

## Production Agreement Q&A

New questions added in **GREEN**

Questions	Answers
<p><b>What is an EA?</b></p>	<p>An enterprise agreement (sometimes referred to as an 'EA' or 'EBA') is an agreement between an employer and a group of employees that sets terms and conditions of employment that apply to that group.</p> <p>Agreements can provide terms and conditions for our team members that are better off overall than the conditions that are prescribed in modern Awards that currently apply.</p>
<p><b>**NEW QUESTION**</b></p> <p><b>How do I know if the proposed Agreement applies to me?</b></p>	<p>The proposed Agreements will cover our operational production and maintenance frontline team members.</p> <p>This means all our <b>heavy mobile equipment operators and trainee operators who are based on mining operations</b> will be covered by our proposed Production Agreement.</p> <p>For clarity, our Supervisors and other technical support roles are not covered by the proposed Agreements.</p>
<p><b>Why do I need an Agreement?</b></p>	<p>An Agreement applies to an employer and employees in place of modern Awards. There are several modern Awards which apply to our team members, depending upon their role and location of their work.</p> <p>Modern Awards cover specific industries and are therefore not tailored to our employees or businesses, which span multiple industries. The Operations Services (OS) Enterprise Agreement (Production or Maintenance) are tailored to our business and will provide a simple common agreement for our operational teams across Australia that meets our unique needs.</p> <p>Agreements give employees peace of mind about their safety net entitlements and helps OS to provide certainty and consistency in service delivery to its customers.</p> <p>There are many benefits of having a safety net in the form of an Agreement, including enabling flexibility and innovation in line with the OS business model. This allows our team members to work across multiple states and commodities to service BHP's operations.</p>
<p><b>Why was the original Enterprise Agreement not approved?</b></p>	<p>The Fair Work Commission had concerns about specific provisions of the Agreements, not every aspect of the Agreements, and whether employees understood those provisions.</p> <p>The FWC's main concerns related to the explanation of some of the agreement clauses given to employees in 2018 and whether some provisions were clear and able to be understood by our team members. The FWC concluded that they were not satisfied OS employees understood the explanation provided by the Company about some provisions and therefore the FWC could not determine the Agreements were 'genuinely agreed' by OS employees.</p> <p>We have considered all the feedback and concerns raised by the FWC about the Agreements that our team members voted up in December 2018 and we are confident that the proposed agreements we are now engaging with you about are clear and we look forward to working with our team members to make sure everyone understands them.</p>

<p><b>Why should I support the proposed Agreement when the FWC previously rejected it?</b></p>	<p>We have considered all the feedback and concerns raised by the FWC about the 2018 Agreements and we are confident in the proposed Agreements being appropriate for our needs.</p> <p>We look forward to working with our team members to make sure everyone understands them. We will ensure that you understand what the proposed EA means for you.</p> <p>Importantly, the proposed Agreement also reflects how OS is working now and in the future.</p>
<p><b>What is different between the 2018 Agreement and proposed Agreement?</b></p>	<p>The proposed Agreement is not materially different to the 2018 Agreement; however we have taken steps to address the areas where the FWC had feedback or concerns including adding clearer provisions about types of employment (e.g. full-time, part-time and casual employment) and how minimum annual salaries will be calculated.</p> <p>We have also sought to simplify the Agreement by removing specific rosters and salaries. This reflects the size and scale of the OS business today and that we now work across several different locations on many different roster arrangements including part-time and job share arrangements. Attempting to capture all current arrangements would be complex and may reduce our flexibility in the future.</p> <p>Additionally, there are minor amendments in accordance with legislative updates.</p>
<p><b>Why are the Agreements separate for Production and Maintenance?</b></p>	<p>OS Production and OS Maintenance are separate employers (we call them 'employing entities') and have slightly different ways of working which is why we are proposing they have separate Agreements.</p> <p>While there are lot of similarities between our proposed Production and Maintenance Agreements, there are some specific provisions that apply to one group – for example, types of work and classifications.</p>
<p><b>How does an Agreement work with my contract of employment?</b></p>	<p>Your individual contract of employment is not impacted by an Agreement.</p> <p>An Agreement works hand in hand with your individual employment contract, providing a single set of safety net conditions for all employees covered by the agreement.</p> <p>Your individual contract of employment contains the terms and conditions of your employment that are specific to you – including your salary and incentive (bonus) arrangements. Importantly, your individual contract of employment cannot provide terms and conditions less than an applicable Agreement.</p>
<p><b>What happens to my contract of employment with an Agreement?</b></p>	<p>Nothing – your individual employment contract remains unchanged. The proposed agreement provides a minimum set of safety net conditions, which are better off overall than the applicable Awards.</p>
<p><b>Why don't we go under the existing BHP site Agreements?</b></p>	<p>OS is a different BHP business to those with existing site Agreements. Importantly, OS is working across Minerals Australia. Our national workforce needs an Agreement that covers our Production business across Australia to suit OS' national model of work (rather than being site based).</p> <p>OS also needs an Agreement that reflects how we are working now and how we will continue to work in the future.</p>

