance activities are managed to minimise HSEC risks and impacts. The systems and procedures are documented to control situations where their absence could lead to deviation from the Sustainable Development Policy, these Standards, plans, goals and/or targets.
- 10.2** Systems, procedures and work practices are reviewed regularly to ensure that they continue to be applicable, relevant, and effective in controlling the risks for which they were developed or intended.
- 10.3** Design data and operating limits are documented, understood and available for all facilities and are regularly reviewed throughout the life of the plant and equipment.
- 10.4** Key operating parameters are measured, monitored, analysed and reviewed.
- 10.5** Proposals to modify operating or design limits are subject to change management processes.
- 10.6** Critical equipment, systems, procedures and activities are identified and documented.
- 10.7** Risks introduced by simultaneous operations are assessed and managed.
- 10.8** Systems are established, documented and maintained to ensure the ongoing integrity of plant and equipment. These include procedures for maintenance, inspection, testing, calibration and certification of equipment at frequencies appropriate for the level of risk associated with the equipment, legal and manufacturers' requirements. Associated records are kept.
- 10.9** Critical equipment that is newly installed, or is out of service for maintenance or modification, is subject to documented inspection and testing prior to use to ensure operational integrity is maintained.
- 10.10** Systems are in place to test and maintain the availability and effectiveness of protective systems.
- 10.11** Systems are in place to manage and formally document the application of the isolation and temporary deactivation of safety and protective systems through the use of overrides and inhibits.

10.1, 10.2, 10.3, 10.4, 10.5, 10.6, 10.7, 10.8, 10.9, 10.10, 10.11 aligned with Business Excellence criteria.

SUPPLIERS, CONTRACTORS AND PARTNERS

Intent

The contracting of services, the purchase, hire or lease of equipment and materials, and activities with partners, are carried out so as to minimise any adverse HSEC consequences and, where possible, to enhance community development opportunities.

Performance Requirements

- 11.1** Suppliers, contractors and partners are subject to risk-based HSEC evaluation prior to contractual arrangements being established, taking into account the nature of their products, activities or services and previous HSEC performance.
- 11.2** Contracts include appropriate HSEC obligations specifically requiring contractors to implement systems that address these Standards, the management of HSEC risks and compliance with relevant HSEC legislation. The consequences of non-compliance are stipulated.
- 11.3** Business partners, suppliers of goods and services, and customers are encouraged to establish and maintain systems consistent with these Standards.
- 11.4** Reporting relationships, lines of communication, responsibilities, accountabilities and system interfaces for HSEC are established and documented between suppliers, contractors or partners and BHP Billiton.
- 11.5** As part of the broader contractor management system, processes are in place that ensure the HSEC performance of suppliers, contractors and partners, and their compliance with the HSEC obligations specified in their contracts, are monitored and reported.
- 11.6** Prior to purchase, hire or lease, the HSEC specifications of equipment or materials that have potential HSEC impacts, are reviewed and documented to verify suitability for the intended use and to prevent the introduction of significant HSEC risks.
- 11.7** Suppliers and contractors provide information on the hazards associated with their equipment, products and services, prior to delivery or commencement of works, and whenever changes occur.
- 11.8** Consideration is given to creating business opportunities for local suppliers and contractors, and supporting their ability to fulfil the requirements of these Standards.

11.2, 11.3, 11.4, 11.5, 11.7, 11.8 aligned with Business Excellence criteria.

STEWARDSHIP

Intent

The lifecycle HSEC impacts associated with resources, materials, processes and products are minimised and managed.

