



HEALTH 2018

HOW WE WORK

When we started our journey as South32 we knew that if done well and sustainably, developing natural resources can change people's lives for the better.

We are working together to create an inclusive workplace where we hold ourselves and each other to account by living our values of care, trust, togetherness and excellence. Our values govern how we act, work, speak to each other and how we evaluate our behaviour. They guide us and are part of every decision we make.



OUR PURPOSE

Our purpose is to make a difference by developing natural resources, improving people's lives now and for generations to come.

We are trusted by our owners and partners to realise the potential of their resources.



THE VALUES THAT GUIDE US

CARE

We care about people, the communities we're part of and the world we depend on.

TOGETHERNESS

We value difference, listen and share, knowing that together we are better.

TRUST

We deliver on our commitments and rely on each other to do the right thing.

EXCELLENCE

We are courageous and challenge ourselves everyday to be the best in what matters.



THE WAY WE WORK

Together we will create an inclusive workplace where we hold ourselves and each other to account to demonstrate our values.

We ensure all work is well designed and reliably delivers safe outcomes, with a focus on continuously improving and learning.



HOW WE MAKE A DIFFERENCE



We all guarantee everyone goes home safe and well



We are meaningfully connected and believe in our purpose



Our operations run to their full potential and maximise return on investment



Our functions are lean and enable our operations to deliver their full potential



Technology and innovation is radically lifting our performance



We create value through our environmental and social leadership



We have optimised our portfolio and have multiple growth options with a bias to base metals

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Metrics describing health, safety, environment and community (HSEC) performance apply to "operated assets" that have been wholly owned and operated by South32, or that have been operated by South32 in a joint venture operation, from 1 July 2017 to 30 June 2018 (FY18). South32 aligns to the International Council on Mining and Metals (ICMM) Sustainable Development Framework and we report our sustainability information in accordance with the Global Reporting Initiative (GRI) Standards 'Core', including the GRI Mining and Metals Sector Disclosures. The GRI Navigator and Sustainability data tables are available on the South32 website at www.south32.net. KPMG has provided independent assurance on South32's sustainability information, as presented on South32's [website](http://www.south32.net).

This document may contain forward-looking statements, including statements about trends in commodity prices and currency exchange rates, demand for commodities, production forecasts, plans, strategies and objectives of management, capital costs and scheduling, operating costs, anticipated productive lives of projects, mines and facilities, and provisions and contingent liabilities. These forward-looking statements reflect expectations at the date of this document, however they are not guarantees or predictions of future performance. They involve known and unknown risks, uncertainties and other factors, many of which are beyond control of South32, and which may cause actual results to differ materially from those expressed in the statements contained in this document. Readers are cautioned not to put undue reliance on forward-looking statements. Except as required by applicable laws or regulations, the South32 Group does not undertake to publicly update or review any forward looking statements, whether as a result of new information or future events. Past performance cannot be relied on as a guide to future performance.

OUR BREAKTHROUGHS

This year we have introduced seven breakthroughs, which describe how we make a difference.

Our breakthroughs are our new business strategy, and enable us to focus on what is important, balance our priorities and ensure we are all aligned to deliver on our purpose. Our breakthroughs form the foundation of how we plan our business. While no breakthrough has more importance than another, safety sits at the top of the list of seven as it is at the forefront of everything we do. Our breakthroughs bring us together as one South32 to create long-term value for all.

Breakthrough



We all guarantee everyone goes home safe and well



We are meaningfully connected and believe in our purpose



Our operations run to their full potential and maximise return on investment



Our functions are lean and enable our operations to deliver their full potential

Breakthrough



Technology and innovation is radically shifting our performance



We create value through our environmental and social leadership



We have optimised our portfolio and have multiple growth options with a bias to base metals





HEALTH

The health of our people and communities is of great importance to us.

Governed by our internal standards, we implement and continually improve health controls to ensure we avoid, mitigate and manage potential health impacts to our people and communities.

The most important thing we can all do is to ensure that everyone goes home safe and well at the end of every shift. To achieve this, we focus on workplace inclusivity, well-designed work and continuous improvement in our systems and processes.

