

Module: Introduction**Page: Introduction****CC0.1****Introduction**

Please give a general description and introduction to your organization.

BHP Billiton is a leading global resources company. We are among the world's top producers of major commodities, including iron ore, metallurgical and energy coal, conventional and unconventional oil and gas, copper, aluminium, manganese, uranium, nickel and silver.

It is important to note that on 25 May 2015, we completed the demerger of South32. The demerger of South32 simplifies BHP Billiton's portfolio while retaining the benefits of scale and diversification. We believe that the demerger will create two successful companies in BHP Billiton and South32. The demerger of South32 is a major step forward in the evolution of BHP Billiton and our Board believes it will create long-term value for our shareholders. South32 will be a globally diverse metals and mining company with a portfolio of cash generative assets producing alumina, aluminium, coal, manganese, nickel, silver, lead and zinc. South32's head office will be in Perth, with a regional head office and global shared services centre located in Johannesburg. However, given that the reporting year for this CDP submission is prior to 25 May 2015, all commentary and data in this submission refers to BHP Billiton prior to the demerger. Our CDP submission next year will reflect this change.

Our success is underpinned by Our BHP Billiton Charter - the single most important means by which we communicate who we are, what we do and what we stand for. It is through Our Charter that we articulate our purpose, our strategy, the values we uphold and how we measure success. Our Charter is the foundation for our decision-making, actions and behaviours. Our Charter makes it clear that as we strive for success we must remain forthright in the things we value: Sustainability, Integrity, Respect, Performance, Simplicity and Accountability. By working in a way that is consistent with Our Charter, we will continue to build on our success both today and for the long term.

We are proud of our long heritage dating back to 1860. BHP Billiton Limited (formerly BHP Limited and before that The Broken Hill Proprietary Company Limited) was incorporated in 1885 and is registered in Australia. BHP Billiton Plc (formerly Billiton Plc) was incorporated in 1996 and is registered in England and Wales. We operate across 141 locations in 26 countries, with the Group headquartered in Melbourne, Australia. Throughout FY2014, our diverse and highly skilled workforce comprised approximately 123,803 employees and contractors.

Our company is organized in five Businesses. These Businesses are: Petroleum and Potash; Copper; Iron Ore; Coal and Aluminium, Manganese and Nickel. The Operating Model has been designed to ensure that decision-making remains as close to the Businesses as possible.

BHP Billiton's Group Functions, based primarily in Melbourne, Perth and Singapore support the Businesses and operates under a defined set of accountabilities authorised by the Group Management Committee. The core principles of the Operating Model include mandatory performance requirements, common organisational design; common systems and processes and common planning and reporting. Our Operating Model is designed to deliver a simple and scalable organisation to achieve a sustainable improvement in productivity by providing performance transparency, eliminating duplication of effort and enabling the more

rapid identification and deployment of best practice.

As at 30 June 2014, we had a market capitalisation of approximately US\$177.1 billion. For FY2014, we reported net operating cash flow of US\$25.4 billion, revenue of US\$67.2 billion and profit attributable to shareholders of US\$13.4 billion.

We believe that to maintain our position as one of the world's leading companies we must take an integrated approach to addressing climate change. We will:

- Continue to take action to reduce our emissions
- Build the resilience of our operations, investments, communities and ecosystems to the impacts of climate change
- Recognising their role as policymakers, seek to enhance the global response by engaging with governments
- Work in partnership with resource sector peers to improve sectoral performance and increase industry's influence in policy development to deliver effective long-term regulatory responses
- Contribute to the reduction of greenhouse gas emissions from the use of fossil fuels through material investments in low emission technologies.

CC0.2

Reporting Year

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed

Mon 01 Jul 2013 - Mon 30 Jun 2014

CC0.3

Country list configuration

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

Select country
Australia
Canada
Chile
Colombia
Mozambique
Pakistan
South Africa
Trinidad and Tobago
United Kingdom
United States of America
Indonesia

CC0.4

Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD(\$)

CC0.6

Modules

As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sub-industries, companies in the oil and gas sub-industries, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco industry group should complete supplementary questions in addition to the main questionnaire.

If you are in these sector groupings (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email respond@cdp.net.

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see <https://www.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx>.

Further Information

Refer to our Annual and Sustainability Reports for FY2014 at: <http://www.bhpbilliton.com/home/investors/reports/Pages/default.aspx>

Module: Management**Page: CC1. Governance**

CC1.1**Where is the highest level of direct responsibility for climate change within your organization?**

Board or individual/sub-set of the Board or other committee appointed by the Board

CC1.1a**Please identify the position of the individual or name of the committee with this responsibility**

At BHP Billiton, we have a governance framework to which we are held accountable that goes beyond an interest in governance or our need to fulfil regulatory requirements. Our approach is to adopt what we consider to be the highest standards of governance in Australia, the United Kingdom and the United States. That is because we believe that high-quality governance supports long-term value creation. Simply put, we think good governance is good business. Governance influences how the objectives of the Company are set and achieved, how risk is monitored and assessed and how performance is optimised. Therefore, our corporate governance structure encourages the creation of value while providing accountability and control systems commensurate with risks involved. The Board is responsible for overseeing the Group's approach to climate change and making strategic decisions in the best interests of the company. This includes taking into account the potential impact of climate change on the strategy of the company including its portfolio of assets and investments. The Sustainability Committee of the Board assists the Board in oversight of health, safety, environment and community (HSEC) matters, including climate change. This includes overseeing areas relating to climate change strategy and risk, compliance with applicable legal and regulatory requirements and overall performance of the Group. It has terms of reference under which authority is delegated by the Board. It met 7 times during the year and its membership and attendance records are documented publically in the FY2014 Annual Report Section 3.12. It has members who are Non-Executive Directors, all of whom the Board has determined are appropriately skilled. Executive Directors and other external advisers participate in Committee work at the discretion of Non-Executive Director members. Dr Andrew Mackenzie, our CEO, is delegated authority to take all decisions and actions that further the corporate purpose of creating long-term shareholder value. The Board monitors the decisions and actions of the CEO and the performance of the Group to gain assurance that progress is being made towards the corporate purpose within the limits imposed through the Group's governance assurance framework. The Board also monitors the performance of the Group and assesses its risk profile through its

committees. The Board and its committees determine the information required from the CEO and any employee or external party.

Our approach to addressing climate change is managed within the Group Management Committee (GMC) by the CEO and the President, Health, Safety and Environment (HSE), Marketing and Technology. Within the HSE Group Function, the Head of Group HSE and Dr Fiona Wild, Vice President Environment and Climate Change, have direct responsibility for identifying emerging trends, developing strategies to address climate change, coordinating activity across the businesses and external reporting. In developing our strategies, input is sought from the Businesses and Group Functions, including Investments & Value Management, Investor Relations, Marketing, Corporate Affairs, Technology, Legal and Risk Assessment and Assurance.

Our approach to climate change and sustainable development governance is characterised by:

- the Board reviewing reports from the Sustainability Committee and management on the impact of climate change on the portfolio and proposed investments
- the Sustainability Committee overseeing material climate change matters and risks across the Group and reporting to the Board on its deliberations and recommendations
- management having primary responsibility for the design and implementation of an effective position and response to climate change
- management having accountability for performance against climate change metrics
- the Group HSE Function providing advice and guidance directly, as well as through a series of networks across the Group
- seeking input and insight from external experts such as our Forum on Corporate Responsibility (FCR)
- clear links between remuneration and HSE (including climate change) performance.

Our position on climate change is reviewed regularly to reflect updates in scientific knowledge e.g. the latest findings of the Intergovernmental Panel on Climate Change (IPCC) and global regulatory and political responses. We incorporate climate change considerations into our Group Scenarios to understand potential impacts on our portfolio. We also conduct annual reviews of performance against Business greenhouse gas (GHG) targets to ensure we are on track to achieve our company target. The Sustainability Committee has spent significant time considering a range of climate change scenarios and the actions being taken to manage a range of climate change impacts and policy responses.

CC1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

CC1.2a

Please provide further details on the incentives provided for the management of climate change issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
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Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
Chief Executive Officer (CEO)	Monetary reward	Emissions reduction project Emissions reduction target	<p>Dr Mackenzie's remuneration is linked substantially to business outcomes and shareholder returns. The 'at risk' component of his remuneration (comprising short-term incentives and long-term incentives) is 71 per cent of his total target remuneration (at target performance). Fixed remuneration (base salary and pension benefits) comprises 29 per cent of the total. Dr Mackenzie's annual short-term incentive (STI) is at risk and comprises 35% of total remuneration at target performance. The STI scorecard against which his performance is ordinarily assessed is made up of a number of performance measures, including HSEC measures that specifically address delivery of GHG emissions reduction projects. HSEC measures carried a 20% weighting in the STI scorecard for FY2014 (increased from 15% in FY2013). The minimum STI is zero, as was the outcome for Mr Mackenzie's predecessor in FY2012. Mr Mackenzie's long-term incentive is at risk. The STI operates as follows: An individual scorecard of measures is set for the CEO at the commencement of each financial year. In FY2014 one of these measures was related to GHG emissions performance (the GHG Emissions KPI). These measures and their relative weightings are chosen by the Committee in order to appropriately drive overall performance in the current year, including achievement of financial outcomes and delivery against measures that impact the long-term sustainability of the Group (the current HSEC weighting is 20%). The Sustainability Committee assists the Remuneration Committee in determining appropriate HSEC metrics to be included in the CEO's scorecard. At the conclusion of the financial year, the CEO's achievement against scorecard measures is assessed by the Committee and the Board, and the STI award determined. The Remuneration Committee is assisted by the Sustainability Committee in relation to assessment of HSEC performance, including GHG metrics. The Board believes this method of assessment is transparent, rigorous and balanced, and provides an appropriate, objective and comprehensive assessment of performance.</p>
Corporate executive team	Monetary reward	Emissions reduction project Emissions reduction target	<p>An individual STI scorecard of measures is set for each executive at the commencement of each financial year. These measures and their relative weightings are chosen by the Committee in order to appropriately drive overall performance in the current year, including achievement of financial outcomes and delivery against measures that impact the long-term sustainability of the Group (the current HSEC weighting is 20%). The Sustainability Committee assists the Remuneration Committee in determining appropriate HSEC metrics to be included in GMC scorecards. Delivery of GHG emission reduction projects and achievement of absolute emissions targets are included in these HSEC metrics. At the conclusion of the financial year, each executive's achievement against their measures is assessed by the Committee and the Board, and their STI award determined. The Remuneration Committee is assisted by the Sustainability Committee and by the Risk and Audit Committee in relation to assessment of performance against HSEC, including GHG metrics and financial measures, respectively. The</p>