Performance Requirements

- 12.1 Initiatives are identified and implemented to use raw materials and natural resources efficiently.
- 12.2 Initiatives are identified and implemented to reduce the environmental impact of operations. Programs are implemented to protect, manage and, where appropriate, enhance biodiversity values.
- 12.3 Sites develop, implement and maintain land management plans, water management plans, energy conservation plans and greenhouse gas management programs, as required.
- 12.4 Existing and new products and services are assessed for their potential to provide HSEC benefits or cause adverse HSEC impacts over their lifecycle.
- 12.5 Opportunities are sought to conduct or support research and innovation that promotes the use of products and technologies that are safe and efficient in their use of energy, natural resources and other materials.
- 12.6 Programs are in place to ensure that wastes are eliminated, reduced, reused, recycled, treated, or properly disposed. Records are kept to ensure that all wastes can be tracked from source to disposal, and waste receiving facilities are audited to ensure conformance to appropriate waste standards.
- 12.7 Advice is made available to employees, contractors, distributors, customers and the community regarding the possible HSEC impacts associated with the production, transport, storage, use, recycling and disposal of BHP Billiton products.
- 12.8 Systems are in place to identify, evaluate and respond to HSEC-related external influences (e.g. customer needs and expectations, regulations, voluntary standards and competitor initiatives) that could impact on BHP Billiton products and business activities.
- 12.9 Closure plans are established, costed, documented and annually reviewed in accordance with the requirements of the Closure Standard. Consideration is given to how these plans translate into current operational decisions.

12.1, 12.2, 12.3, 12.4, 12.5 12.6, 12.7, 12.8, 12.9 aligned with Business Excellence criteria.

13

INCIDENT REPORTING AND INVESTIGATION

Intent

HSEC incidents, including near misses, are reported, investigated and analysed. Corrective and preventive actions are taken and learnings shared.

Performance Requirements

- 13.1** Systems are in place for the timely reporting, investigation, mitigation and appropriate communication of all HSEC incidents and near misses.
- 13.2** The reporting of near misses is promoted as a desired HSEC behaviour.
- 13.3** Incident investigation processes include the identification and documentation of all the factors and underlying causes that contributed to the incident, the controls that were intended to prevent it and analysis of any failures in the controls.
- 13.4** Incident investigations identify and prioritise corrective and preventive actions, aimed at eliminating or reducing the risk and recurrence of incidents and near misses. Systems are in place to ensure that these actions, including changes in procedures, are documented, communicated, followed up and completed.
- 13.5** In the event of a significant incident, systems ensure that associated work does not resume until actions have been taken to reduce the risk of recurrence, and authorisation is given at the appropriate level.
- 13.6** Information gathered from incident investigations is analysed to identify lessons and monitor trends, and reported to management to improve standards, systems and practices. Learnings are shared across the organisation and with stakeholders and others as appropriate.

13.1, 13.2, 13.3, 13.4, 13.5, 13.6 aligned with Business Excellence criteria.

14

CRISIS AND EMERGENCY MANAGEMENT

Intent

Procedures and resources are in place to effectively respond to crisis and emergency situations.

Performance Requirements

- 14.1** Systems are in place to identify potential emergency situations and their impacts, including those associated with neighbouring activities.
- 14.2** Plans that define responses (including the mitigation of HSEC impacts) to foreseeable emergency scenarios are documented, accessible, communicated and reviewed. The plans define roles and responsibilities for employees and contractors.
- 14.3** Emergency response plans are aligned with the BHP Billiton Crisis and Emergency Management system, the Company business continuity requirements, and external response organisations, taking into account their response capabilities.
- 14.4** Resources, including equipment and warning devices, required for emergency response and ongoing recovery activities, are identified, maintained, tested and available.
- 14.5** Employees, contractors, visitors and external stakeholders as appropriate, are trained in and understand the emergency response plans, their roles and responsibilities, and the use of emergency response resources.
- 14.6** Emergency response drills and exercises are scheduled and conducted regularly, including liaison with and involvement of external response organisations and other stakeholders as appropriate.
- 14.7** Learnings from emergency response drills, exercises and incidents are documented, incorporated into revisions of plans and resources, and shared with stakeholders and others as appropriate.

14.1, 14.3, 14.6, 14.7 aligned with Business Excellence criteria.

MONITORING, AUDIT AND REVIEW

Intent

HSEC performance and systems are monitored, audited and reviewed to identify trends, measure progress, assess conformance and drive continual improvement.