	Our agreements must support our competitiveness to ensure that we can continue to provide stable, permanent jobs now and into the future.
<b>Will national agreements allow me to be transferred wherever the business wants?</b>	No, your contract of employment provides your individual point of hire. If you wish to transfer to another location, or OS needs you to transfer, we will engage with you to discuss any changes.
<b>Will OS employees at Olympic Dam covered by the Agreement?</b>	Yes, the proposed Agreement will cover employees who undertake production activities at Olympic Dam.
<b>What will the voting process look like and when will it happen?</b>	For the proposed Agreement to be made, all employees who will be covered by the proposed Agreement will be invited to vote on it.  At this stage, we don't have a planned date for employee vote.
<b>What's in it for me?</b>	The benefits of an Agreement include: <ul style="list-style-type: none"> <li>• Simple, easy to understand safety net agreements for you.</li> <li>• Sets a benchmark for future employees and their contracts of employment.</li> <li>• Meets OS' unique needs to keep us competitive and will allow us to grow.</li> <li>• Helps our customers to see OS as a long-term, trusted partner.</li> </ul>
<b>Will you be providing printed copies of the Agreement?</b>	In the first instance we encourage you to access the Agreement via our dedicated information hub [ <a href="http://www.bhp.com/OS-EA">www.bhp.com/OS-EA</a> ].  In the event you're unable to access an electronic copy please reach out to your Line Leader who will be able to provide a copy.
<b>Will there be levels of pay in the new Agreement?</b> <b>Will people get paid more as they move up the levels?</b>	Your individual contract of employment sets out your annual salary.  To keep things simple, the proposed Agreement explains how safety net salaries are calculated – which is based on rostered hours of work. Because OS team members work a variety of rosters / hours, we haven't specifically included corresponding minimum salaries for each roster type. However, under the proposed Agreement you will be entitled to a minimum annual salary being that which you would have received under the applicable modern award, <b>plus</b> an additional 5%.  In any event, your annual salary in your contract of employment is based on your role, trade qualifications, experience and roster. All OS team members have their salary reviewed as part of our annual process.
<b>Why doesn't the Agreement have rosters in it?</b>	OS is currently working on a range of different rosters, including part time and job share arrangements. To keep our proposed safety net agreements simple, we have not included references to specific rosters.  All OS team members have the opportunity to request flexibility in their roles and we want to be able to adapt to the needs of the business and our employees in relation to rosters.