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
			Board believes this method of assessment is transparent, rigorous and balanced, and provides an appropriate, objective and comprehensive assessment of performance.
Business unit managers	Monetary reward	Emissions reduction project Emissions reduction target	Senior executives adopt annual performance indicators aligned with meeting HSEC targets that includes GHG targets. The responsibility of BHP Billiton's Business Presidents is to ensure their Business GHG emission reduction target is achieved for the operations under their control.
Environment/Sustainability managers	Monetary reward	Emissions reduction project Emissions reduction target	Senior managers adopt annual performance indicators aligned with meeting HSEC targets that include GHG emission reduction targets. It is their responsibility to ensure that performance against GHG targets is tracked at the operational level and reported on an annual basis.
All employees	Monetary reward	Emissions reduction project Emissions reduction target	We publically state that as an organisation we hold our people accountable to values of Sustainability, Integrity, Respect, Performance, Simplicity and Accountability. We annually review and remunerate based on consideration of the performance of employees with respect to each of these values. At BHP Billiton, Sustainability is demonstrated by minimising environmental impacts and contributing to enduring benefits to biodiversity, ecosystems and other environmental resources. Furthermore, the STI pool which gets allocated to each Business (and subsequently each Business employee) is based upon Business performance in pre-defined HSEC metrics including GHG performance.
All employees		Emissions reduction project Energy reduction project Efficiency project Behaviour change related indicator	Every year BHP Billiton promotes HSEC Awards, where all employees can nominate or be nominated to receive an award in recognition of their achievements in any area related to HSEC, including GHG reductions and energy efficiency. We believe these awards constitute an added incentive to our employees to do their utmost in promoting sustainability at all our operations. In 2014, we had two finalists who were nominated for projects with a GHG benefit; one from Samarco in Brazil (Eco-efficiency in port management) and one from Zamzama in Pakistan (Overall GHG emissions reduction).

Further Information

Further details of the Sustainability Committee, the GMC and remuneration can be found in our FY2014 Annual Report:
<http://www.bhpbilliton.com/home/investors/reports/Pages/default.aspx>

CC2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

CC2.1a

Please provide further details on your risk management procedures with regard to climate change risks and opportunities

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Board or individual/sub-set of the Board or committee appointed by the Board	Global	> 6 years	Our approach to investments and portfolio management ensures that climate change risks are identified and appropriately addressed. We incorporate climate change considerations into our Group Scenarios to understand potential impacts on our portfolio. These are tested by the Board and taken into account when making decisions on the Group's portfolio. We also regularly review regulatory changes in our operating countries. We monitor the scientific literature, including IPCC assessment reports, to provide insights into possible risks and opportunities for our company. We also conduct annual performance reviews against our GHG targets to ensure we are on track to achieve our company target. The Sustainability Committee of the Board has considered a range of climate change scenarios and continues to monitor the actions being taken to manage a range of climate change impacts and policy responses.

CC2.1b

Please describe how your risk and opportunity identification processes are applied at both company and asset level

The Board is responsible for overseeing the material risk framework including our approach to managing risk. It receives reports twice a year reviewing material risks and incorporates this into all relevant Board decision making including the achievement of the Corporate Objective in our Charter and Board Governance Document. The Risk and Audit Committee regularly reviews the material risk management framework as part of its responsibility to ensure our system of control for identification and management of risks is operating and effective. Our Group Level Documents (GLDs) mandate climate-change related performance requirements. Our Forum on Corporate Responsibility (FCR) includes civil society leaders who engage with our GMC and Board on sustainability issues. The FCR met twice in FY2014, and debated a broad range of topics, supported by significant analysis and discussion, including climate change and energy.

At Corporate level, we manage climate change risk on our Business portfolio by considering its financial and non-financial impacts on our investment-decisions and portfolio valuation, incorporating carbon as a cost in our valuations, considering emissions and physical impacts in project design and equipment selection and engaging with stakeholders to identify emerging issues. In FY2014 this emerging issues review provided us with valuable insights. We use a cross-business and cross-function Climate Change team to ensure that we remain on track to deliver against our position.

At Asset level, management is accountable for the implementation of processes to mitigate risks and comply with our GLDs. Our Risk Management GLD provides the risk management framework and enables our Assets to identify and manage climate risks. Internal audits are conducted annually to test compliance with GLD requirements and plans developed to address any gaps. Key findings are reported to senior management and reports are considered by relevant Board committees.

CC2.1c

How do you prioritize the risks and opportunities identified?

To effectively manage and prioritise our material risks, we operate an enterprise-wide risk system that provides an overarching and consistent framework for the assessment and management of risks both at the Group and business level. We mandate criteria to identify risks we consider material to our business and take into consideration the potential health, safety, environmental, social, reputational, legal and financial impacts. The severity of any particular risk is assessed according to a matrix that describes the degree of harm, injury or loss from the most severe impact associated with a specific risk, assuming reasonable effectiveness of controls. Risks are considered material if they meet either of the maximum foreseeable loss (MFL) or residual risk rating (RRR) criterion. MFL is the plausible worst-case scenario for any risk when all active risk controls are assumed to be ineffective. The RRR represents the level of residual risk associated with the particular material risk after taking into account the controls that are already in place and have had their effectiveness tested. The materiality criteria are set at the Group level. Tolerance criteria additionally assess the control effectiveness of material risks.

This framework ensures:

- Potential impacts on the Corporate Objective and business plans are identified and supported by clear accountabilities and adequate risk resources
- Risks are ranked using appropriate methodology described in our Group Level Documents (GLDs)
- Material risks are recorded in the enterprise wide data base and reviewed by senior management
- Risk controls must be designed, implemented, operating and assessed.
- An annual external assurance process reviews Company material risks reviews for the adequacy control measures to ensure risks are effectively controlled.

CC2.1d

Please explain why you do not have a process in place for assessing and managing risks and opportunities from climate change, and whether you plan to introduce such a process in future

Main reason for not having a process	Do you plan to introduce a process?	Comment
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CC2.2

Is climate change integrated into your business strategy?

Yes

CC2.2a

Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

(i) Our strategy is to own and operate large, long-life, low-cost, expandable, upstream assets diversified by commodity, geography and market. We understand that we are not successfully implementing our strategy unless our asset portfolio is sustainably developed to deliver superior long-term shareholder returns. There is uncertainty around the physical impacts of climate change and how the world will respond to these impacts. In light of this, our investment decisions are informed by a comprehensive understanding of a range of possible climate change outcomes and the associated risks and opportunities to delivering shareholder value. We use a broad range of scenarios that consider critical global uncertainties (e.g. macro-economic and geo-political) and their impacts on supply and demand assumption to test our portfolio and investment decision-making. We have been incorporating a carbon price into our investment decision-making for over a decade. Our diverse portfolio exposes us to the full economic development cycle and proves resilient under different scenarios, including those with significant reductions in global GHG emissions.

(ii) Developments in climate change science, assessment of the physical impacts of climate change, policy and regulatory responses and indirect cost impacts as a result of changing consumer behaviour can influence our strategy and these are considered in our scenario analysis described above. We regularly review our position on climate change to ensure continued alignment with the latest findings of the IPCC and regulatory changes in our operating countries. In addition, our carbon price protocol tracks the progress of national commitments to tackle climate change throughout the world, including our major operating regions and customer demand centres. We look at the potential for reductions in emissions and the cost associated with those reductions to determine an appropriate price level for each relevant country or region. In doing so, we consider the effectiveness of different policies, political situations required to pass legislation, timing to implement reductions and the interaction between policy mechanisms.

(iii) As well as considering a range of possible responses to climate change over the long-term in our portfolio valuation and investment decision-making, we recognise our responsibility to continue to take action to reduce our emissions, increase our resilience to physical impacts and work with others to enhance the

global response.

We have been setting GHG targets for our business since 1996. We have a very challenging target to keep our FY2017 GHG emissions below our FY2006 baseline while growing our business. We require all our businesses to identify, evaluate and implement all suitable projects that prevent or minimise GHG emissions, including in project design and equipment selection. In FY2014, this led to the implementation of 52 projects that delivered GHG reductions of 807,000 tonnes.

Our assets are long-lived so we must take a robust, risk-based approach to managing physical impacts of climate change. Our Businesses are already exposed to risks, including increasing storm intensities and greater water supply variability e.g. our assessment of increasing storm intensity and storm surge levels in project design led us to raise the height of our Hay Point port facility in Queensland. We continue to improve our company-wide integrated planning framework to allow better assessment of the physical risks associated with climate change and ensure resilience is embedded into our business plans and investment decisions.

We are focused on opportunities to address emissions from fossil fuels through material investments in low emissions technology. We invested US\$430 million in emissions reduction and energy efficiency projects across our operations globally between FY2007 and FY2012. We are investigating opportunities for investment across a range of technologies with potential for material emission reductions in our own operations and across our supply chains.

Partnerships with industry peers are critical to improve sectoral performance and influence policy development to deliver effective long-term regulatory responses. We actively participate in industry associations such as the International Council on Mining and Metals to provide a consistent and informed industry approach.

(iv) As described in (i), we use a multi-decadal scenario framework to test our portfolio and investment decision-making over the long term. Each of these scenarios includes an assessment of the financial and non-financial impacts of a range of responses to climate change. Using this approach, we have determined that BHP Billiton's overall asset valuation is not at material risk and the portfolio remains robust.

(v) Our leading position in the resources industry is due to our unique, proven and consistent strategy. This strategy enables us to respond to meet the world's energy needs as we move towards a more carbon-constrained world. Part of this strategy includes a diverse portfolio with fossil fuels, iron ore, copper and potash which provide significant value across a wide range of climate change scenarios. This portfolio approach gives us flexibility to adapt as markets evolve and means we are less vulnerable to specific commodity risks. This core strength is the foundation of how we have outperformed our peers over the past decade in total shareholder returns.

(vi) We have a diverse portfolio that is important in meeting global demand for energy. We will continue to adjust the shape of our portfolio to match energy and commodity demand and meet society's expectations while maximising shareholder returns. The diversity of our overall portfolio, which includes energy (oil, gas, coal, and uranium), as well as minerals (including copper, iron ore and potash), uniquely positions us not only to manage and respond to changes but also to capture opportunities to grow shareholder value over time. We see the potential for a transition to lower carbon energy sources and the management of our portfolio reflects this view. Within our energy portfolio, thermal coal represents an important component; however our growth options are very much focused on lower carbon fuels such as natural gas and non-carbon commodities such as iron ore, copper and the potash option. Our decisive strategy to maintain a diverse portfolio manages risk, including that of climate change.

