

# UN Global Compact Communication on Progress 2006

This progress assessment represents our judgement of how the principles of the UN Global Compact have been progressed through our policy and actions during the year. Refer to the items highlighted below for the particular document or a more detailed description of our performance in relation to the related UN Global Compact principle. Please contact the Company if you would like further information in relation to this assessment.

The Table below forms part of our 2006 Sustainability Report.

See link to the Report: <http://sustainability.bhpbilliton.com/2006/>

See link to the GC Navigator in the Report:  
<http://sustainability.bhpbilliton.com/2006/sustainability/about/gcNavigator/>

## Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

BHP Billiton Policies, Systems and Commitments	BHP Billiton actions and performance as referenced in 2006 Sustainability Report	GRI Indicator Reference
<a href="#">Sustainable Development Policy</a>	<a href="#">HSEC Targets Scorecard</a> No transgressions within the Group's activities of the principles embodied within the UN Universal Declaration of Human Rights were identified.	
<a href="#">Guide to Business Conduct</a>	<a href="#">Governance&gt;Our Performance&gt;Management Systems Review</a>	
<a href="#">HSEC Management Standards (PDF 284KB)</a>	We rolled out our revised Sustainable Development Policy and HSEC Management Standards and updated our supporting guidelines and procedures.	<a href="#">HR1</a>
<a href="#">HSEC Management Standard 8</a>	<a href="#">Governance&gt;Our Performance&gt;Audit and Self-Assessment</a>	<a href="#">HR2</a>
<a href="#">UN Universal Declaration of Human Rights</a>	Fifteen HSEC audits were conducted against the revised HSEC Management Standards during the reporting period.	<a href="#">HR3</a> <a href="#">HR4</a>
<a href="#">US-UK Voluntary Principles on Security and Human Rights</a>	<a href="#">Community&gt;Our Performance&gt;Human Rights</a> Human Rights Self-Assessment - implementation, 35 sites completed the self-assessment this year.	
<a href="#">World Bank Operational Directive on Involuntary Resettlement</a>	<a href="#">Governance&gt;Our Performance&gt; Business Conduct</a> The Guide to Business Conduct provides employees and contractors with direction and advice on carrying out business and interacting with governments, communities and business partners.	

## Case Studies

The selection of case studies illustrates how we have progressed with regards to upholding fundamental human rights across the areas of health, safety, environment, community and socio-economics.

### **Principle 2: Businesses should make sure their own corporations are not complicit in human rights abuses**

<b>BHP Billiton Policies, Systems and Commitments</b>	<b>BHP Billiton actions and performance as referenced in 2006 Sustainability Report</b>	<b>GRI Indicator Reference</b>
<a href="#">Sustainable Development Policy</a>	<a href="#">HSEC Targets Scorecard</a> No transgressions within the Group's activities of the principles embodied within the UN Universal Declaration of Human Rights were identified.	
<a href="#">Guide to Business Conduct</a>	<a href="#">Governance&gt;Our Performance&gt;Management Systems Review</a>	
<a href="#">HSEC Management Standards (PDF 284KB)</a>	We rolled out our revised Sustainable Development Policy and HSEC Management Standards and updated our supporting guidelines and procedures.	
<a href="#">HSEC Management Standard 8</a>	<a href="#">Governance&gt;Our Performance&gt;Audit and Self-Assessment</a>	
Human Rights Self-Assessment Toolkit	Fifteen HSEC audits were conducted against the revised HSEC Management Standards during the reporting period.	<a href="#">HR2</a> <a href="#">HR3</a>
<a href="#">UN Universal Declaration of Human Rights</a>	<a href="#">Community&gt;Our Performance&gt;Human Rights</a> Human Rights Self-Assessment - implementation, 35 sites completed the self-assessment this year.	
<a href="#">US-UK Voluntary Principles on Security and Human Rights</a>	<a href="#">Governance&gt;Our Performance&gt; Business Conduct</a> The Guide to Business Conduct provides employees and contractors with direction and advice on carrying out business and interacting with governments, communities and business partners.	
<a href="#">World Bank Operational Directive on Involuntary Resettlement</a>	<a href="#">Case Studies</a> The selection of case studies illustrates how we have progressed with regards to upholding fundamental human rights across the areas of health, safety, environment, community and socio-economics.	

**Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining**

<b>BHP Billiton Policies, Systems and Commitments</b>	<b>BHP Billiton actions and performance as referenced in 2006 Sustainability Report</b>	<b>GRI Indicator Reference</b>
<a href="#">Sustainable Development Policy</a>	<a href="#">Socio-Economic&gt;Our Performance&gt;Employee Relations</a> Employee relations arrangements at individual workplaces are required to respect local legislative requirements and other local standards and circumstances.	
<a href="#">Employment Principles</a>	All employees are free to join trade unions.	<a href="#">HR5</a>
<a href="#">Guide to Business Conduct</a>	<a href="#">Socio-Economic&gt;Our Performance&gt;Freedom of Association</a>	<a href="#">LA3</a> <a href="#">LA4</a>
<a href="#">Letter to UN Secretary General from Chip Goodyear (December 2003)</a>	49 per cent of the workforce was covered by collective bargaining agreements at operated sites and offices.  <a href="#">Socio-Economic&gt;Our Performance&gt;Remuneration</a>  All Company employees earned greater than the stipulated minimum wage in the countries in which they worked.	

**Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour**

<b>BHP Billiton Policies, Systems and Commitments</b>	<b>BHP Billiton actions and performance as referenced in 2006 Sustainability Report</b>	<b>GRI Indicator Reference</b>
<a href="#">Sustainable Development Policy</a>	<a href="#">Socio-Economic&gt;Our Performance&gt;Child and Forced Labour</a>	
<a href="#">Guide to Business Conduct</a>	We exclude the use of child labour and prohibit forced labour at our operations.  <a href="#">Socio-Economic&gt;Our Performance&gt;Remuneration</a>	<a href="#">HR7</a>
<a href="#">UN Universal Declaration of Human Rights</a>	All Company employees earned greater than the stipulated minimum wage in the countries in which they worked.	

**Principle 5: Businesses should uphold the effective abolition of child labour**

<p><b>BHP Billiton Policies, Systems and Commitments</b></p> <p><a href="#">Sustainable Development Policy</a></p> <p><a href="#">Guide to Business Conduct</a></p> <p><a href="#">UN Universal Declaration of Human Rights</a></p>	<p><b>BHP Billiton actions and performance as referenced in 2006 Sustainability Report</b></p> <p><a href="#">Socio-Economic&gt;Our Performance&gt;Child and Forced Labour</a></p> <p>We exclude the use of child and forced labour at our operations. The youngest employees were 16.5 years of age, working as apprentices/administrative trainees in our Australian operations.</p>	<p><b>GRI Indicator Reference</b></p> <p><a href="#">HR6</a></p>
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**Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation**

<p><b>BHP Billiton Policies, Systems and Commitments</b></p> <p><a href="#">Sustainable Development Policy</a></p> <p><a href="#">Employment Principles</a></p> <p><a href="#">Guide to Business Conduct</a></p> <p><a href="#">UN Universal Declaration of Human Rights</a></p>	<p><b>BHP Billiton actions and performance as referenced in 2006 Sustainability Report</b></p> <p><a href="#">Socio-Economic&gt;Our Performance&gt;Employee Profile</a></p> <p>Refer to our chart on Employee Numbers by Region.</p> <p><a href="#">Socio-Economic&gt;Our Performance- Diversity</a></p> <p>Approximately 12 per cent of full-time employees at operated sites and offices were women.</p> <p><a href="#">Socio-Economic&gt;Our Performance&gt;Diversity&gt;Employment Equity in South Africa</a></p> <p>To address historical issues in South Africa, which resulted in the majority of South Africans being excluded from participating in the mainstream economy, BHP Billiton South Africa adopted an empowerment strategy of change.</p> <p><a href="#">Socio-Economic&gt;Our Performance&gt;Diversity&gt;Indigenous Employment and Training</a></p> <p>We recognise indigenous employment and training as an important issue and, as has been reported in previous years, undertake a number of initiatives in this regard.</p> <p><a href="#">Socio-Economic Case Studies&gt;Indigenous Skills</a></p>	<p><b>GRI Indicator Reference</b></p> <p><a href="#">HR4</a></p> <p><a href="#">LA10</a></p> <p><a href="#">LA11</a></p>
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## Development and Employment

### Socio-Economic Case Studies>Supporting Local Suppliers

#### **Principle 7: Businesses should support a precautionary approach to environmental challenges**

<b>BHP Billiton Policies, Systems and Commitments</b>	<b>BHP Billiton actions and performance as referenced in 2006 Sustainability Report</b>	<b>GRI Indicator Reference</b>
<a href="#">Sustainable Development Policy</a>	<a href="#">HSEC Targets Scorecard</a>	
<a href="#">HSEC Management Standards(PDF 284KB)</a>	Risk registers are in place at 99% of required sites, businesses and Corporate offices. <a href="#">Governance&gt;Our Performance&gt;Risk Management</a>	
<a href="#">HSEC Management Standard 3</a>	An HSEC risk assessment project was established, which will continue over the coming year.	<a href="#">3.13</a>
<a href="#">Enterprise-Wide Risk Management Policy</a>	<a href="#">Environment&gt;Our Approach</a> <a href="#">Governance&gt;Our Approach&gt;Key Management Processes</a>	