<p><b>Why do we get paid less than BMA/ BMC/ NSWEC/ WAIO employees?</b></p>	<p>OS offers its employees market competitive salaries, in excess of relevant Award rates and more generous than salaries of other services providers (e.g. labour hire companies).</p> <p>OS has to remain competitive in order to win future work packages and keep our current deployments running. If our costs rise than we are no longer delivering the same value to the Assets and our strong operating position could be compromised.</p> <p>In order to retain the benefits that we know you love about OS like the flexibility to move between deployments, training and development opportunities and a permanent job we need to focus on every dollar.</p>
<p><b>Why do we have different bonuses from other BHP employees?</b></p>	<p>There are a range of different bonus arrangements in place across BHP which suit the needs of different BHP businesses.</p> <p>Your contract of employment and the OS Employee Handbook provides details of your Incentive Scheme. This is a performance-based bonus which rewards your individual effort and excellence.</p>
<p><b>Why don't we have guaranteed annual pay increases?</b></p>	<p>All OS employees will have an annual salary review conducted to ensure our salaries remain market competitive.</p>
<p><b>**NEW QUESTION**</b></p> <p><b>How does my annual leave accrue?</b></p>	<p>Under the proposed Agreement, employees (other than casual employees) are entitled to 5 or 6 weeks' annual leave per year (depending on the type of roster they work).</p> <p>For full time employees who are entitled under the proposed Agreement to 6 weeks' annual leave per year:</p> <ul style="list-style-type: none"> <li>• employees working a 2/1 roster will typically be entitled to be absent from work on annual leave for 28 shifts per year (or 2 full swings), as they would typically work 28 shifts in a 6 week roster cycle; and</li> <li>• employees working a 7/7 roster will typically be entitled to be absent from work on annual leave for 21 shifts per year (or 3 full swings), as they would typically work will 21 shifts in a 6 week roster cycle.</li> </ul> <p>Leave is accrued incrementally each day. Annual leave will not accrue when employees are on unpaid leave, however will accrue when they are on paid leave.</p>
<p><b>**NEW QUESTION**</b></p> <p><b>How does the OS incentive scheme work?</b></p>	<p>Your contract of employment provides that you may be eligible to participate in the Company Incentive Program, as amended from time to time.</p> <p>Currently, the OS Incentive Scheme is based on safety and productivity outcomes, for each of our deployments. The scheme allows for differentiation of outcomes based on team performance against deployment safety outcomes, key performance indicators (KPIs), and individual behaviours.</p> <p>The key performance metrics, which form the basis against which STI outcomes are assessed, are confirmed by deployment, in addition to safety and behavioural outcomes. The scheme currently offers a 10% target for eligible employees, with the opportunity for stretch outcomes based on performance and safety.</p>

	<p>Employees on part-time working arrangements will have their incentive outcome adjusted at the time of the calculation to reflect their working arrangement or eligible days.</p> <p>Similarly, employees who have had periods of unpaid leave during the year, will have their Incentive adjusted at the time of calculation to reflect the portion of the year worked and eligible days.</p>
<p><b>**UPDATED**</b></p> <p><b>Why don't we get to volunteer for work over Christmas?</b></p> <p><b>Why don't we get paid more for working over Christmas?</b></p>	<p>OS pays market competitive salaries, in excess of relevant Awards, which already financially compensate for where employees are required to work public holidays including Christmas and Boxing Day.</p> <p>OS is working on 24/7 rosters across BHP's Australian operations. To meet our plans and commitments to our customers, we do need rostered shifts to continue over Christmas and Boxing Day.</p> <p>From December 2021, OS will be implementing a policy introducing payment of an ex-gratia payment to employees who work eligible shifts over the Christmas period as a show of appreciation for our team members.</p> <p>We appreciate the efforts of our people to keep operations running safely through the Christmas period, as at all other times during the year. Each year, we work with our people to achieve the right balance between supporting safe continuation of our 24/7 mining operations and maximising time with family and friends..</p> <p>\$700 per eligible shift will be paid in the January pay cycle to those who worked the following shifts:</p> <ul style="list-style-type: none"> <li>• Night shift commencing 24 December</li> <li>• Day shift commencing 25 December</li> <li>• Night shift commencing 25 December</li> <li>• Dayshift commencing 26 December</li> </ul>
<p><b>Why doesn't the Agreement include accident pay?</b></p>	<p>Having a permanent, stable job with OS entitles you the benefit of the OS Workers' Compensation Policy. The policy provides up to 78 weeks' workers' compensation payments:</p> <ul style="list-style-type: none"> <li>• First 39 weeks at 100% of your normal weekly pay</li> <li>• Further 39 weeks at 85% of your normal weekly pay</li> </ul> <p>For Coal, this entitlement is similar to "Accident Pay" and is in excess of the applicable Award.</p>
<p><b>**UPDATED**</b></p> <p><b>Why wasn't I given a Notice of Representational Rights?</b></p>	<p>OS initiated bargaining for a proposed OS Production Agreement in 2018 and a Notice of Employee Representational Rights was given to all necessary employees at that time. OS and its employees are still in the process of making an agreement and so there is no need for OS to provide any additional Notice of Employee Representational Rights. <a href="#">If you would like to read the Notice provided in 2018, you can access it here.</a></p> <p>Please note that all employees have a right to appoint a bargaining representative to represent them in bargaining. If you are a member of a union that is entitled to represent your industrial interests, your union will be your bargaining representative for the agreement (unless you appoint another person as your representative or you revoke the union's status as your</p>