Please explain why climate change is not integrated into your business strategy

CC2.2c

Does your company use an internal price of carbon?

Yes

CC2.2d

Please provide details and examples of how your company uses an internal price of carbon

We have been incorporating a carbon price into all our investment decision-making for over a decade through the mandated use of our Carbon Pricing Protocol across all of our operations and projects. The Protocol tracks the progress of national and regional commitments to tackle climate change throughout the world, including our major operating regions and customer demand centres. We look at the potential for reductions in emissions and the cost associated with those reductions to determine an appropriate price level for each relevant country or region. In doing so, we consider the effectiveness of different policies, political situations required to pass legislation, timing to implement reductions and the interaction between policy mechanisms.

CC2.3

Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

Direct engagement with policy makers
Trade associations
Funding research organizations
Other

CC2.3a

On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Mandatory carbon reporting	Support	Direct engagement with relevant government officials in the regions where we operate e.g. detailed review and engagement on the application of and technical amendments to the Australian National Greenhouse and Energy Reporting scheme (NGER), Mandatory GHG Reporting Rule (MMR) in the USA.	We support mandatory GHG reporting as an essential component to underpin effective climate change policy design and emissions management. This should balance technical accuracy with the time and investment required to meet expectations.
Cap and trade	Support with minor exceptions	Direct engagement with relevant government officials in the regions where we operate e.g. engagement with regulators in the UK regarding the EU ETS scheme.	We believe there should be a price on carbon, implemented in a way that addresses competitiveness concerns and achieves lowest cost emission reductions.
Carbon tax	Support with minor exceptions	Direct engagement with relevant government officials in the regions where we operate e.g. engagement with the South African Government on carbon pricing policies through our participation in the Industry Task Team on Climate Change; engagement with the Australian Government on the Carbon Pricing Mechanism.	We believe there should be a price on carbon, implemented in a way that addresses competitiveness concerns and achieves lowest cost emission reductions. For example, we supported repeal of the Australian Carbon Pricing Mechanism as we believe it failed to adequately address these competitiveness concerns. Specifically, it had a high fixed price in comparison with all other schemes, and its scope included fugitive emissions from coal mining for which there is currently no commercially available mitigation technology.
Energy efficiency	Support	Direct engagement with relevant government officials in the regions where we operate.	We support energy efficiency programs that improve productivity by focusing effort on supporting the identification and implementation of energy efficiency opportunities.
Other:	Support	Direct engagement with relevant government officials in the regions where we operate e.g. on the Australian Government's draft Direct Action Plan, including the Emissions Reduction Fund and the associated Safeguard Mechanism. Legislation and implementation of the Direct Action Plan followed repeal of Australia's carbon pricing mechanism.	Our view is that an effective, long-term climate change policy framework should use a portfolio of complementary measures to reduce emissions and build resilience. This should include a price on carbon that addresses competitiveness concerns, support for energy efficiency improvements and the development and deployment of low emissions technologies, together with measures to respond to the physical impacts of climate change.

CC2.3b

Are you on the Board of any trade associations or provide funding beyond membership?

Yes

CC2.3c

Please enter the details of those trade associations that are likely to take a position on climate change legislation

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
ICMM	Consistent	The ICMM supports development of greenhouse gas emission reduction strategies, implementation of economic emissions reductions opportunities, efficient use of natural resources and supports research and development into low emission technologies that are appropriate to the industry.	Our CEO, Dr Andrew Mackenzie sits on the ICMM Council, ICMM's principal governing body. Our VP, Community and Sustainability, Mr Ian Wood sits on the Principal Liaison Committee and our VP Environment and Climate Change, Dr Fiona Wild sits on the Environment and Climate Change Program Committee. Our employees also represent the company on various working groups related to water, biodiversity and climate change.
Industry Task Team on Climate Change (ITTCC)	Consistent	The Industry Task Team on Climate Change (ITTCC) in South Africa represents energy intensive industries and collectively responded to discussion papers published by the National Treasury and the Department of Environmental Affairs. The ITTCC communicated its support for the National Treasury's move to engage on the development of policies to address climate change while promoting economic growth, employment, energy security and poverty reduction.	We are a member of ITTCC and provide direct representation through our South African Assets.
World Coal Association	Consistent	The World Coal Association supports the use of high-efficiency, low-emissions coal combustion technologies, setting of an ambitious pathway to move the global average efficiency of coal-fired power generation plants to current state-of-the-art levels and support for developing countries in accessing clean coal technologies, including high-efficiency low-emissions coal combustion technologies.	We maintain membership with representation.
Australian Petroleum, Production and Exploration Association	Consistent	APPEA believes that Australia should engage the international community in pursuing identified and beneficial environmental outcomes through greenhouse gas emissions reduction action that allows for differentiated national approaches, promotes international participation, minimises the costs and distributes the burden equitably across the international community, is	Industry associations are an important forum for discussion and debate of key industry issues. They are most effective when they allow discussion of a wide range of views. It is not the role of APPEA to represent BHP Billiton alone and there are times when our perspectives may not be aligned. Our role is to share our position in a clear and constructive way

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
		comprehensive in its coverage, allows for the unrestricted flow of credible emissions units between international jurisdictions, is underpinned by streamlined, efficient and effective administrative, reporting and compliance arrangements.	which enables us to have an effective influence within the industry. We will continue to be transparent in engagements both with APPEA and all other stakeholders. Membership of an industry association should not be seen as a form of automatic endorsement of an association's policy. We maintain membership with representation
MCA	Consistent	A measured transition to a low emissions global economy will require the alignment of three key policy pillars: A global agreement for greenhouse gas emission abatement that includes emissions reduction commitments from all major emitting nations; Market-based policy measures that promote the abatement of greenhouse gas emissions at the lowest cost, while minimising adverse social and economic impacts, including on the competitiveness of the internationally traded sector; and Substantial investment in a broad range of low emissions technologies and adaptation measures.	Industry associations are an important forum for discussion and debate of key industry issues. They are most effective when they allow discussion of a wide range of views. We are an active member of the MCA which represents the collective interests of the minerals industry in Australia. It is not the role of the MCA to represent BHP Billiton alone and there are times when our perspectives may not be aligned. Our role is to share our position in a clear and constructive way which enables us to have an effective influence within the industry. We will continue to be transparent in engagements both with the MCA and all other stakeholders. Membership of an industry association should not be seen as a form of automatic endorsement of an association's policy. We maintain membership with representation.

CC2.3d

Do you publicly disclose a list of all the research organizations that you fund?

No

CC2.3e

Do you fund any research organizations to produce or disseminate public work on climate change?

Yes

CC2.3f

Please describe the work and how it aligns with your own strategy on climate change

BHP Billiton supports the ACA Low Emissions Technologies Ltd (ACALET). ACALET believes effective technology to capture the greenhouse gases emitted from coal mines, coal-fired power stations and heavy industry is required to limit the global impacts of climate change. It is committed to reducing greenhouse gas emissions from coal mines and coal use and will spend more than \$1 billion through the COAL21 Fund to reduce its carbon impact.

BHP Billiton also partners with The Cooperative Research Centre for Greenhouse Gas Technologies (CO2CRC), one of the world's leading collaborative research organisations focused on carbon dioxide capture and geological sequestration. BHP Billiton actively assists in the research and development of these technologies. In addition, our Coal Business is investing in an R&D project designed to reduce fugitive methane emissions through development of tight radius drilling techniques in conjunction with the Australian Cooperative Research Centre on Mining.

CC2.3g

Please provide details of the other engagement activities that you undertake

As a global company, we interact with a diverse range of stakeholders who represent our host communities, regions and nations. A core part of our management approach is listening and responding to our key stakeholders. The feedback we receive from these stakeholders helps us understand their expectations, enables us to prioritise issues effectively and contributes to our overall sustainability strategy. Details on our stakeholder engagement are on page 50 of FY2014 Sustainability Report.

We engage with stakeholders through many different fora including our Annual General Meetings which are open to all shareholders. These meetings disclose our performance and also take time to discuss risks and opportunities for the company. In FY2014, climate change was one such risk discussed. We also work with our Forum on Corporate Responsibility (FCR) that was established in 1999 and includes civil society leaders who engage with our Group Management Committee (GMC) and Board on material sustainability issues (see CC2.1b). We engage with investors on sustainability issues including through annual sustainability briefings and investor roadshows held in Australia, US, UK and South Africa. We also undertake individual engagement with investors and analysts via meetings or correspondence on issues of interest, including climate change risk management, our actions to adapt to the physical impacts of climate change, reduce our own emissions and invest in low emissions technology.

We accept opportunities to speak at technical and other conferences to ensure that we engage a broad range of stakeholders. For example, our CEO presented at CERA 2014.

CC2.3h

What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Our BHP Billiton Charter sets the minimum expectations on how we engage with both internal and external stakeholders, including governments. Our position on climate change is directly supported by our Charter value of Sustainability and our Group Level Documents (GLDs) which define mandatory performance requirements for all our Businesses. Our evaluation of emerging trends and company-wide risk review processes provide us with information that underpins the regular review of our climate change position. This information also frames our approach to climate change policy development, including our advocacy for a price on carbon that addresses competitiveness concerns and drives lowest cost reduction opportunities. Further governance regarding our engagement activities with internal and external stakeholders is provided in our GLD on Corporate Affairs, Investor Relations and Brand (GLD.024). This document prescribes the controls for engagement with government, media, employees and investors.

CC2.3i

Please explain why you do not engage with policy makers

CC2.4

Would your organization's board of directors support an international agreement between governments on climate change, which seeks to limit global temperature rise to under two degree Celsius from pre-industrial levels in line with IPCC scenarios such as RCP2.6?

Yes

CC2.4a

Please describe your board's position on what an effective agreement would mean for your organization and activities that you are undertaking to help deliver this agreement at the 2015 United Nations Climate Change Conference in Paris (COP 21)

Every country has an important responsibility to set a target to reduce GHG emissions beyond 2020 that is commensurate with global obligations and national interests. BHP Billiton supports the development of long-term national GHG emissions reduction targets and the implementation of effective and enduring climate change policy frameworks to deliver them. BHP Billiton's role is to engage with governments and others to share our perspective, and build support for action and an effective policy framework.

An ideal outcome for long-term policy is an international price that incentivises a market-based response. However, gaining alignment is challenging, and we recognise that countries will have different strategic objectives and priorities that they must consider. For example in the US we are seeing a shift to regulating emissions from coal fired power stations, and in China a move towards carbon pricing.