As a member company of the International Council on Mining and Metals (ICMM) we remain committed to upholding ICMM Principle 4, to implement risk management strategies based on valid data and sound science, and ICMM Principle 5, to seek continual improvement in health and safety performance.



SUSTAINABLE DEVELOPMENT GOALS



Our Health programs support the Sustainable Development Goals

South32 supports the United Nations (UN) Sustainable Development Goals (SDGs). The United Nations 2030 Agenda for Sustainable Development defined 17 SDGs in September 2015 that seek to address the world's greatest challenges. The SDGs build on the work undertaken through the Millennium Development Goals but have a greater focus on the involvement of the private sector. South32 plans align with the SDGs. The key to a successful result is working with stakeholders to develop and implement actions that contribute to sustainable development.

WHAT WE DO TO KEEP OUR PEOPLE HEALTHY

HEALTH RISK MANAGEMENT

Potential health risks at our workplace include potential exposure to carcinogenic substances (silica, diesel particulate matter, nickel, and coal tar pitch volatiles), other airborne contaminants (coal dust, fluoride, lead and manganese dust) and potential exposure to noise. Musculoskeletal disease (MSD) and noise-induced hearing loss (NIHL) remain the most commonly reported occupational illnesses by our workers.

Our risk management process is applied at all of our operations and includes a comprehensive evaluation of exposure risk. Where possible, we implement controls at the project design and equipment selection stages to prevent the introduction of new hazards. We prioritise implementation of exposure controls to manage health risks and our operations maintain, monitor and verify the effectiveness of exposure controls.

We set internal Occupational Exposure Limits (OELs) for our most prominent potentially harmful agents, and our operations are required to prevent exposure exceeding South32 and legislated OELs. If airborne levels exceed an OEL, respiratory protective equipment is mandated for those affected and we complete fit-testing to ensure the protection is adequate. Our continued focus on reducing the number of people exposed above OELs, by controlling emissions at the source has proven effective.

FITNESS FOR WORK

We have Fit for Work programs across all operations to ensure our people are physically and mentally able to perform their work tasks and do not adversely impact their own, or their co-workers', health and safety.

Our Fit for Work programs include medical assessment, fatigue management and risk-based drug and alcohol programs. Risk-based medical assessments evaluate potential risks with the individual, the environment and their role. Interventions such as functional assessments are used to further define physical capability to safely perform tasks, and can identify a need for physical rehabilitation or task redesign.

Our fatigue management plans and risk-based drug and alcohol programs are designed to minimise health impacts to our people through risk mitigation and reduce the likelihood of incidents, injury and illness at our operations.



CASE STUDY



REDUCING POTENTIAL EXPOSURES AT CANNINGTON

At our Cannington operation, which is underground, we are working to reduce potential exposure to airborne contaminants. Since FY15, we have achieved a 100 per cent reduction in potential exposures to airborne contaminants above OELs, and a 75 per cent reduction in potential exposures to carcinogens above OELs (see Table 1).