Performance Requirements

- 15.1 HSEC performance is regularly measured, monitored, recorded and analysed with results reported to stakeholders and others as appropriate.
- 15.2 Sites conduct HSEC inspections and audits at frequencies appropriate to the level of HSEC risk, and report results to stakeholders as appropriate. Audits are conducted that ensure appropriate objectivity and impartiality.
- 15.3 Annual self assessments are conducted at each site to establish the extent of conformance with the Fatal Risk Control Protocols. Improvement plans are prepared and executed to address non-conformities.
- 15.4 Annual self assessments are conducted at each site to establish the extent of conformance with these Standards (unless a Corporate audit is conducted within the same reporting year). Performance improvement plans are prepared and executed to address non-conformities.
- 15.5 Systems are in place to identify, report, respond to and manage non-conformities and improvement opportunities. Non-conformities are investigated, and corrective and preventive actions implemented and their effectiveness reviewed to avoid recurrence.
- 15.6 Annual management reviews are conducted to determine the continuing suitability, adequacy and effectiveness of HSEC management systems. Information reviewed includes audit results, incident reports, performance reports and relevant views from stakeholders. Reviews are documented, including observations, conclusions, recommendations and follow-up.
- 15.7 Corporate audits are conducted every three years at all sites and organisational levels to establish the extent of conformance with these Standards. Audits may be more frequent depending on the organisation's HSEC risk profile and performance history. Audit teams comprise auditors who are independent of the part of the organisation being audited. Performance improvement plans are prepared and executed to address non-conformities.
- 15.8 The Sustainable Development Policy and these Standards are reviewed at least every three years and revised as required.

15.1, 15.2, 15.3, 15.4, 15.5, 15.6, 15.7 aligned with Business Excellence criteria.

DEFINITIONS

The following are definitions of terms used in the BHP Billiton HSEC Management Standards:

Accountability: Responsibility assigned to a person or group for some obligation or the performance of an activity, for which the accountable person (or group) is answerable for its implementation.

'As built' process: A process for identifying, and carrying out, updates of design documentation and data (including, but not limited to, specifications, calculations, drawings, sketches, operating and maintenance manuals, etc) to reflect the final as-installed and operating configuration.

Assessment: A systematic and documented review of the effectiveness of implementation of HSEC processes, programs and procedures, based on general process criteria and the professional judgment of experienced assessors.

At-risk behaviour: Conduct (whether witnessed or not) that unnecessarily increases the likelihood of injury.

At-risk situation: A physical situation in the workplace that may lead to an incident or injury if not corrected.

Audit: A systematic, independent and documented process for obtaining audit evidence and evaluating it objectively to determine the extent to which the management systems audit criteria set by the organisation are fulfilled.

Audit criteria: Set of policies, procedures or requirements against which collected audit evidence is compared to evaluate the effectiveness of the management system.

Audit evidence: Records, statements of fact or other information, which are relevant to the audit criteria and verifiable.

Biodiversity: The variability among living organisms from all sources including, amongst other things, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems.

Change: A deviation, either permanent, temporary, or incremental, from a currently established baseline, or anything that is or may be substituted for something else. This includes changes to personnel, processes, systems, plant and equipment, technology, documents, risks, legislation, commitments, obligations, other requirements, and external environmental, physical and social factors affecting or affected by the organisation.

Change management: The systematic process for dealing with change to manage HSEC risk.

Closure: The process and activities related to the cessation of the operating life of an operation following a decision to close the operation which ends following decommissioning, rehabilitation and, if required, remediation.

Community: The BHP Billiton internal community including employees and contractors, and the external community including host communities, Indigenous communities, non-government organisations, governments, business partners, suppliers and other key stakeholders. Under the terminology used in these Standards, 'community' also includes consideration of human rights related issues.

Competency: A combination of attributes such as knowledge, skills, abilities and attitudes providing adequate assurance of successful performance.

Compliance register: An up-to-date documented record of the regulatory and other requirements applicable to an operation.

Consequence: Outcome or impact of an event.

Constructability review: The process undertaken during the design, development and erection of an installation that optimises the required plant assembly, erection, erection skill levels, duration and logistic costs within predetermined HSEC and quality requirements during the construction of the plant. This is conducted concurrently as the design progresses and is supplemented by facilitated formal review.

Continual improvement: A process of enhancing performance and management systems, not necessarily in all areas simultaneously.