	<p>representative). You can appoint another person – or yourself – as a bargaining representative by notifying OS of this in writing by sending an email to OSEA@bhp.com.</p>
<p><b>I don't really understand all of the details in the Agreement, who will represent me in the negotiations?</b></p> <p><b>How can I put forward my concerns and requests?</b></p>	<p>We encourage you to raise questions or concerns regarding the proposed Agreement with your line leader, or alternatively you can access a wealth of information via our dedicated information hub [<a href="http://www.bhp.com/OS-EA">www.bhp.com/OS-EA</a>].</p> <p>All employees have a right to appoint a bargaining representative to represent them in bargaining. If you are a member of a union that is entitled to represent your industrial interests, your union will be your bargaining representative for the agreement (unless you appoint another person as your representative or you revoke the union's status as your representative). You can appoint another person – or yourself – as a bargaining representative by notifying OS of this in writing by sending an email to OSEA@bhp.com.</p>
<p><b>What if I want [the union / someone] to represent me in bargaining? What do I do?</b></p>	<p>We encourage you to raise questions or concerns regarding the proposed Agreement with your line leader, or alternatively you can access a wealth of information via our dedicated information hub [<a href="http://www.bhp.com/OS-EA">www.bhp.com/OS-EA</a>].</p> <p>All employees have a right to appoint a bargaining representative to represent them in bargaining. If you are a member of a union that is entitled to represent your industrial interests, your union will be your bargaining representative for the agreement (unless you appoint another person as your representative or you revoke the union's status as your representative). You can appoint another person – or yourself – as a bargaining representative by notifying OS of this in writing by sending an email to OSEA@bhp.com.</p>
<p><b>**UPDATED**</b></p> <p><b>Are you talking to the union? Are the union involved in this?</b></p>	<p>Yes, we have been holding discussions about the proposed Agreement with relevant union default bargaining representatives: the CFMMEU and AWU. These parties have an opportunity to review the proposed agreement and provide feedback as well as present proposals to OS.</p> <p>More information about these discussions is available via our dedicated information hub [<a href="http://www.bhp.com/OS-EA">www.bhp.com/OS-EA</a>].</p>
<p><b>What if I have a log of claims to present to the Company? Who do I talk to?</b></p>	<p>We encourage you to raise questions or concerns regarding the proposed Agreement with your line leader, or alternatively you can access a wealth of information and provide feedback via our dedicated information hub [<a href="http://www.bhp.com/OS-EA">www.bhp.com/OS-EA</a>].</p> <p>Additionally, you are welcome to appoint yourself as a bargaining representative by notifying OS of this in writing by sending an email to OSEA@bhp.com.</p>
<p><b>I'm wanting to represent myself, and/or my crew in bargaining. Who do I talk to?</b></p>	<p>You are welcome to appoint yourself as a bargaining representative by notifying OS of this in writing. Others can also appoint you as their bargaining representative by notifying OS of this in writing by sending an email to OSEA@bhp.com.</p> <p>You are also able to raise questions or concerns with your line leader, and access a wealth of information via our dedicated information hub [<a href="http://www.bhp.com/OS-EA">www.bhp.com/OS-EA</a>].</p> <p>We want to hear from you – our people – with your feedback and questions on our proposed EAs.</p>