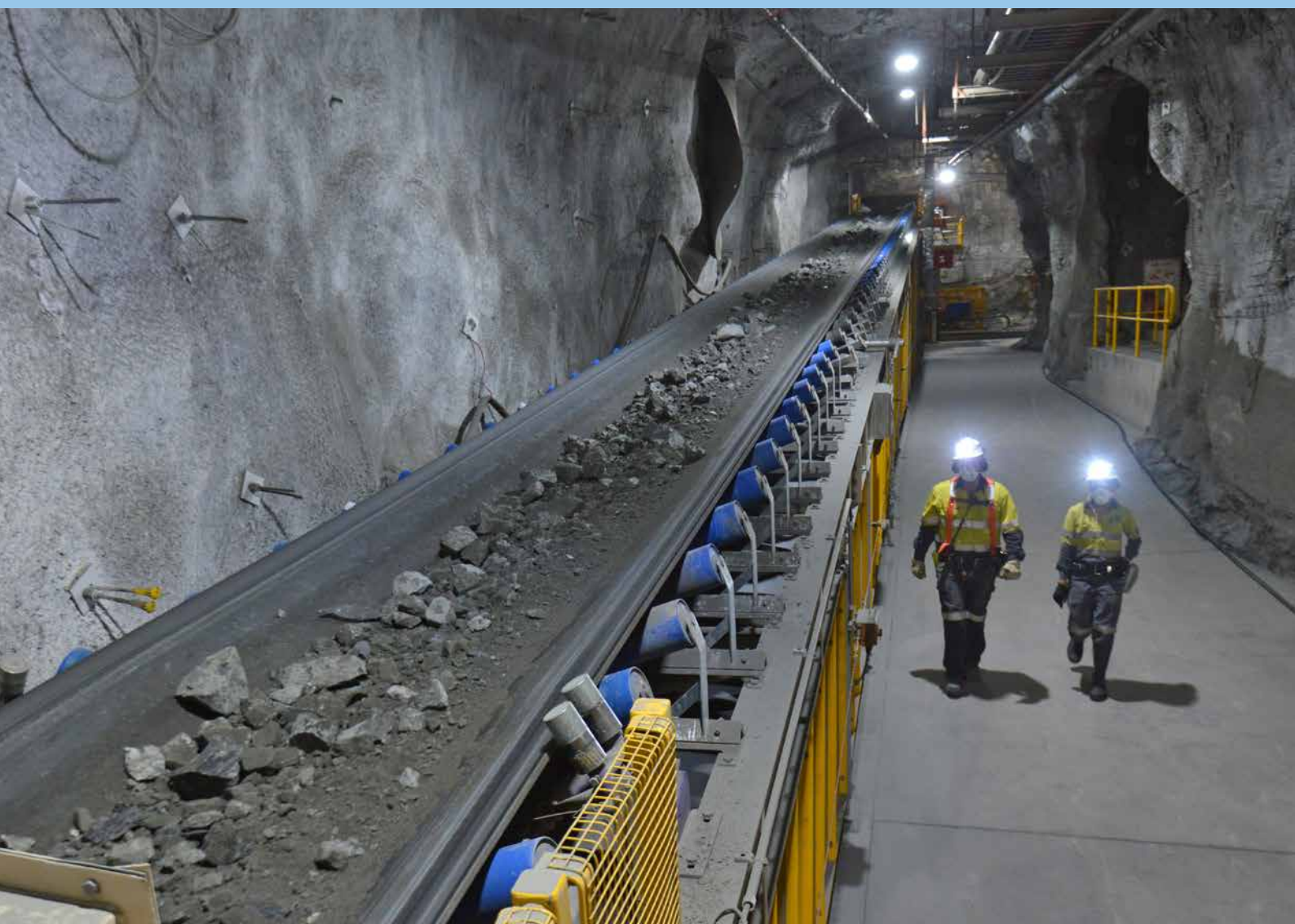
We achieved this by establishing a dedicated team focused on improvement projects, which included identification of potential exposures, implementation of controls and verification of the effectiveness of the implemented controls. This included:

- Occupational hygiene assessments to continually monitor potential exposure to both carcinogens (lead, respirable crystalline silica, diesel particulate matter) and other airborne contaminants (inhalable and respirable dust), and track where exposures of concern exist

- Engineering improvements to dust coverings and automation of equipment, which has helped to reduce the emission of concentrate containing lead at the processing plant
- Improved work practices and behaviours
- Communicating exposure data to employees, defining actions and tracking compliance

Table 1 Number of workers that have been assessed as potentially exposed above OELs

Measurement Point	FY15	FY16	FY17	FY18
Potential Exposures to Airborne Contaminants >OEL	8	0	0	0
Potential Exposures to Carcinogens >OEL	76	65	22	19



CASE STUDY



MANAGING MSD AT CERRO MATOSO

The World Health Organisation's 'determinants approach' is a holistic evaluation of the factors that affect health, and include lifestyle, access to health services, living conditions, previous work conditions and biological and genetic factors. Taking these factors into account can more fully help to explain incidents of MSD at work.

Using this integrated approach, our Cerro Matoso health team commenced an analysis to identify the extent of the risk of MSD in the workplace, and the most appropriate and effective measures to address it. During FY17 and FY18, the team used an assessment process to evaluate almost 75 per cent of workers and establish a baseline of health determinants relating to MSD at Cerro Matoso.