Contractor: An individual, company or other legal entity that carries out work or performs services pursuant to a contract for service. This includes sub-contractors.

Controlled documents: Controlled documents are those that are pertinent to the HSEC management system, effective planning, operation and control of risks, and in existence to ensure continual improvement. These documents, can be internal or external, and must be current, uniquely identifiable, revised (with changes and revision status recorded) and can only be changed through a formalised change process, assuring that only the current versions are available to users. Document control includes the prompt removal of obsolete documents to avoid their unintended use.

DEFINITIONS CONTINUED

Core elements: Examples of management system core elements include the Sustainable Development Policy, the defined scope, continual improvement goals, audit programs, risk registers and controlled documents.

Corrective action: An action implemented to eliminate the cause of a non-conformity or incident in order to prevent recurrence. The corrective action is commensurate with the severity of the non-conformity or incident.

Crisis: An actual or potential threat to BHP Billiton's long-term ability to do business due to the impact on safety of employees and contractors or the public, the environment, operability and assets, image and reputation, or liability.

Critical activity: An activity or activities where conduct outside expected performance has the potential to result in a Major Accident Event.

Critical equipment: A piece of equipment or a structure whose failure, or not performing to design specification, has the potential to result in a Major Accident Event.

Critical equipment register: A concise summary of all critical equipment that includes its design function (including operating limits), a unique identification, required performance standards (e.g. minimum reliability) and maintenance requirements.

Critical procedure: A procedure (or step in a procedure), divergence from which has the potential to result in a Major Accident Event.

Critical system: A system (hardware or software, including human behaviour) whose operation outside expected performance has the potential to result in a Major Accident Event.

Culture: The whole complex of distinctive spiritual, material, intellectual and emotional features that characterise a society or social group.

Design data: Any information used during, or as a record of, the development of a facility that defines the resource, process, product, equipment, operation, layout or control of the facility. This may include, but not be limited to: basis of design, process flow diagrams, piping and instrumentation drawings, models, plans, single line diagrams, isometrics, construction drawings, operations and control philosophies, layout drawings, design calculations, site data, design standards, specifications (including for feed/feedstock and product), design data sheets, process media, materials, cause and effect diagrams, fire and safety studies, manufacturers' data, manufacturers' operating and maintenance manuals, emergency shutdown sequences and critical equipment registers.

Diversity: BHP Billiton's approach to workplace diversity involves ensuring that employment practices do not discriminate on the basis of race, colour, sex, national origin, age, disability, personal associations, religion, political beliefs, union membership, marital status, sexual orientation, pregnancy, family responsibilities, and other factors unrelated to the ability of the applicant to undertake the work. In some instances, affirmative action strategies may be required to redress legacies from practices that may have disadvantaged some sectors of society (e.g. establishment of targets and employment strategies to boost indigenous employment).

Documents: Structured units of recorded information, published or unpublished, in physical or electronic form, managed as discreet units in the HSEC management system. Most records are documents; but not all documents are records. A document becomes a record when it is part of a business transaction, is kept as evidence of that transaction and is managed within a record keeping system.

Due diligence: A systematic, comprehensive and verifiable approach to the management of HSEC issues, which is based on an assessment of their likely risks, potential legal liabilities and costs arising from the issues, and is reasonably designed and operated to control and reduce those risks and prevent those liabilities from being incurred.

Emergency: An abnormal occurrence that can pose a threat to the safety or health of employees, customers, or local communities, or which can cause damage to assets or the environment.

Employee: An individual who works for BHP Billiton under a contract of employment.

Employee Assistance Program: A program to provide access to confidential, objective and skilled assistance with solving work and non-work related problems that may impact on work performance or the work situation.

Environment: Surroundings in which BHP Billiton operates, including air, water, land, natural resources, flora, fauna, habitats, ecosystems, biodiversity, humans (including human artefacts, culturally significant sites and social aspects) and their interaction. The environment in this context extends from within an operation to the global system.

Event: Occurrence of a particular set of circumstances.