In the near term, national and regional pricing mechanisms will develop and over time evolve into a more uniform global position. We engage with policymakers and developers in the countries where we operate to share our experiences and inform development of long term, effective policy frameworks.

Our strategy to effectively manage and prioritise our climate change risks and opportunities as the world moves to lower emissions is as follows (refer to 2.2a):

(i) Our strategy is to own and operate large, long-life, low-cost, expandable, upstream assets diversified by commodity, geography and market.

(ii) Developments in climate change science, assessment of the physical impacts of climate change, policy and regulatory responses and indirect cost impacts as a result of changing consumer behaviour can influence our strategy and these are considered in our scenario analysis described above. Our carbon price protocol tracks the progress of national commitments to tackle climate change throughout the world, including our major operating regions and customer demand centres.

(iii) As well as considering a range of possible responses to climate change over the long-term in our portfolio valuation and investment decision-making, we recognise our responsibility to continue to take action to reduce our emissions, increase our resilience to physical impacts and work with others to enhance the global response.

(iv) As described in (i), we use a multi-decadal scenario framework to test our portfolio and investment decision-making over the long term. Each of these scenarios includes an assessment of the financial and non-financial impacts of a range of responses to climate change. Using this approach, we have determined that BHP Billiton's overall asset valuation is not at material risk and the portfolio remains robust.

(v) Our strategy enables us to respond to meet the world's energy needs as we move towards a more carbon-constrained world. Part of this strategy includes a diverse portfolio with fossil fuels, iron ore, copper and potash which provide significant value across a wide range of climate change scenarios.

(vi) We will continue to adjust the shape of our portfolio to match energy and commodity demand and meet society's expectations while maximising shareholder returns. We see the potential for a transition to lower carbon energy sources and the management of our portfolio reflects this view. Within our energy portfolio, thermal coal represents an important component; however our growth options are very much focused on lower carbon fuels such as natural gas and non-carbon commodities such as iron ore, copper and the potash option.

Further Information

Page: **CC3. Targets and Initiatives**

CC3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Absolute target

CC3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
Abs1	Scope 1+2	100%	0%	2006	50.7	2017	We have been setting GHG targets for our business since 1996. In FY2012, we exceeded our target to reduce our GHG intensity by 6% from our FY2006 baseline, achieving a 16% reduction. We have now set ourselves a more challenging goal to limit our overall emissions by setting an absolute target, keeping our FY2017 GHG emissions below our FY2006 baseline while we continue to grow our business.

CC3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions	Target year	Comment
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CC3.1c

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment
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CC3.1d

For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
Abs1	40%	40%	All our businesses are required to minimise their emissions to reduce BHP Billiton's contribution to climate change and meet our public GHG reduction target. They must identify, evaluate and implement all suitable projects that prevent or minimise GHG emissions, including in project design and equipment selection. Meeting an absolute target is very challenging. Production across our Businesses grew 9% from FY2013 to FY2014. For example, Petroleum production increased by 4%, Iron Ore by 20%, Metallurgical Coal by 20%, Copper by 2% and Alumina by 6%. Growth across our Businesses will increase emissions and we must continually look for opportunities to improve our energy efficiency and implement GHG reduction projects to mitigate these increases. In FY2014, our absolute GHG emissions reduced by 1.7 million tonnes of CO2-e. Of this reduction, 807,000 tonnes were directly attributable to projects that were identified, planned and implemented through our GHG Emissions KPI process.

CC3.1e

Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years

CC3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

CC3.2a

Please provide details of how the use of your goods and/or services directly enable GHG emissions to be avoided by a third party

Uranium, copper, aluminium and natural gas enable GHG emissions to be reduced, as per following details:

Nuclear energy is a low emission alternative to conventional fossil fuel energy generation. Our current uranium production (4,066 tonnes in FY2013 and 3,988 tonnes in FY2014) offsets approximately 104 million tonnes of CO₂ per year that would have been emitted from base load electricity production if it had been generated using the global average mix of energy sources. These estimates were prepared by Allen Consulting based on global average of emissions from electricity generation (730 tonnes of CO₂ per gigawatt hour) and the average emissions from nuclear energy generation (40kg CO₂/MWh). It is estimated that approximately 27.7 tonnes of uranium (U308) is capable of producing 1 TWh of electrical energy. The assumption for our estimation is that all uranium we produce is exclusively used to produce electricity.

Aluminium: Although the production of aluminium is emissions intensive, its use and ability to be recycled can reduce emissions over the product's lifecycle. This is supported by lifecycle analysis conducted in accordance with ISO standards by the International Aluminium Institute. After several studies and lifecycle assessment, the International Aluminium Institute concluded that the use of 1kg of automotive aluminium in a vehicle avoids approximately 20kg of greenhouse gas emissions (<http://www.world-aluminium.org/>).

Natural gas: The CO₂ emissions from the combustion of natural gas are lower than those from other fossil fuels. Specific emission reductions differ from case to case. However, the implied emission factors from electricity generation as stated by the International Energy Agency (p43 - "CO₂ Emissions from Fuel Combustion - 2013") are as follows: natural gas 400 gCO₂/kwh, lignite 1,005 gCO₂/kwh, sub-bituminous coal 925 gCO₂/kwh, and other bituminous coal 860g CO₂/kwh.

The production of shale gas by BHP Billiton into the US market in FY2014 contributed to the displacement of coal and a reduction in U.S. CO₂ emissions. The U.S. Energy Information Administration ("EIA") show graphically in their Annual Energy Outlook 2014 (page MT-23) that shale gas production has experienced significant growth in the US since approximately 2008, and is projected to continue to grow.

Copper: The utilisation of copper for future energy infrastructure in solar and wind power technologies is essential. Batteries for hybrid power requirements and solar energy technology depend on this element to maximise the efficient transfer of energy. According to the IEA's World Energy Outlook 2014, renewable energy will provide close to 33% of the world's electricity by 2040 (New Policies scenario) and copper will need to be sourced to meet this expectation. Organizations such as the Copper Alliance are supporting investment in a range of technologies to meet future energy market expectations. For example, scarce and costly rare earth elements in electric vehicle motors have been replaced with copper and new battery pack designs for hybrid electric vehicles offer potential to reduce battery size, weight and cost while improving fuel economy. <http://copperalliance.org/>

Medium rank bituminous coal: The thermal coal produced by BHP Billiton is medium rank bituminous, which is a type of black coal. We do not produce lignite, commonly known as brown coal, which has lower calorific value and therefore produces more CO₂ per tonne than higher quality coal.

CC3.3

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)

Yes

CC3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	7	
To be implemented*	23	383115
Implementation commenced*	0	0
Implemented*	52	807000
Not to be implemented	17	

CC3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Building services	Ventilation fan motors blade angle adjustment (BECSA)	6800	Scope 2	Voluntary	10000	16000	1-3 years	>30 years	Blade angles of ventilation fans were analysed and adjusted to improve efficiency
Transportation: fleet	Implementation of Biodiesel at Mount Arthur Coal (NSWEC) operations	22000	Scope 1	Voluntary			1-3 years	>30 years	Transfer of heavy and light vehicle diesel supply to Biodiesel.
Behavioral change	Implement HCFeMn strategy (Closure of 5 SiMn furnaces and commissioning of additional FeMn furnace)	145400	Scope 1 Scope 2	Voluntary			1-3 years	>30 years	The decision to shut down South Plant was a strategic one, informed also by the need to respond to climate change commitments. The decision was not based on contraction or slowing of business as the SiMn market remains strong (i.e. not an organic decline). The direction was specifically chosen to reduce the dependency on coal generated electricity and the reduction of emissions. The new furnace replaces "dirty" alloys with "cleaner" alloys whilst maintaining our market share.
Energy efficiency: Processes	Petroleum (reconfiguration of processing gas)	154000	Scope 1 Scope 2	Voluntary			<1 year	>30 years	The Pakistan Production Unit at the Zamzama gas field have significantly reduced greenhouse gas (GHG) through reconfiguration of the

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
									operation's compression process and bypassing an inefficient gas processing train whilst maintaining existing supply requirements to the market.
Other	Combined Business GHG reduction opportunities.	478800	Scope 1 Scope 2	Voluntary			1-3 years	>30 years	Our Operations are required to identify, evaluate and implement all suitable projects that prevent or minimise GHG emissions, including in project design and equipment selection. In FY2014 this focus led to the implementation of projects that delivered GHG reductions of 807,000 tonnes per annum. Given 52 projects were implemented in FY2014, we have included 4 projects in the table above to give an indication of the types of projects that were implemented. This line item represents the savings from the remaining 48 implemented projects.

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	National energy and GHG reporting and compliance programs can drive investment in GHG reduction opportunities and energy efficiency at our operations. For example, the National Greenhouse and Energy and Clean Energy Acts in Australia have resulted in some operations moving to higher order calculation methodologies for fugitive methane emissions and significantly improved the accuracy of emissions accounting. Similarly, in the USA, the GHG legislative requirements have also led to improved measurement methods at our operations. Our Environment GLD.009 mandates that all our operations identify, evaluate and implement all suitable projects that prevent and/or minimise GHG emissions, encompassing all major sources of emissions, and embed these projects into their 5 year business plans. For new projects the GLD also mandates that GHG emission reduction opportunities are included in project design and equipment selection.
Marginal abatement cost curve	Some of our operations utilise marginal abatement cost curves to evaluate GHG and energy reduction opportunities. These cost curves are robust and provide our operations with accurate information on plausible projects that can be included in the operations' 5 year planning process.
Internal incentives/recognition programs	Our Group Management Committee, Business and Functional employees all have annual performance indicators that are aligned with meeting HSEC targets. These targets include a focus on delivery of GHG emission reduction projects.
Internal price of carbon	We have been incorporating a carbon price into all our investment decision-making for over a decade through the mandated use of our Carbon Pricing Protocol. The Protocol tracks the progress of national commitments to tackle climate change throughout the world, including our major operating regions and customer demand centres. We look at the potential for reductions in emissions and the cost associated with those reductions to determine an appropriate price level for each relevant country or region. In doing so, we consider the effectiveness of different policies, political situations required to pass legislation, timing to implement reductions and the interaction between policy mechanisms.
Dedicated budget for low carbon product R&D	To effectively address the challenge of climate change, there must be a significant focus on developing and deploying low-emissions technologies over the next few decades. The rate of technology improvement and subsequent adoption must be faster than the usual commercial timeframes if these technologies are to be available at scale and at acceptable cost to meet the global challenge. Industry and government will need to work together in collaborative partnerships to facilitate this step-change. We are a foundation member of the Cooperative Research Centre for Greenhouse Gas Technologies, one of the world's leading collaborative research organisations focused on carbon capture and storage (CCS). We contribute a voluntary levy to the Australian Coal Association Low Emissions Technologies to facilitate the development of low-emissions technologies from coal use, including CCS. We are a member of the Global Carbon Capture and Storage Institute, which aims to accelerate the development, demonstration and deployment of CCS globally through knowledge sharing, fact-based advice and advocacy and works to create favourable conditions to implement CCS. We are developing a more integrated approach to low-emissions technology to provide a roadmap for our investments. We will investigate opportunities for investment across a range of technologies that have the potential to lead to material emission reductions in our operations and across our supply chains. To accelerate deployment of any prospective technologies, we will seek opportunities to partner with governments, industry leaders and key researchers.

