

Our stakeholders

Identifying and engaging stakeholders

BHP Billiton defines key stakeholders as those who are adversely or positively impacted by our operations, those who have an interest in what we do or those who have an influence over what we do.

All BHP Billiton sites are required to identify their key stakeholders and consider their expectations and concerns for all operational activities, across the life cycle of operations. Sites are also required to specifically consider any minority groups (such as Indigenous groups) and any social and cultural factors that may be critical to stakeholder engagement. A regular review process is also a central requirement of stakeholder identification, to ensure that all appropriate groups and individuals are effectively identified and suitably engaged.

Our methods of engagement with the Group's key stakeholders are outlined below.

Business partners

Our business partners include those organisations with which we have joint venture arrangements.

Key interests and concerns	Engagement methods
That suitable governance mechanisms are in place to ensure financial returns are delivered and that non-financial risks are sufficiently mitigated.	<ul style="list-style-type: none"> Joint venture boards and operating committees. Publishing of annual financial and sustainability reports. Joint venture partner participation in HSEC audit programs.

Customers

Our customers are typically other large organisations.

Key interests and concerns	Engagement methods
<ul style="list-style-type: none"> Reliability and supply. Product quality, cost and delivery. The full life cycle impacts of our products and the downstream products made using BHP Billiton materials. Materials and resource efficiency and the management of final waste materials. 	<ul style="list-style-type: none"> Regular communications with BHP Billiton's Marketing group. Technical support to assist with product utilisation, either in terms of process efficiency or product handling. Product information, including material safety data sheets. Visits to operating sites. Technology exchanges with operating sites. Participation in a range of stewardship initiatives such as the Council for Responsible Jewellery Practices, the Green Lead™ Project and the World Nuclear Association Uranium Stewardship Working Group.

Employees and contractors

Our workforce is large and diverse, with employees and contractors in more than 25 countries.

Key interests and concerns	Engagement methods
<ul style="list-style-type: none"> Health and safety of themselves and their fellow workers. Working conditions. Career development opportunities. Those living in towns near operations may also have broader concerns aligned with those of neighbouring communities, including local employment, business creation and social infrastructure, schooling and health care. In many remote communities, quality of housing is an aspect key to employee attraction and retention. 	<ul style="list-style-type: none"> Regular performance reviews and employee perception surveys. Direct communication with employees through immediate supervisors and management. Site-based and corporate newsletters and general communications. BHP Billiton intranet. Site-based and corporate sustainability reports. Business Conduct Advisory Service. Participation in site HSEC performance improvement initiatives.

Our stakeholders continued

Government (including regulators)

We engage with governments across local, regional, national and international levels.

Key interests and concerns	Engagement methods
<p>National, regional or local legislative and regulatory policy frameworks for the natural resources sector through the full project life cycle.</p> <p>Market access, product stewardship, environmental performance, social policy and fiscal regimes applicable to the resources sector.</p>	<p>We respect the authority of governments. Our operations are required to work within relevant legislative frameworks at the local, regional, national and international levels.</p> <p>BHP Billiton will express its views to governments on subjects that affect the Group's interests and operations. This must be done in a manner that adheres to high standards of ethics and complies with the letter and spirit of the law.</p> <p>We will not make political contributions in cash or in-kind anywhere in the world and will not participate directly in the activities of political parties.</p> <p>Group representatives attend selected events such as political party conventions for the purpose of better understanding the implications of public policy development on business operations.</p> <p>Employees may participate in political processes as individuals, provided it is made clear that in doing so they are not representing BHP Billiton.</p>

Industry associations

Industry associations include commodity-specific associations as well as sector-specific associations at national and international levels.

Key interests and concerns	Engagement methods
<p>A diverse range of issues relating to the sector or a specific commodity. For example: environmental legislation, safety standards and promotion of leading practice.</p>	<p>BHP Billiton representation on specific committees and engagement through specific projects with industry associations both nationally and internationally, such as the Minerals Council of Australia and the International Council on Mining and Metals.</p>

Investment community

These stakeholders include mainstream financial analysts, Socially Responsible Investment (SRI) analysts who advise existing and potential shareholders on our performance, and Corporate Governance analysts who work for or advise existing and potential shareholders. These analysts are located globally.