Fatal Risk Control Protocol: Mandatory to all BHP Billiton sites and operations, these documents address specific areas (e.g. hazardous materials management, molten materials management, surface mobile equipment, etc) where it is important that activities are carried out consistently across BHP Billiton.

Goal: A long-term strategic position that has been established that must be attained to satisfactorily manage an HSEC issue.

Guideline: Advisory documents to provide BHP Billiton businesses with guidance on the effective implementation of these Standards.

Harm: A significant and/or long-lasting adverse impact on people, the environment or the community.

Hazard: A source of potential harm, injury or detriment.

Hazardous materials: Substances that have the potential to pose a significant risk to the health and safety of people or the environment.

Hierarchy of control: A series of controls, which should be applied in the following order (a number of these options may be considered and applied individually, or in combination):

Eliminate – the complete elimination of the hazard

Substitute – replacing the material or process with a less hazardous one

Redesign – redesigning the equipment or work processes

Separate – isolating the hazard by guarding or enclosing it

Administrative – providing controls such as training, procedures, etc

Personal Protective Equipment/Pollution Control Device – using properly fitted PPE and/or appropriate pollution control equipment where other controls are not practicable; PPE and pollution control devices includes impact minimisation equipment such as spill clean up material or dust suppression measures.

Human rights: The basic standards of treatment to which all people are entitled, regardless of nationality, gender, race, economic status or religion. While human rights principles were originally intended to limit government action towards individuals or groups, many relate directly or indirectly to private sector actions.

Imminent risk: An event or scenario that may occur at any moment that could lead to a significant incident.

Impact: Any change to the health and safety of people, the environment, the community or property, whether adverse or beneficial, wholly or partially resulting from an organisation's activities, products or services.

Incident: Any occurrence that has resulted in, or has the potential to result in (i.e. a near miss), adverse consequences to people, the environment, property, reputation or a combination of these. Significant deviations from standard operating procedures are also classed as an 'incident'. Ongoing conditions that have the potential to result in adverse consequences are considered to be incidents.

Indigenous peoples: Those people who are the descendants of the original inhabitants of a country or region, with a distinct social or cultural identity that may be vulnerable or disadvantaged in the current social and economic context.

Influence: Where BHP Billiton management can exert pressure to improve HSEC performance through involvement in the activity but may not be the operator or have the contractual ability to enforce the HSEC Management Standards.

Likelihood: A description of probability or frequency, in relation to the chance that something will occur.

Maintainability review: The process undertaken during the design, development and manufacture of an installation that reduces the required maintenance effort and time, repair skill levels, logistic costs and support facilities to ensure that the installation meets the requirements for its intended use within predetermined HSEC requirements over the life of the plant. This is conducted concurrently as the design progresses and is supplemented by facilitated formal review.

Major Accident Event: Any incident with the potential to lead to any of the following:

- A fatality
- Serious environmental effects, including impairment of ecosystem function
- Ongoing significant social issues
- Significant adverse attention from national media or non-government organisations (NGO), or loss of licence to operate.

Management system: Management processes and documentation that collectively provide a systematic framework for ensuring that tasks are performed correctly, consistently and effectively to achieve a specified outcome and to drive continual improvement in HSEC performance. A systems approach to management requires: an assessment of what needs to be done; planning to achieve the objective; implementation of the plan; and review of performance in meeting the set objectives. A management system also considers employees and contractors, and resource and documentation requirements.

Manager: Any BHP Billiton employee or contractor who has other persons reporting to him or her, or who has the authority to allocate resources.

Near miss: A near miss is any occurrence or a situation which potentially could have caused adverse consequences to people, the environment, property, or reputation, or a combination of these but which did not.

Non-conformity: A non-fulfilment of a requirement of policies, standards, procedures, systems, or regulation(s).

Operability review: The process undertaken during the design, development and manufacture of an installation that reduces the required operational skills levels and logistic costs whilst increasing process reliability, profitability and availability within predetermined HSEC requirements over the life of the plant. This is conducted concurrently as the design progresses and is supplemented by facilitated formal review.

Partners: Includes joint venture partners and Government agencies, and other stakeholders executing projects or programs of work with BHP Billiton, excluding contractors.