CC3.3d

If you do not have any emissions reduction initiatives, please explain why not

Further Information

Further information on our GHG target and GHG reduction projects can be found in our FY2014 Sustainability Report.
<http://www.bhpbilliton.com/home/investors/reports/Pages/default.aspx>

Page: CC4. Communication

CC4.1

Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)

Publication	Status	Page/Section reference	Attach the document
In mainstream financial reports but have not used the CDSB Framework	Complete	Response (Page 14). Performance (Page 28).	https://www.cdp.net/sites/2015/08/1808/Climate Change 2015/Shared Documents/Attachments/CC4.1/BHPBillitonAnnualReport2014.pdf
In voluntary communications	Complete	Response (page 13 and 14).Performance (pages 6, 27, 28 and 54)	https://www.cdp.net/sites/2015/08/1808/Climate Change 2015/Shared Documents/Attachments/CC4.1/BHPBillitonSustainabilityReport2014_interactive.pdf

Further Information

Our response to climate change is also outlined at: <http://www.bhpbilliton.com/home/society/climatechange/Pages/Climate-Change.aspx> Our performance is also outlined at: <http://www.bhpbilliton.com/home/society/environment/Pages/Greenhouse-gas-emissions.aspx>

Module: Risks and Opportunities

Page: CC5. Climate Change Risks

CC5.1

Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in regulation

Risks driven by changes in physical climate parameters

Risks driven by changes in other climate-related developments

CC5.1a

Please describe your inherent risks that are driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Carbon taxes	Australia's carbon pricing mechanism commenced on 1 July 2012 with a fixed price period for three years, and it was anticipated that it would move to a flexible price from 1 July 2015. The legislation was	Increased operational cost	Up to 1 year	Direct	Virtually certain	Low-medium	We manage risk by remaining financially disciplined within the framework of our differentiated and proven strategy. We take a portfolio approach as the quality and breadth of our business across geography,	All carbon trading and tax liabilities are centrally managed by our Marketing team in Singapore. We apply our Carbon Pricing Protocol to all new investments to highlight the impact of a carbon	It is estimated that the total cost of managing our risk of Carbon Taxes under the carbon pricing mechanism was between AUD1M and AUD2M, based on personnel

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	repealed, and the last year of application was FY2014. The carbon price applied to companies with direct emissions greater than 25,000 t CO2e. A number of our Australian operations were directly captured by this scheme.						commodity and market reduces earnings volatility and ensures that our portfolio is robust across a range of scenarios. Under Australia's carbon pricing mechanism, BHP Billiton surrendered 4,124,118 eligible emissions units. At the fixed price of AUD24.15, this represents a total cost of nearly AUD100M in FY2014. Note that through the Jobs and Competitiveness Program for emissions intensive and trade exposed industries, the final cost to BHP Billiton was less than AUD100M.	price on investments.	and audit costs. This does not include carbon tax paid or efforts to reduce our emissions to reduce exposure to the carbon tax.
Carbon taxes	The South African Government proposes a phased implementation of a carbon tax, with	Increased operational cost	1 to 3 years	Direct	Likely	Low-medium	We manage risk by remaining financially disciplined within the framework of our differentiated and proven	We engage directly and through the ITTCC with the South African Government to ensure policy	Low

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	an indicated start date of 2016. Specific policy details including coverage, carbon budgets carbon cost and availability of carbon markets etc. are still to be finalised.						strategy. We take a portfolio approach as the quality and breadth of our business across geography, commodity and market reduces earnings volatility and ensures that our portfolio is robust across a range of scenarios.	design is effective and addresses competitiveness concerns.	
Emission reporting obligations	In 2009, the U.S. Environmental Protection Agency (EPA) published a rule for the mandatory reporting of GHGs from specified source categories. From 2010, this rule has applied to our combustion sources exceeding 25,000 metric tons of CO2e. Additionally, reporting for our oil and gas production facilities emitting greater than 25,000 metric tons	Increased operational cost	Up to 1 year	Direct	Virtually certain	Low	We manage risk by remaining financially disciplined within the framework of our differentiated and proven strategy. We take a portfolio approach as the quality and breadth of our business across geography, commodity and market reduces earnings volatility and ensures that our portfolio is robust across a range of scenarios.	Our operating businesses have specific roles dedicated to reporting. Our reporting functions are responsible for the systems and procedures associated with the capture and recording of data and compliance. In addition to internal audit requirements, third party verification of emissions is also required annually.	Low - medium

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	of CO2e became subject to reporting beginning in 2012. Lastly in 2012, US EPA finalized another rule that applies performance standards and reporting obligations to natural gas completions and production activities, natural gas processing plants, transmission and distribution and compressors.								
Carbon taxes	The Chilean government plans to implement a tax on CO2 emission at an anticipated cost of \$5USD/ton. The tax would be paid on an annual basis and only affect fossil fuel power generation facilities with an output larger than 50 MW. Our	Increased operational cost	1 to 3 years	Indirect (Supply chain)	Likely	Low	We manage risk by remaining financially disciplined within the framework of our differentiated and proven strategy. We take a portfolio approach as the quality and breadth of our business across geography, commodity and market reduces	See 2.2a. Through the application of our GHG targets and GLD.009, our Chilean Assets are working towards reducing their energy use by improving production efficiencies. Our assets are also seeking opportunities to	Low

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	Chilean copper operations receive power from generators that are likely to be impacted by this tax.						earnings volatility and ensures that our portfolio is robust across a range of scenarios.	shift from coal fired power generation to gas fired power to reduce the impact of the tax and our emissions footprint.	

CC5.1b

Please describe your inherent risks that are driven by change in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Tropical cyclones (hurricanes and typhoons)	Increased likelihood of greater intensity and more frequent storm systems including tornados, hurricanes and cyclones can impact production. For example, cyclone management	Reduction/disruption in production capacity	Up to 1 year	Direct	Likely	Low	We manage risk by remaining financially disciplined within the framework of our differentiated and proven strategy. We take a portfolio approach as the quality and breadth of our	As above. For example, our Petroleum Business has specifically designed severe weather mitigation systems for Floating Production and Storage Offtake vessels or FPSO's. Although the	We continue to look for enhancements to the Company-wide integrated planning framework to allow better assessment of the physical risks associated with climate change and to ensure resilience is embedded

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	is already a critical requirement for our West Australian Iron Ore business. Maintaining effective adaptive management practices will allow the business to respond to the expected increase in cyclone intensity in the Pilbara as a result of climate change.						business across geography, commodity and market reduces earnings volatility and ensures that our portfolio is robust across a range of scenarios. However, based on past events, the typical range of financial impacts for cyclones and hurricanes is between \$100M and \$500M (includes loss of production). The frequency and severity of these events will proportionally determine long-term financial implication.	FPSO's are connected to subsea oil and gas infrastructure, these vessels have the capability to disconnect from this infrastructure, and can sail away from impending cyclonic or extreme weather events	into our business plans and investment decisions. Part of our adaptation approach is continuing to learn and test the likely impacts on our businesses. By undertaking climate change resilience deep dives with our businesses, there are a number of areas where we are continuing to build on our understanding. The anticipated total costs of undertaking these deep dives are less than \$2M.
Change in precipitation pattern	Changing precipitation patterns can	Reduction/disruption in production capacity	Up to 1 year	Direct	Likely	Low-medium	We manage risk by remaining	A review of physical climate risks and	Low

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>exacerbate water stress and impact availability of water for our operations. For example, our Australian Aluminium operation in the south west of Western Australia is located in an area of Australia that has experienced significant changes in precipitation patterns in recent years as a result of climate change.</p>						<p>financially disciplined within the framework of our differentiated and proven strategy. We take a portfolio approach as the quality and breadth of our business across geography, commodity and market reduces earnings volatility and ensures that our portfolio is robust across a range of scenarios.</p>	<p>adaptation measures to prevent or mitigate impacts has been conducted. We continue to look for enhancements to our company-wide integrated planning framework to allow better assessment of the physical risks associated with climate change and ensure resilience is embedded into our business plans and investment decisions. For example, at our Australian Aluminium operation, new water supply options are being scoped to ensure business resilience to changing precipitation</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								patterns. In addition, discharge patterns from the operation have been adapted to better reflect current environmental flows.	
Sea level rise	Storm surges and sea level rise have the ability to affect our port facilities, offshore Petroleum operations and onshore operations located near coastlines.	Reduction/disruption in production capacity	Up to 1 year	Direct	Likely	Low	We manage risk by remaining financially disciplined within the framework of our differentiated and proven strategy. We take a portfolio approach as the quality and breadth of our business across geography, commodity and market reduces earnings volatility and ensures that our portfolio is robust across a	As above. For example, identification and assessment of the impacts of increasing storm intensities, storm surge levels and sea level rise resulted in the raising of the new Hay Point port facility in Queensland as part of an upgrade project.	Low

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							range of scenarios.		
Change in precipitation extremes and droughts	Extreme drought and flood can impact water management at our operations.	Reduction/disruption in production capacity	1 to 3 years	Direct	Likely	Low-medium	We manage risk by remaining financially disciplined within the framework of our differentiated and proven strategy. We take a portfolio approach as the quality and breadth of our business across geography, commodity and market reduces earnings volatility and ensures that our portfolio is robust across a range of scenarios.	As above. For example, flooding at our coal operations in Queensland interrupted production at a number of mines in 2008-09 and resulted in changes in water management practices to manage extremes in precipitation. Another example is from our Petroleum Business, which had major losses from Hurricane Rita in 2005 and Hurricane Ike in 2008.	Low
Change in temperature extremes	Temperature extremes could affect the performance of our workforce.	Wider social disadvantages	Unknown	Direct	More likely than not	Low	We manage risk by remaining financially disciplined within the framework of	As above. Our GLD.011 Health ensures that material health risks are identified and controlled as	Low

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							our differentiated and proven strategy. We take a portfolio approach as the quality and breadth of our business across geography, commodity and market reduces earnings volatility and ensures that our portfolio is robust across a range of scenarios.	part of our company-wide risk management process.	