Key interests and concerns	Engagement methods
<p>Closely aligned to shareholder interests, including good financial returns and strong Group performance and governance.</p> <p>Increasingly, non-financial performance such as better governance mechanisms and non-financial risks and mitigation.</p>	<p>Regular communications from Investor Relations & Communications group to mainstream investment organisations.</p> <p>Regular communications from our Sustainable Development group to SRI analysts.</p> <p>Regular communications from our Company Secretariat group to Corporate Governance analysts.</p> <p>Analyst briefings of key issues (subject to applicable laws), including briefings for SRI and mainstream analysts with a particular interest in the environmental and social performance of the Company, and dialogue on key sustainability issues with a range of stakeholders, including the SRI and mainstream investment community.</p> <p>Printed reports (e.g. the Sustainability Summary Report).</p> <p>BHP Billiton participation in external benchmarking initiatives by the SRI and Corporate Governance sectors.</p>

Our stakeholders continued

Local and Indigenous communities

Most of our operations are located in rural and remote areas. We, therefore, have a broad spectrum of local and Indigenous community interests and concerns of which we need to be mindful.

Key interests and concerns	Engagement methods
<p>Potential environmental and social impacts associated with our operations.</p> <p>Ensuring opportunities presented by our operations are optimised (for example maintaining sustainable community development opportunities post mine closure).</p> <p>Results from stakeholder perception surveys regularly conducted by operations rate local employment and business creation, support for social infrastructure and programs, a desire for improved community engagement mechanisms and improved environmental performance as one of local communities' most important interests and concerns.</p>	<p>Community consultation and engagement groups.</p> <p>Participation in BHP Billiton activities.</p> <p>Newsletters and targeted communications.</p> <p>Community perception surveys.</p> <p>Support through local foundations (Chile, Peru, South Africa, Colombia and Mozambique).</p> <p>Other site-specific engagement developed as part of site community relations plans.</p> <p>In conjunction with the development of community relations plans, sites are required to develop suitable engagement mechanisms with their host communities.</p>

Media

The media include representatives of print, radio, online and television media.

Key interests and concerns	Engagement methods
Broad range of issues reflecting all stakeholder interests.	Media releases, briefings, presentations, and interviews.

Non-government organisations

Non-government organisations with which we typically engage include environmental, social and human rights organisations at local, national and international levels.

Key interests and concerns	Engagement methods
<p>Social and environmental performance of existing operations, proposed operations or closed operations.</p> <p>Increasingly, non-financial performance such as better governance mechanisms and non-financial risks and mitigation.</p>	<p>Each of our operations is required to identify relevant local non-government organisations and include mechanisms for engagement with them within the site's community relations plan.</p> <p>At the corporate level, we regularly engage with relevant national and international organisations.</p> <p>A number of major international non-government organisations are represented on our Forum on Corporate Responsibility.</p>

Shareholders

Our shareholder base is diverse, with significant holdings in Australia, Europe, South Africa and North America.

Key interests and concerns	Engagement methods
<p>The creation of shareholder value through a combination of consistent financial returns and a high level of governance.</p> <p>Increasingly, a desire to better understand governance mechanisms and the non-financial risks and mitigation measures of the organisation.</p>	<p>Annual General Meetings.</p> <p>Regular printed and electronic communications.</p> <p>All presentations to the investment community are accessible to all shareholders by accessing www.bhpbilliton.com.</p>

Suppliers

Our suppliers include businesses local to our operations as well as large international suppliers.

Key interests and concerns	Engagement methods
<p>Supply agreements and payment processes.</p> <p>Required supplier standards.</p>	<p>We perform a supplier segmentation based on a Corporate Social Responsibility risk assessment. Based on this segmentation, we define the appropriate engagement throughout the supplier life cycle.</p> <p>We require suppliers to identify potential HSEC risks associated with their operations and minimise any adverse consequences of these risks.</p> <p>We seek to utilise local suppliers and support these suppliers in enhancing community development opportunities.</p>

Our stakeholders continued

Unions

Labour unions are present at many of our operating sites and are represented at local, national and international levels.

Key interests and concerns	Engagement methods
Workers' rights and interests. Collective bargaining, health and safety, remuneration, work hours and fly-in/fly-out arrangements.	Direct communication with unions as required. We respect the right of all employees to freely choose to join labour unions. We have a mix of collective and individual work arrangements at our sites. Prospective employees are made aware of employment arrangements prior to joining the Group.