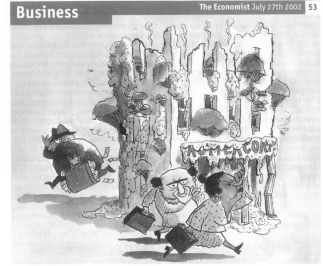


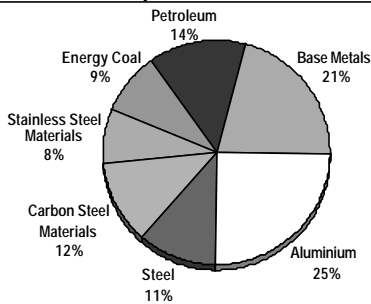
# BHP Billiton Perspective on Business Ethics

Holly Lindsay  
 Vice President Public Policy and Economic Development  
 Sydney, 6 August 2002



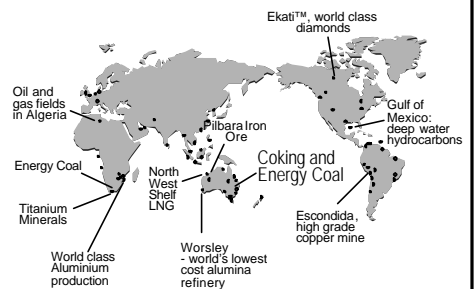
Corporate culture  
**When something is rotten**  
 The best defence against "infectious greed" is a healthy corporate culture

## Global Operations



Net Operating Assets US\$22.3 billion at 31 December 2001

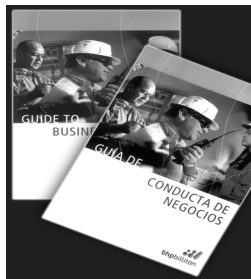
## BHP Billiton International Operations



## Presentation Outline

- BHP Billiton Business Conduct: What it is and how it came about
- The "Nuts and Bolts": Content and Coverage
- Lessons from our Experience
- Conclusion

## BHP Billiton Business Conduct: Components



- The Charter
- Guide to Business Conduct
- Helplines
- Fraud Hotline
- Ethics Panel
- Management Standards & Audit

## Business Conduct Helpline Issues: 2000/01

Category	% of total queries
Misuse of IT	19
General Inquiries	18
Travel, Accommodation & Gifts	12
Conflict of Interest	10
Individual Conduct	9
Discrimination & Harassment	8
Theft, Fraud, Corruption	7
Other	17
Total	100

## Facilitation Payments: Questions to Answer

- 1. Is payment the only way to get the equipment released?
- 2. Is resolution of the issue vital to our operations?
- 3. Is this a routine administrative manner? Is the action required something that the person or group is meant to do?
- 4. Can we be sure that the payment cannot be viewed as distorting the Company's favour --- a judgement that is very much in the discretion of the decision-maker?

## Facilitation Payments: Questions to Answer

- 5. Can we be sure that the company will not be exposed to legal action under any applicable law or regulation? And;
- 6. Is the type and amount of payment consistent with locally accepted practise?
- If the answer is yes to all of these, then a payment can be made provided that it is accounted for and recorded and referred to senior management for approval.

## Conflict of Interest: Q & As (1)

- Q: May I hire my brother to do some contract work for the company, if his rates are the cheapest?
- A: *No unless there are exceptional circumstances and he will not be working under your supervision & if you will not have any influence over the decision to employ him.*
- Q: My husband works for a local company that supplies our plant. Sometimes I have to purchase supplies from him, what should I do?

## Conflict of Interest: Q & As (2)

- A: *Discusses it with your manager – make sure you are not given any assignments that would create a conflict of interest.)*
- Q: My department is thinking about hiring a public accounting firm as a consultant on an upcoming project but the best qualified firm already acts as our auditor. Would it be a problem if we hired them for the project
- A: *It is not normal practise for our auditing accounting firm to be hired as a consultant – refer the matter up before making any approval.)*

## Lessons from BHPB Experience

- “As companies become more complex, there is an increasing need for clarity & practicality”
- “You can lead a horse to water but you can't make him drink”
- “It is much easier to undercook than overcook roll-out and communication”
- “Take every call for help seriously”