<p><b>**NEW QUESTION**</b></p> <p><b>Are OS employees eligible for matched superannuation?</b></p>	<p>No. OS team members are not eligible for matched superannuation. OS team members can make additional voluntary payments to their chosen superannuation fund, but these will not be matched.</p>
<p><b>I have been contacted by the media about my role with OS, what should I do?</b></p>	<p>Please do not respond to any questions from the media. Refer any requests from journalists to Jeremy Milne (0438 803 549) or Gab Notley (0411 071 715).</p> <p>We need to ensure that any external communications to media or other stakeholders are made with appropriate review and authorisation by Corporate Affairs. Only BHP authorised spokespersons may make comments on behalf of the Company to media outlets.</p>
<p><b>Can I post on social media comments about BHP, or my job with OS?</b></p>	<p>As we work together to make an agreement, it is more important than ever that we focus on our safe to speak up culture.</p> <p>It is also vitally important that we ensure we continue to act in accordance with our Charter Values and our Code of Conduct in raising and managing concerns.</p> <p>Please make sure you are familiar with your obligations under the Code of Conduct when communicating externally, including on social media. Failure to adhere to our Charter Values and our Code of Conduct may result in disciplinary action being taken against employees up to and including termination.</p> <p>Importantly, we need to ensure that any external communications to media or other stakeholders are made with appropriate review and authorisation by Corporate Affairs. If you have a question or concern, please speak up and raise this with your Line Leader or General Manager so that it can be actioned.</p>
<p><b>**NEW QUESTION**</b></p> <p><b>Why does clause 9.5 of the proposed Agreement outline a break of 8 consecutive hours between shifts? This is inconsistent with the current practice where I work.</b></p>	<p>OS is working across a number of different BHP operations, which all have different standards and policies.</p> <p>The proposed Agreement outlines that 8 hours is the minimum break an employee will be entitled to between shifts, however if your site has a fatigue standard or policy which provides for a longer minimum break between shifts (e.g. 10 hours) this will continue to apply.</p>

## East Coast Questions

<p><b>Why do we pay for our own flights? Can we get Company-funded FIFO?</b></p>	<p>The current model enables employees to live where they chose, with 54% of OS team members living regionally. In addition it is important for OS to stay cost competitive, OS is unable to offer Company-funded FIFO to our Queensland and NSW operations. Doing so would put our competitiveness at significant risk.</p>
<p><b>I heard the CFMMEU wants to negotiate a QLD only agreement, why are you putting forward another national agreement?</b></p>	<p>OS is working across Minerals Australia. We want to make an agreement that covers our national workforce working in our Production business across Australia.</p> <p>As part of the agreement making process, we will consider and respond to any proposals put to us by bargaining representatives.</p>
<p><b>Is this related to the scope changes at Mt Arthur?</b></p> <p><b>[Mt Arthur production]</b></p>	<p>No, we will immediately focus on implementing the changes associated with the scope review and then will engage with you in more detail about the proposed agreement.</p> <p>In the meantime, the agreement is available to you on our dedicated EA website and you can raise questions or concerns regarding the proposed EA with your line leader, or alternatively you can access a wealth of information and provide feedback via our dedicated EA website [<a href="http://www.bhp.com/OS-EA">www.bhp.com/OS-EA</a>].</p>

## West Coast Questions

<p><b>What happened to the Agreement I voted on a few years ago?</b></p> <p><b>[Yandi production]</b></p>	<p>The 2018 Agreement was not approved by the Fair Work Commission therefore does not apply.</p> <p>A lot has changed in OS since 2018, and the proposed agreement improves and simplifies areas in which the FWC had some feedback for the company and also reflects how OS is working now and into the future.</p>
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