#### **Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility**

<b>BHP Billiton Policies, Systems and Commitments</b>	<b>BHP Billiton actions and performance as referenced in 2006 Sustainability Report</b>	<b>GRI Indicator Reference</b>
	<a href="#">HSEC Targets Scorecard</a>	<a href="#">EN1</a>
<a href="#">Sustainable Development Policy</a>	<ul style="list-style-type: none"><li>• Three Level 3 environmental incidents.</li></ul>	<a href="#">EN2</a>
<a href="#">HSEC Management Standards (PDF 284KB)</a>	<ul style="list-style-type: none"><li>• 94 per cent of required self-assessments were completed at operating sites.</li></ul>	<a href="#">EN3</a>
<a href="#">HSEC Management Standard 5</a>	<ul style="list-style-type: none"><li>• 98 per cent of sites requiring ISO 14001 are certified or have been recommended for certification by their ISO auditor.</li></ul>	<a href="#">EN4</a>
<a href="#">HSEC Management Standard 12</a>	<ul style="list-style-type: none"><li>• Energy conservation plans in place at 98 per cent of required sites and at 8 sites that were below the emissions threshold.</li></ul>	<a href="#">EN5</a>
	<ul style="list-style-type: none"><li>• Greenhouse gas management programs in place at 98 per cent of required sites and at 7 sites that were below the emissions threshold.</li></ul>	<a href="#">EN6</a>
	<ul style="list-style-type: none"><li>• Water management plans in place at 99 per cent of required sites and at 27 sites that were below the usage threshold.</li></ul>	<a href="#">EN7</a>
	<ul style="list-style-type: none"><li>• Waste minimisation programs in place at 97</li></ul>	<a href="#">EN8</a> <a href="#">EN9</a>

per cent of required sites and at 7 sites that were not required to meet this target. [EN10](#)

- Land management plans in place at 97 per cent of required sites and at 17 sites that were not required to meet this target. [EN11](#)
- Life cycle assessments (ISO14043 compliant) have been completed for all our major commodities. [EN12](#)

[EN13](#)

[Environment>Our Performance>Environmental Management Systems](#)

[EN14](#)

During the reporting period we continued to strengthen environmental management systems across our operations

[EN15](#)

[1.1](#)

[Environment>Our Performance>Closure](#)

We progressed implementation of the Company-wide Closure Standard.

[Environment>Our Approach>Climate Change](#)

We are working on activities related to climate change risks and opportunities in a number of ways.

[Environment>Our Performance>Biodiversity](#)

Over the reporting period we progressed a number of aspects ranging from biodiversity plans at some sites through to biodiversity-related research and development.

[Environment Case Studies](#)

**Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies**

**BHP Billiton Policies, Systems and Commitments**  
[Sustainable Development Policy](#)

**BHP Billiton actions and performance as referenced in 2006 Sustainability Report**

**GRI Indicator Reference**

[HSEC Management Standards \(PDF 284KB\)](#)

- Three Level 3 environmental incidents.
- 94 per cent of required self-assessments were completed at operating sites.
- 98 per cent of sites requiring ISO 14001 are certified or have been recommended for certification by their ISO auditor.

[EN 17](#)

[HSEC Management Standard 9](#)

- Energy conservation plans in place at 98 per cent of required sites and at 8 sites that were below the emissions threshold.

[HSEC Management Standard 12](#)

- Greenhouse gas management programs in

place at 98 per cent of required sites and at 7 sites that were below the emissions threshold.

- Water management plans in place at 99 per cent of required sites and at 27 sites that were below the usage threshold.
- Waste minimisation programs in place at 97 per cent of required sites and at 7 sites that were not required to meet this target.
- Land management plans in place at 97 per cent of required sites and at 17 sites that were not required to meet this target.
- Life cycle assessments (ISO14043 compliant) have been completed for all our major commodities.

[Sustainability At BHP Billiton>Stewardship](#)

Over the past year we have been working to refine our stewardship approach for all of our commodities.

[Environment>Our Performance>Environmental Spending](#)

Over the reporting period environmental expenditure for the Group totalled US\$309 million.

[Environment>Our Performance>Biodiversity](#)

Over the reporting period we progressed a number of aspects ranging from biodiversity plans at some sites through to biodiversity-related research and development.

[Environment Case Studies](#)

**Principle 10: Businesses should work against all forms of corruption, including extortion and bribery**

<b>BHP Billiton Policies, Systems and Commitments</b>	<b>BHP Billiton actions and performance as referenced in 2006 Sustainability Report</b>	<b>GRI Indicator Reference</b>
<a href="#">Sustainable Development Policy</a>  <a href="#">Guide to Business Conduct</a>	<a href="#">Governance&gt;Our Performance&gt;Business Conduct</a>  The Guide to Business Conduct provides employees and contractors with direction and advice on carrying out business and interacting with governments, communities and business partners.	<a href="#">SO2</a>
<a href="#">HSEC Management Standards (PDF 284KB)</a>	<a href="#">Socio-Economic&gt;Our Performance&gt;Economic Contributions</a>	
<a href="#">HSEC Management</a>	Our economic contribution to society includes the value that flows from the broader contributions of	

[Standard 8](#)

our operations, such as payments to our employees and suppliers and disbursements to governments, including taxes and royalties.

[Socio-Economic>Our Performance>Value Add](#)

Refer to our table on Expenditure by Region for disclosure of regional tax payments.