CC5.1c

Please describe your inherent risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Changing consumer behaviour	Progressive changes in regulatory	Reduced demand for goods/services	>6 years	Direct	About as likely as not	Low-medium	We manage risk by remaining financially	BHP Billiton has a diverse portfolio that is important in	Costs associated with modelling and

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>environments and public expectations may present trade and market share risks for our carbon based energy products (e.g. oil and coal) compared to lower carbon alternatives such as wind, solar, nuclear and others. Potential implications for revenue protection as well as the value of any existing assets in carbon intensive sectors.</p>						<p>disciplined within the framework of our differentiated and proven strategy. We take a portfolio approach as the quality and breadth of our business across geography, commodity and market reduces earnings volatility and ensures that our portfolio is robust across a range of scenarios. BHP Billiton's carbon-based energy products (coal, oil and gas) represented approximately 36% (\$24b) of BHP Billiton's revenue for FY2014. If carbon-based energy was to occupy a smaller share of the energy market, some of this revenue may be proportionally at</p>	<p>meeting global demand for energy. We can, and will, continue to adjust the shape of our portfolio to match energy and commodity demand and meet society's expectations while maximising shareholder returns. Our approach to investment decision-making and portfolio management ensures that climate change risks are identified, assessed and appropriately addressed. We have been applying an internal price on carbon in our investment decisions for over a decade. Through a comprehensive and strategic approach to corporate planning,</p>	<p>predicting our portfolio response to action on climate change is expected to be low. Cost estimated to be between \$1M and \$2M for personnel.</p>

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							<p>risk, as well as the existing asset value. However, our models suggest that our diversification results in the resilience and strength of our overall asset valuation through all plausible scenarios.</p>	<p>we work with a broad range of scenarios to assess our portfolio, including consideration of a broad range of policy responses to and impacts from climate change. Our models suggest that BHP Billiton's portfolio diversification results in the resilience and strength of our overall asset valuation through all these scenarios. The diversity of our overall portfolio, which includes energy (oil, gas, coal, and uranium), as well as a minerals (including copper, premium quality iron ore and potash), uniquely positions us not only to manage and respond to changes but also to capture opportunities to grow shareholder</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	Potential exposure to increased litigation and unforeseen environmental expenses. Potential for reputation risks with Socially Responsible Investors if our performance and policy commitments fall short of expectations for a leading resources company.	Inability to do business	>6 years	Direct	Unlikely	Low	We manage risk by remaining financially disciplined within the framework of our differentiated and proven strategy. We take a portfolio approach as the quality and breadth of our business across geography, commodity and market reduces earnings volatility and ensures that our portfolio is robust across a range of scenarios.	value over time. BHP Billiton has a diverse portfolio that is important in meeting global demand for energy. We can, and will, continue to adjust the shape of our portfolio to match energy and commodity demand and meet society's expectations while maximising shareholder returns. Our approach to investment decision-making and portfolio management ensures that climate change risks are identified, assessed and appropriately addressed. We have been applying an internal price on carbon in our investment decisions for over a decade.	Low

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								<p>Through a comprehensive and strategic approach to corporate planning, we work with a broad range of scenarios to assess our portfolio, including consideration of a broad range of policy responses to and impacts from climate change. Our models suggest that BHP Billiton's portfolio diversification results in the resilience and strength of our overall asset valuation through all these scenarios. The diversity of our overall portfolio, which includes energy (oil, gas, coal, and uranium), as well as a minerals (including copper, premium quality iron ore and potash), uniquely positions us not only to manage</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								and respond to changes but also to capture opportunities to grow shareholder value over time.	
Uncertainty in market signals	Electricity prices may increase due to carbon charges and conversion to more expensive low carbon alternative energy sources. The costs associated with fuels consumed for supply of raw materials and reagents to our sites, direct operation of our processes and delivery of our products to end markets are all potentially impacted.	Increased operational cost	>6 years	Direct	More likely than not	Low-medium	We manage risk by remaining financially disciplined within the framework of our differentiated and proven strategy. We take a portfolio approach as the quality and breadth of our business across geography, commodity and market reduces earnings volatility and ensures that our portfolio is robust across a range of scenarios.	BHP Billiton has a diverse portfolio that is important in meeting global demand for energy. We can, and will, continue to adjust the shape of our portfolio to match energy and commodity demand and meet society's expectations while maximising shareholder returns. Our approach to investment decision-making and portfolio management ensures that climate change risks are identified, assessed and appropriately addressed. We have been applying an	Low

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								<p>internal price on carbon in our investment decisions for over a decade. Through a comprehensive and strategic approach to corporate planning, we work with a broad range of scenarios to assess our portfolio, including consideration of a broad range of policy responses to and impacts from climate change. Our models suggest that BHP Billiton's portfolio diversification results in the resilience and strength of our overall asset valuation through all these scenarios. The diversity of our overall portfolio, which includes energy (oil, gas, coal, and uranium), as well as a minerals (including</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								copper, premium quality iron ore and potash), uniquely positions us not only to manage and respond to changes but also to capture opportunities to grow shareholder value over time.	

CC5.1d

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1e

Please explain why you do not consider your company to be exposed to inherent risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1f

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Further Information

Page: CC6. Climate Change Opportunities

CC6.1

Have you identified any inherent climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

- Opportunities driven by changes in regulation
- Opportunities driven by changes in physical climate parameters
- Opportunities driven by changes in other climate-related developments

CC6.1a

Please describe your inherent opportunities that are driven by changes in regulation

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
General environmental regulations, including planning	Energy efficiency opportunity (EEO) regulations in Australia require	Reduced operational costs	Up to 1 year	Direct	Likely	Low	We manage opportunity by remaining financially disciplined within the framework of	The Group head office in Melbourne coordinates compliance and reporting on behalf of	Less than AUD1M, based on personnel costs.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>operations to investigate energy reduction opportunities and report these publically. These opportunities can reduce energy costs and deliver GHG reductions. Note that obligations under the EEO Act ceased at the conclusion of FY2014. BHP Billiton has the opportunity to bid for funds in climate change incentive programs, such the Emissions Reduction Fund (ERF) in Australia.</p>						<p>our differentiated and proven strategy. We take a portfolio approach as the quality and breadth of our business across geography, commodity and market reduces earnings volatility and ensures that our portfolio is robust across a range of scenarios. AUD2.55B is available under the ERF over the first 4 years of the program. We cannot estimate our success rate for securing these funds, but this does represent an opportunity for BHP Billiton to access</p>	<p>the Australia Assets, including review of opportunities by the Board. Assets assume responsibility for identifying and implementing cost-effective projects.</p>	

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							financial incentives for the implementation of emissions reduction opportunities.		
International agreements	International agreements on a global carbon price addresses competitiveness concerns and could facilitate lowest cost emissions reductions.	Reduced operational costs	>6 years	Direct	About as likely as not	Low	We manage opportunity by remaining financially disciplined within the framework of our differentiated and proven strategy. We take a portfolio approach as the quality and breadth of our business across geography, commodity and market reduces earnings volatility and ensures that our portfolio is robust across a range of scenarios.	This opportunity will only eventuate if a global pricing mechanism is agreed by the international community. The costs will also be shared with the consumers of our products. To mitigate the effect of a global carbon price, we mandate our Assets to apply our Carbon Pricing Protocol. This ensures our Businesses include a price on	Low

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								carbon for all operations and new projects.	
International agreements	Low emissions technologies incentive mechanisms offer the opportunity for more cost effective development of low emission technologies, greater demand for copper in renewable energy technologies and higher efficiency electric motors.	Investment opportunities	>6 years	Direct	About as likely as not	Low	We manage opportunity by remaining financially disciplined within the framework of our differentiated and proven strategy. We take a portfolio approach as the quality and breadth of our business across geography, commodity and market reduces earnings volatility and ensures that our portfolio is robust across a range of scenarios.	We are committed to investments in low emissions technology that contribute to reducing emissions from the use of fossil fuels. For example, between FY2007 and FY2012, we invested over \$430M in energy efficiency and GHG reduction projects and are now seeking opportunities for material investments in low emissions technologies across our	Low

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								operations and supply chains.	
Fuel/energy taxes and regulations	Carbon pricing provides a cost advantage for low carbon energy sources and could increase the market for natural gas and uranium.	Increased demand for existing products/services	>6 years	Direct	About as likely as not	Low-medium	We manage opportunity by remaining financially disciplined within the framework of our differentiated and proven strategy. We take a portfolio approach as the quality and breadth of our business across geography, commodity and market reduces earnings volatility and ensures that our portfolio is robust across a range of scenarios.	Our strategy to own and operate large, long-life, low-cost, expandable, upstream assets diversified by commodity, geography and market remains the foundation for creating shareholder value. This diversity in products and geographical locations will allow our business to take advantage of changes in energy demand and supply that are influenced by climate change.	Low

CC6.1b

Please describe the inherent opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Induced changes in natural resources	Our non-energy commodities will be impacted by adaptation measures, with demand for copper, aluminium, manganese, nickel, iron ore, potash increasing as populations grow, rebuild, relocate and adapt to changing climatic conditions.	Increased demand for existing products/services	>6 years	Direct	More likely than not	Low-medium	We manage opportunity by remaining financially disciplined within the framework of our differentiated and proven strategy. We take a portfolio approach as the quality and breadth of our business across geography, commodity and market reduces earnings volatility and ensures that our portfolio is robust across a range of scenarios. BHP Billiton's copper, aluminium, manganese, nickel and iron ore Businesses represented approximately	Our strategy to own and operate large, long-life, low-cost, expandable, upstream assets diversified by commodity, geography and market remains the foundation for creating shareholder value. This diversity in products and geographical locations will allow our business to take advantage of adaptation changes that are influenced by climate change.	Costs associated with modelling and predicting our portfolio response to action on climate change is expected to be low. Cost estimated to be between AUD1M and AUD2M for personnel

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							64% (\$43.6b) of BHP Billiton's revenue for FY2014. If demand for these products were to increase, this revenue, as well as the existing asset values may increase proportionally. However, our models suggest that our diversification results in the resilience and strength of our overall asset valuation through all plausible scenarios.		
Induced changes in natural resources	Our Group water target requires all our operations with material water-related risks to set targets and implement projects to reduce their impact on these water	Reduced operational costs	1 to 3 years	Direct	Likely	Low	We manage opportunity by remaining financially disciplined within the framework of our differentiated and proven strategy. We take a portfolio approach as the quality and	Annually, our Assets are required to submit a water-related material risk project tracker that tracks progress against all relevant water targets and projects in place. Performance	Low

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	resources. This process allows us to build the resilience of our operations, communities and ecosystems to the physical impacts of climate change and minimise competition for an increasingly scarce resource.						breadth of our business across geography, commodity and market reduces earnings volatility and ensures that our portfolio is robust across a range of scenarios.	against these projects is directly linked to annual remuneration across our Businesses. The trackers also provide us with a comprehensive overview of all water-related material risks and the associated opportunities that arise from these projects, as well as informing development of our strategies, systems and processes.	