Informed by the results, health teams at Cerro Matoso have begun implementing strategies to reduce medium and high-level MSD risks in the workplace and will continue to monitor the impacts of these initiatives in reducing their TRILF performance. Projects include a Living Healthy Challenge program, a campaign to promote improved postural hygiene and manual handling of loads, and a program of preventative and accelerated rehabilitation.

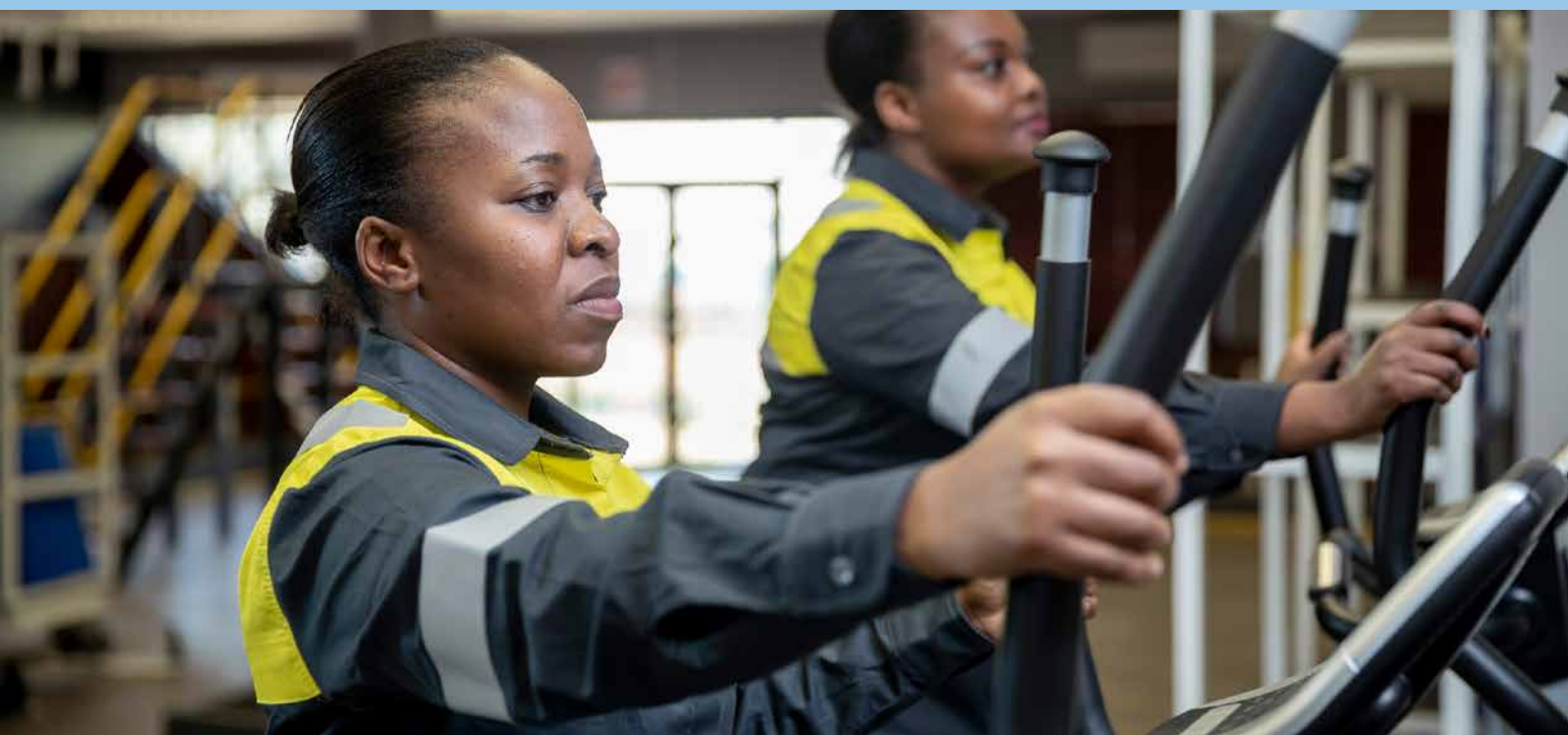


CASE STUDY



FUNCTIONAL AND PHYSICAL FITNESS TO WORK

South Africa Energy Coal (SAEC) recently relocated and upgraded their Rehabilitation and Functional Assessment Centre, which is an integral part of their Occupational Health Services. The centre uses objective and reliable work assessment tools to assess physical fitness and functional ability over an eight-hour shift. The newly updated tests provide simulations of actual job tasks as well as the environment that they are performed in.