Participation: A process through which stakeholders influence and share control over initiatives, decisions and resources which affect them. Participation can take different forms, from a base level of information sharing and consultation, to advanced mechanisms of collaboration and empowerment that gives stakeholders more influence and control.

Personnel: People engaged in work for, and on behalf of, BHP Billiton, including employees, people on temporary contracts and contractors.

Practicable: The extent to which actions are technically feasible, in view of cost, current knowledge and known best practices.

Preventive action: An action implemented to prevent the occurrence of a non-conformity or incident. The preventive action is commensurate with the severity of the potential non-conformity or incident.

Procedure: A specified way to carry out an activity or a process. Procedures can be documented or not. Note that a BHP Billiton Procedure is mandatory to all BHP Billiton sites and operations; these documents address specific areas (e.g. corporate performance reporting, risk management, incident investigation, etc) where it is important that activities are carried out consistently across BHP Billiton.

Product: Articles, materials and wastes arising from the processes and activities of the site.

Records: Recorded information, in any form, created or received and maintained by an organisation or person in the transaction of business or the conduct of HSEC affairs, and kept as evidence of such activity. An electronic record occurs where the above is represented in a form suitable for retrieval, processing and communication by a computer. Records are distinguished from other documentary forms such as information by their intrinsic relationship to the business or HSEC activity they represent. This relationship is essential to defining a record and is only possible when the links between content, structure and context exist. A record is created; a record cannot be rendered. Records can include but are not limited to HSEC monitoring results, evidence of training, audit/self assessment/inspection findings and calibration reports.

DEFINITIONS CONTINUED

Resources: Resources may include human resources and specialised skills, organisational infrastructure, plant, equipment, technology and financial resources.

Risk assessment: The systematic evaluation of the degree of risk posed by an activity or operation. The process of using the results of risk analysis to rank and/or compare them with acceptable risk criteria or goals.

Risk management: The systematic approach to establishing the context of a situation, hazard identification, risk analysis, risk evaluation, determining whether the risks are acceptable, and the ongoing treatment of risks through the application of management policies, processes and procedures.

Risk: Exposure to the consequences of uncertainty. It has two dimensions: the likelihood of something happening and the consequences if it were to happen.

Scope: Defines the boundaries within which the HSEC management system applies. It covers the extent and opportunity to manage a controlled operation or activity in accordance with the Sustainable Development Policy and the associated nature, scale and HSEC impacts. It includes the area covered by the operation or activity, and/or in which the operation or activity has influence or control.

Self assessment: An internal review of systems, procedures, information, practices or facilities carried out by an operation to confirm compliance with regulated or other requirements, to ensure that operating procedures are being followed or to provide assurance to BHP Billiton that corporate standards are being implemented and are effective.

Significant incident: A significant (HSEC) incident is any occurrence that has resulted in or had the potential to result in the descriptions outlined in the shaded areas of the Consequence Severity Table contained in the BHP Billiton HSEC Reporting Manual.

Significant risk: A risk that causes or has the potential to cause impact or harm that could result in a significant incident.

Simultaneous operations (SIMOPS): Any instance where work activity at a particular location has the potential to impact on, or be impacted by, other activities at the location at the same time, including existing operations at the location. Examples include construction or demolition activities within or adjacent to operating plant, more than one maintenance activity being scheduled for the same time and the use of a drilling or workover rig on an existing installation.

Site management: The person or persons with overall control for the management and direction of an operation, activity, project or venture.

Sphere of influence: The term used to describe the degree of influence BHP Billiton has with regards to human rights across its various stakeholder relationships (e.g. Company-wide, business, site, and project). In broad terms there are two levels of influence as they apply to BHP Billiton:

1. Direct control and responsibility for human rights, such as for employees and contractors
2. Influencing and contributing to the realisation of human rights in conjunction with others, such as with suppliers.

However, it is recognised in certain circumstances it also may be appropriate to contribute to the promotion of human rights, with, for example, host governments.