CC6.1c

Please describe the inherent opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	Addressing climate change is	Increased stock price	>6 years	Direct	More likely than not	Low	The total market capitalisation of	On-going regular dialogue and	An accurate cost of our

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	a Board governance and strategic issue. Successful implementation of our strategy requires us to sustainably develop our asset portfolio to deliver superior long-term shareholder returns.	(market valuation)					BHP Billiton Limited and BHP Billiton Plc at 30 June 2014 was US\$177 billion. The closing price for BHP Billiton Limited ordinary shares on the ASX on that date was A\$35.90. The closing price for BHP Billiton Plc ordinary shares on that date was GBP17.61. Any increase in share price as a result of effective management of climate change risk could increase our market capitalisation proportionally.	discussion of climate change risk and opportunities with stakeholders, including investors. Demonstration of our ability to continue to deliver long-term shareholder value.	entire response to climate change within in our business cannot be estimated as it is embedded into the way we operate.
Other drivers	Our diverse portfolio and ability to adapt to changing patterns of energy demand and supply provides an opportunity to attract new investors and drive value for	Investment opportunities	>6 years	Direct	More likely than not	Unknown	We manage opportunity by remaining financially disciplined within the framework of our differentiated and proven strategy. We take a portfolio approach as the quality and	On-going regular dialogue and discussion of climate change risk and opportunities with stakeholders, including investors. Demonstration of our ability to	Low

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	existing shareholders.						breadth of our business across geography, commodity and market reduces earnings volatility and ensures that our portfolio is robust across a range of scenarios.	continue to deliver long-term shareholder value through our ambition to be a sector leader on climate change action and advocacy.	

CC6.1d

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC6.1e

Please explain why you do not consider your company to be exposed to inherent opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC6.1f

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Further Information

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: CC7. Emissions Methodology

CC7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Fri 01 Jul 2005 - Fri 30 Jun 2006	23500000
Scope 2	Fri 01 Jul 2005 - Fri 30 Jun 2006	27200000

CC7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

Australia - National Greenhouse and Energy Reporting Act

US EPA Mandatory Greenhouse Gas Reporting Rule

European Union Emission Trading System (EU ETS): The Monitoring and Reporting Regulation (MMR) – General guidance for installations

Environment Canada, Metal Mining, Guidance Manual for Estimating Greenhouse Gas Emissions

CC7.2a

If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

We have developed a Group Level Document for HSEC reporting (GLD.012). This document prescribes how our businesses are to account for and report GHG and energy data. It states that in the absence of national regulation, the 2006 IPCC Guidelines for National Greenhouse Gas Inventories are to be used.

CC7.3

Please give the source for the global warming potentials you have used

Gas	Reference
CO2	IPCC Second Assessment Report (SAR - 100 year)
CH4	IPCC Second Assessment Report (SAR - 100 year)
N2O	IPCC Second Assessment Report (SAR - 100 year)
HFCs	IPCC Second Assessment Report (SAR - 100 year)
PFCs	IPCC Second Assessment Report (SAR - 100 year)
SF6	IPCC Second Assessment Report (SAR - 100 year)

CC7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy	Emission Factor	Unit	Reference
Bituminous coal	0.088	metric tonnes CO2e per GJ	Australian National Greenhouse and Energy Reporting (NGER)
Coking coal	0.09	metric tonnes CO2e per GJ	NGER
Natural gas	0.051	metric tonnes CO2e per GJ	NGER
Liquefied petroleum gas (LPG)	0.06	metric tonnes CO2e per GJ	NGER
Diesel/Gas oil	0.07	metric tonnes CO2e per GJ	NGER

Further Information

Page: CC8. Emissions Data - (1 Jul 2013 - 30 Jun 2014)

CC8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

CC8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

22671000

CC8.3

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

22282000

CC8.4

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

CC8.4a

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of Scope 2 emissions excluded from this source	Explain why the source is excluded

CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 2% but less than or equal to 5%	Metering/ Measurement Constraints	Facilities in Australia reporting under the NGERs legislation are required to assess uncertainty of their scope 1 emissions with 95% confidence. Detailed methodologies are in place to calculate source level uncertainties and facility-level uncertainties.
Scope 2	More than 2% but less than or equal to 5%	Metering/ Measurement Constraints	As per scope 1 comment, Australian NGER legislation provides guidelines on scope 2 uncertainty. Emissions factors for electricity are typically provided by published local grid factors or off-grid contracts.

CC8.6

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance complete

CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Reasonable assurance	https://www.cdp.net/sites/2015/08/1808/Climate Change 2015/Shared Documents/Attachments/CC8.6a/BHPBillitonSustainabilityReport2014_interactive.pdf	Page 56	ISAE 3410	100

CC8.6b

Please provide further details of the regulatory regime to which you are complying that specifies the use of Continuous Emissions Monitoring Systems (CEMS)

Regulation	% of emissions covered by the system	Compliance period	Evidence of submission

CC8.7

Please indicate the verification/assurance status that applies to your reported Scope 2 emissions

Third party verification or assurance complete

CC8.7a

Please provide further details of the verification/assurance undertaken for your Scope 2 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Reasonable assurance	https://www.cdp.net/sites/2015/08/1808/Climate Change 2015/Shared Documents/Attachments/CC8.7a/BHPBillitonSustainabilityReport2014_interactive.pdf	Page 56	ISAE 3410	100

CC8.8

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
Year on year emissions intensity figure	In addition to reasonable assurance over our GHG emissions. KPMG also provide limited assurance over the remaining contents of our Sustainability Report which includes: - Emissions intensity - Progress against emissions target - Emissions from use of Coal and Petroleum products - Level of emissions reductions achieved due to the implementation of emission reduction projects - Energy use
Progress against emission reduction target	In addition to reasonable assurance over our GHG emissions. KPMG also provide limited assurance over the remaining contents of our Sustainability Report which includes: - Emissions intensity - Progress against emissions target - Emissions from use of Coal and Petroleum products - Level of emissions reductions achieved due to the implementation of emission reduction projects - Energy use
Product footprint verification	In addition to reasonable assurance over our GHG emissions. KPMG also provide limited assurance over the remaining contents of our Sustainability Report which includes: - Emissions intensity - Progress against emissions target - Emissions from use of Coal and Petroleum products - Level of emissions reductions achieved due to the implementation of emission reduction projects - Energy use
Emissions reduction activities	In addition to reasonable assurance over our GHG emissions. KPMG also provide limited assurance over the remaining contents of our Sustainability Report which includes: - Emissions intensity - Progress against emissions target - Emissions from use of Coal and Petroleum products - Level of emissions reductions achieved due to the implementation of emission reduction projects - Energy use
Other: Energy Use	In addition to reasonable assurance over our GHG emissions. KPMG also provide limited assurance over the remaining contents of our Sustainability Report which includes: - Emissions intensity - Progress against emissions target - Emissions from use of Coal and Petroleum products - Level of emissions reductions achieved due to the implementation of emission reduction projects - Energy use

CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

CC8.9a

Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

Further Information

Our assurance engagements are conducted in accordance with the International Standard on Assurance Engagements ISAE 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information and ISAE 3410 Assurance on Greenhouse Gas Statements. These standards require, among others, that the assurance team possesses the specific knowledge, skills and professional competencies needed to provide assurance on sustainability information, and that they comply with the requirements of the Code of Ethics for Professional Accountants of the International Federation of Accountants to ensure their independence.

Page: CC9. Scope 1 Emissions Breakdown - (1 Jul 2013 - 30 Jun 2014)

CC9.1

Do you have Scope 1 emissions sources in more than one country?

Yes

CC9.1a

Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO2e
Africa	4144000
Asia Middle East (AME)	381000
Australasia	12333000
Europe	201000
North America	3527000
South America	2085000

CC9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By business division
By GHG type

CC9.2a

Please break down your total gross global Scope 1 emissions by business division

Business division	Scope 1 emissions (metric tonnes CO2e)
Aluminium, Manganese and Nickel	8191000
Coal	7181000
Copper	1443000
Iron Ore	1571000
Petroleum and Potash	4285000

CC9.2b

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude
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CC9.2c

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 emissions (metric tonnes CO2e)
CO2	17227000
CH4	4930000
N2O	36500
HFCs	2000
PFCs	475000
SF6	500

CC9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)
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CC9.2e

Please break down your total gross global Scope 1 emissions by legal structure

Legal structure	Scope 1 emissions (metric tonnes CO2e)
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Further Information

Page: CC10. Scope 2 Emissions Breakdown - (1 Jul 2013 - 30 Jun 2014)

CC10.1

Do you have Scope 2 emissions sources in more than one country?

Yes

CC10.1a

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2 metric tonnes CO2e	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted for in CC8.3 (MWh)
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Country/Region	Scope 2 metric tonnes CO2e	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted for in CC8.3 (MWh)
Africa	14500000	21570000	7610000
Asia Pacific (or JAPA)	1000	500	0
Australasia	3810000	5600000	0
Europe	1000	1500	0
North America	210000	550000	0
South America	3760000	5440000	0

CC10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By business division

CC10.2a

Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2 emissions (metric tonnes CO2e)
Aluminium, Manganese and Nickel	15290000
Coal	1990000
Copper	4315000
Group Functions	2000
Iron Ore	630000
Petroleum and Potash	55000

CC10.2b

Please break down your total gross global Scope 2 emissions by facility

Facility	Scope 2 emissions (metric tonnes CO2e)
----------	--

CC10.2c

Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2 emissions (metric tonnes CO2e)
----------	--

CC10.2d

Please break down your total gross global Scope 2 emissions by legal structure

Legal structure	Scope 2 emissions (metric tonnes CO2e)
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Further Information

Page: **CC11. Energy**

CC11.1

What percentage of your total operational spend in the reporting year was on energy?

