

23 July 2020



BY EMAIL

Mr Tony Maher
General President
CFMEU Mining & Energy Division

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Dear Tony

I refer to your letter to Mike Henry, Chief Executive Officer of BHP, dated 21 July 2020.

Operations Services engages employees across Australia, not only in the coal mining industry. With Operations Services, employees have the opportunity to build a career across BHP's locations and commodities.

Operations Services was established to give BHP more reliability and better productivity by reducing our long-term reliance on labour hire, and at the same time provide an attractive option for people seeking the security of permanent employment with our company. Operations Services is doing just that.

More than 80,000 applications have been received for Operations Services roles since we commenced operation in April 2018 – this is a clear endorsement of how attractive the offering is to people right across Australia.

To date, Operations Services has provided nearly 2,700 people with secure and stable employment – half are from regional communities, a third are female and more than a tenth are Indigenous. We have a genuine aspiration of creating and maintaining a diverse and inclusive workforce and we are pleased to hear that the CFMMEU entirely supports this objective. Your letter however, seems to infer that we treat our employees differently on the basis of their race, ethnic origin or sex – this is not accurate and any such allegations will be strenuously resisted by pointing out the true position.

Operations Services offers market competitive rates to all of its employees. Operators and maintainers earn more than \$100,000, and have the added benefits of the stability of full-time or part-time employment, paid parental leave, annual leave and sick leave, performance bonuses and access to the company share program. Each member of our team receives annual pay reviews, which can include pay rises and performance-related bonuses. These terms and conditions are guaranteed in individual employment contracts and no concerns about these terms and conditions have been raised by our employees.

I note the approval application processes for the Operations Services Production Agreement 2018 and the Operations Services Maintenance Agreement 2018 are ongoing in the Fair Work Commission. Therefore, whilst we thank you for your letter, we do not believe now is the time to engage in negotiations as we respect the ongoing process in the Fair Work Commission.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Mark Swinnerton'.

Mark Swinnerton
Vice President Operations Services