Stakeholder: Any person, organisation or interested party that has an impact on, or is impacted by, the Company. Stakeholders also include those people who have an interest, not necessarily financial, in the Company. Stakeholders typically include people within the following categories: employees, shareholders, communities (local, regional national, and international), neighbours, customers, suppliers, contractors, media, government and regulatory authorities, non-government organisations, special interest groups, and other businesses and associations.

Standard: Mandatory at all BHP Billiton sites and operations and forms the basis for the development and application of HSEC management systems at all levels of BHP Billiton.

Stewardship: A holistic approach to identify, manage and reduce the lifecycle HSEC impacts relating to BHP Billiton resources, processes, materials and products, including the involvement and sharing of responsibility with suppliers and customers, where appropriate.

Supplier: A business entity that provides goods and/or services integral to, and utilised in/for the production of BHP Billiton products and services.

Sustainable development: Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

System: A set of arrangements, responsibilities and authorities aimed at ensuring the achievement of defined outcomes.

Target: Detailed performance requirements, quantified whenever practicable, that arise from objectives and are set in order to achieve the objectives.

Toll-gate: A review system or procedure that must be satisfied before proceeding to the next stage of a project or process.

Toolkits: Provide practical assistance in meeting the requirements of these Standards, Procedures and Guidelines.

Underlying cause: The cause of the incident (not the direct cause) that, if rectified, will prevent the recurrence of not just incidents with those exact circumstances, but others with similar causes. When applied to successes, it can elicit the actions required to emulate and repeat the success. (Underlying cause is sometimes referred to as root cause.)

Visitor: A person visiting a BHP Billiton site who is not a BHP Billiton employee or contractor at that site.

Work-related (occupational) illness: Any abnormal condition or disorder, other than one resulting from a work-related (occupational) injury, caused by exposures to factors associated with employment.

It includes acute or chronic illnesses or diseases, which may be caused by inhalation, absorption, ingestion or direct contact.

RELEVANT DOCUMENTATION

External Documents

- Relevant and applicable local legislation
- ISO 14001
- OHSAS 18001
- SA 8000
- ISO 9000
- International Council on Mining and Metals (ICMM) Sustainable Development Framework
- Minerals Council of Australia '*Enduring Value – The Australian Minerals Industry Framework for Sustainable Development*'
- United Nations Universal Declaration of Human Rights
- US-UK Voluntary Principles on Security and Human Rights
- World Bank Operational Directive on Involuntary Resettlement
- United Nations Global Compact

BHP Billiton Documents

Copies of BHP Billiton-wide documents, including HSEC procedures, protocols, guidelines and toolkits, that are related directly or indirectly, to these HSEC Management Standards, can be found on the BHP Billiton intranet at <http://bhpbilliton.net/default.asp>. A summary of pertinent references is provided below.

BHP Billiton Website:

- Charter <http://bhpbilliton.com/bb/aboutUs/charter.jsp>
- Sustainable Development Policy <http://bhpbilliton.com/bb/sustainableDevelopment/home.jsp>
- Guide to Business Conduct <http://bhpbilliton.com/bb/peopleAndEmployment/globalBusinessConductGuide.jsp>

BHP Billiton Intranet:

- Charter <http://bhpbilliton.net/default.asp?content=/repository/companyInfo/commonStandards/charter/charter.asp>
- Sustainable Development Policy
- HSEC Procedures, Protocols, Guidelines and Toolkits
- Fatal Risk Control Protocols
- Closure Standard

The above references can be located from the Zero Harm website <http://hsec.bhpbilliton.net/bb/home/homeContent.asp>

- Guide to Business Conduct <http://bhpbilliton.net/default.asp>
- Anti-Trust Protocols <http://legal.bhpbilliton.net/bb/home/home.asp>
- Business Continuity Contingency <http://raa.bhpbilliton.net/bb/home/home.asp>
- Enterprise-Wide Risk Management Policy and Standards <http://raa.bhpbilliton.net/bb/home/home.asp>
- Crisis and Emergency Management Organisation <http://assetprotection.bhpbilliton.net/main/home.asp>
- Investment Process Manual <http://im.bhpbilliton.net/index.asp>
- Records Disposal Manual <http://bhpbilliton.net/default.asp?content=/repository/ourBusiness/services/archives/archives.asp>

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