More than 15% but less than or equal to 20%

CC11.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Fuel	62200000
Electricity	33162000
Heat	0
Steam	0
Cooling	0

CC11.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Coking coal	10500000
Diesel/Gas oil	24200000
Distillate fuel oil No 4	400000
Natural gas	19700000

Fuels	MWh
Other: Other	7400000

CC11.4

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the Scope 2 figure reported in CC8.3

Basis for applying a low carbon emission factor	MWh associated with low carbon electricity, heat, steam or cooling	Comment
Other	7610000	Hydropower supplied under contract from a third party We also have multiple other minor renewable sources but these weren't recorded at a corporate level in FY2014. These will be recorded for FY2015

Further Information

Page: CC12. Emissions Performance

CC12.1

How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Decreased

CC12.1a

Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	12	Decrease	In FY2014, 807,000 tonnes of CO2-e were reduced by our emissions reductions projects driven through our GHG KPI process. Given our FY2013 emissions were 46.7Mt CO2-e $((0.807/46.7) * 100 = 2\%)$. We realised 2% emissions reductions related to specific GHG reduction projects which were tracked as part of the HSEC KPI process. In FY2014, approximately 4.7Mt of CO2-e were reduced as a result of our productivity and efficiency agenda. Given our FY2013 emissions were 46.7Mt CO2-e $((4.7/46.7) * 100 = 10\%)$. We realised 10% emissions reductions that were a secondary benefit of broader cost productivity and operating efficiency projects across the business $10\% + 2\% = 12\%$ decrease
Divestment	0	No change	
Acquisitions	0	No change	
Mergers	0	No change	
Change in output	8	Increase	Our production increased by 9% (measured as Copper (Cu) Equivalents). In line with this, our GHG emissions from existing operations increased by 7% and GHG emissions from new operations added 1% more emissions.
Change in methodology	0	No change	
Change in boundary	0	No change	
Change in physical operating conditions	0	No change	
Unidentified	0	No change	
Other	0	No change	

CC12.2

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.000670	metric tonnes CO2e	unit total revenue	5.4	Decrease	GHG intensity per unit of revenue decreased as a result of increased revenues and lower absolute GHG emissions due to emissions reduction activities

CC12.3

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
957	metric tonnes CO2e	FTE employee	1	Increase	GHG intensity per FTE is not a good representation of what drives BHP Billiton's emissions and as such this is not an ideal metric to measure our performance against. Headcount for FY2014 was reduced by 4% which is in line with our absolute emissions reduction of 4%.

CC12.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
4.89	metric tonnes CO2e	Other: tonne of copper equivalent units	12	Decrease	Tonnes of copper equivalent units is a common production measure used in the mining industry to normalise production quantities where multiple commodities are produced. Through implementation of GHG reduction projects and broader production efficiency we have managed to increase our production in FY2014 by 9% whilst reducing our absolute emissions by 4%.

Further Information

Page: CC13. Emissions Trading

CC13.1

Do you participate in any emissions trading schemes?

No, but we anticipate doing so in the next 2 years

CC13.1a

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership

CC13.1b

What is your strategy for complying with the schemes in which you participate or anticipate participating?

Strategy: We recognise both the risks and opportunities posed by emissions trading schemes and we continue to improve our existing strategy to minimise risks and maximise opportunities.

We forecast cost impacts of emissions trading from business strategy. The Carbon Price Protocol is used for all our significant capital investment and forecasting.

Our Operations that participate in these schemes are required to:

- Maintain an accurate emission and energy inventory through consistent data gathering and emissions reporting.
- Provide timely, accurate and detailed data books for internal and external verifier review.
- Understand the regulator’s perspective and maintain awareness of future scheme requirements through government interaction and legal compliance registers
- Identify, evaluate and implement all suitable projects to reduce GHG emissions, including in project design and equipment selection.

CC13.2

Has your organization originated any project-based carbon credits or purchased any within the reporting period?

No

CC13.2a

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance
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Further Information

CC14.1

Please account for your organization’s Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Not relevant, explanation provided				The emissions from this source are likely to be relatively low in magnitude and also relatively low in materiality from a risk or stakeholder perspective when compared to the other calculated Scope 3 emissions sources.
Capital goods	Not relevant, explanation provided				The emissions from this source are likely to be relatively low in magnitude and also relatively low in materiality from a risk or stakeholder perspective when compared to the other calculated Scope 3 emissions sources.
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Relevant, calculated	1378000	This estimate includes upstream scope 3 emissions associated with BHP Billiton’s fuel consumption excluding electricity. Scope 3 emission factors were sourced from the Australian National Greenhouse Accounts (NGA) published in July 2013.	0.00%	
Upstream transportation and distribution	Not relevant, explanation provided				Our operational inputs require minimal transportation and distribution. This scope 3 source would not be a material contributor to our emissions profile.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Waste generated in operations	Not relevant, explanation provided				Our operations do not generate waste resulting in GHG emissions other than minimal quantities of domestic waste.
Business travel	Not relevant, explanation provided				The scope 3 emissions from business travel are immaterial to our overall emissions profile as determined through previous materiality assessments.
Employee commuting	Not relevant, explanation provided				The scope 3 emissions from employee commuting are immaterial to our overall emissions profile as determined through previous materiality assessments.
Upstream leased assets	Not relevant, explanation provided				We have no upstream leased assets.
Downstream transportation and distribution	Relevant, not yet calculated				The emissions from downstream transportation of products are likely to be material. This information is not currently collected for the purposes of scope 3 emissions calculations.
Processing of sold products	Relevant, not yet calculated				Quantifying emissions from these sources requires detailed life cycle studies. The complexity of the task and investment required to understand emissions from these sources does not reflect current stakeholder concern when compared to other calculated Scope 3 sources.
Use of sold products	Relevant, calculated	390000000	This estimate includes downstream emissions associated with the combustion of BHPB Billiton's coal and petroleum products based on sold	100.00%	

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			quantities. Emission factors were sourced from the National Greenhouse and Energy Reporting (NGER) Measurement Determination. The production figures used were for the year ending 30 June 2014.		
End of life treatment of sold products	Not relevant, explanation provided				Our products which are not incorporated into the assessment of scope 3 emissions from 'Use of sold products' include metals and minerals with minimal emissions at end of life.
Downstream leased assets	Not relevant, explanation provided				We do not lease downstream assets in our normal operations.
Franchises	Not relevant, explanation provided				We do not have franchised operations.
Investments	Relevant, not yet calculated				The emissions from ownership of joint ventures and partnerships are likely to be material but are not currently collected for the purposes of scope 3 emissions calculations.
Other (upstream)	Not relevant, explanation provided				No other scope 3 emissions sources have been identified.
Other (downstream)	Not relevant, explanation provided				No other scope 3 emissions sources have been identified.

Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

Third party verification or assurance complete

CC14.2a

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of Scope 3 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2015/08/1808/Climate Change 2015/Shared Documents/Attachments/CC14.2a/BHPBillitonSustainabilityReport2014_interactive.pdf	Page 56	ISAE 3410	100

CC14.3

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

CC14.3a

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Fuel- and energy-related activities (not included in Scopes 1 or 2)	Change in physical operating conditions	33	Decrease	Emissions decreased as a result of changes in productivity and operating conditions.
Use of sold products	Change in output	8	Increase	Scope 3 emissions for use of sold products increased in line with increased production (9% copper equivalent units).

CC14.4

Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

CC14.4a

Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success

We work with our suppliers and customers to identify opportunities to increase their productivity while minimising their GHG emissions from the use of our products.

Suppliers: Sustainability requirements are documented within BHP Billiton Group Level Documents (GLDs). This ensures that they are included in all processes, both with suppliers engaged at Assets and those engaged centrally. KPI's relating to sustainability are incorporated into the Group Supply Manager's personal scorecard.

All suppliers must agree to meet zero tolerance requirements (such as no sourcing of products from World Heritage listed properties and IUCN Protected Areas etc.). The Vice President Strategic Supply is responsible for sustainability initiatives for centrally managed suppliers. The Regional Engagement Manager (China) is responsible for sustainability initiatives for Chinese suppliers. Both of these roles report directly to the Head of Group Supply. Asset Supply Managers are responsible for sustainability initiatives for each individual Asset, and have a dotted-reporting line to the Head of Group Supply.

BHP Billiton conducts supplier risk assessments focused on HSEC and business conduct risks. The supplier must comply with BHP Billiton's HSEC requirements

relevant to work completed as part of the supply contract with BHP Billiton. For example, biofuels must only be sourced from global companies that have policies or standards for the sustainable sourcing of biofuel components. They must demonstrate that biofuels are not sourced in conflict with agricultural, biodiversity or other environmental values and have a positive lifecycle greenhouse gas emissions impact.

BHP Billiton does not outsource the monitoring of suppliers to a third-party management system assessment tool. BHP Billiton employees execute sustainability audits at suppliers. Ongoing monitoring of suppliers does occur at BHP Billiton. All Chinese suppliers engaged through our China Procurement Hub are assessed prior to contracting with them. Individual Assets are responsible for assessing their own suppliers on a risk basis.

Customers and Other Partners in the Value Chain: Our strategy for effective engagement with elements of the value chain is to influence outcomes through support of and participation in key industry associations such as the ICMM and their relevant committees, as well as through direct engagement. An important approach for making progress on many of the key value chain issues is by working collaboratively at an industry level.

For example, our Marketing team is driving improvements in our scope 3 emissions through their focus on fuel and energy-related activities. The team has worked directly with our key fuel suppliers to conduct research into fuel chemistry, cleanliness, infrastructure and handling. The team has also worked with other suppliers to understand the issues and benefits related to engine combustion efficiency. Research to date has delivered improved fuel quality and management actions that have lowered fuel consumption rates and reduced fuel system maintenance. The reduced fuel usage and higher quality fuel reduces our scope 3 emissions related to 3rd party transport of these products to our operations. Our research on fuel quality will be expanded by engaging a team to work directly with suppliers to focus on implementing a clean diesel initiative across the company.

CC14.4b

To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

Number of suppliers	% of total spend	Comment
20300	100%	

CC14.4c

If you have data on your suppliers' GHG emissions and climate change strategies, please explain how you make use of that data

How you make use of the data	Please give details
Other	We work with our suppliers and customers to identify opportunities to increase their productivity while minimising their GHG emissions

How you make use of the data	Please give details
	from the use of our products. We also work with suppliers through industry associations such as the ICMM.

CC14.4d

Please explain why you do not engage with any elements of your value chain on GHG emissions and climate change strategies, and any plans you have to develop an engagement strategy in the future

Further Information

Scope 3 assurance also complies with verification standard ISAE3000

Module: Sign Off

Page: CC15. Sign Off

CC15.1

Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
Dean Dalla Valle	President, HSE, Marketing and Technology	Chief Operating Officer (COO)

Further Information

CDP 2015 Climate Change 2015 Information Request