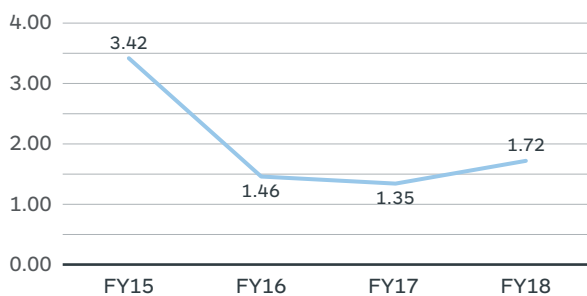
HEALTH PERFORMANCE

Health performance is included in our Business Scorecard. Performance against these targets is directly linked to all employee remuneration, including the Lead Team.

OCCUPATIONAL ILLNESS

Our FY18 Total Recordable Illness Frequency (TRILF⁽¹⁾⁽²⁾) was 1.72 occupational illnesses per million hours worked compared to 1.35 occupational illnesses per million hours worked for FY17.

Diagram 1 TRILF FY15-18

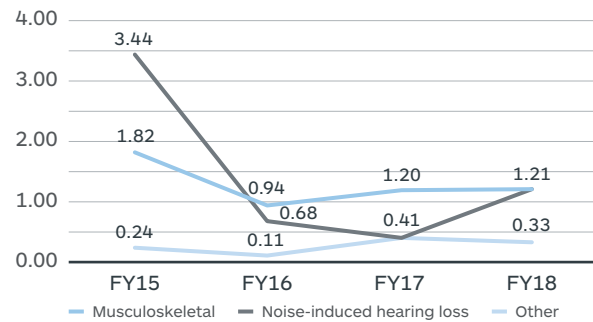


The majority of the increase in TRILF is attributed to an increase in NIHL cases from 13 cases in FY17, to 39 cases in FY18. In FY18, our second line assurance processes identified that an Australian Standard had been reported against at one operation, rather than the United States Government Occupational Safety and Health Assessment reporting criteria, which is used across the Company. As a consequence, previous results have been reviewed, resulting in re-statements for FY15-FY17 as detailed below.

Table 2 Restated TRILF FY15-17

Year	Previously reported TRILF	Revised TRILF
FY17	1.26	1.35
FY16	1.29	1.46
FY15	3.44	3.42

Diagram 2 Employee occupational illnesses⁽³⁾



(1) To ensure that incident classification definitions are applied uniformly across our workforce, we have adopted the United States Government Occupational Safety and Health Assessment guidelines for the recording and reporting of occupational injuries and illnesses.

(2) Total Recordable Illness Frequency (TRILF): The sum of total occupational illness x 1,000,000 ÷ actual hours worked, for employees and contractors. Stated in units of recordable illnesses per million hours worked.

(3) Employee Occupational Illness: The sum of occupational illness x 1,000,000 ÷ actual hours worked, for employees. Stated in units of recordable illnesses per million hours worked.

OCCUPATIONAL EXPOSURES

In FY18, there was a reduction in the number of workers potentially exposed to an airborne contaminant or carcinogen. The reduction has been driven by projects to reduce potential exposure at the source and an improved understanding of our exposure risk profiles. The decrease in potential exposures to carcinogens has been rated as outstanding performance within our Sustainability Key Performance Indicators.

Table 3 Occupational exposures

Occupational exposures	% Change from FY17
Potential exposures to carcinogens	13% decrease
Potential exposures to airborne contaminants	19% decrease
Potential exposures to noise	3% increase

WELLNESS

We recognise that a person's well-being can be related to factors both internal and external to the workplace. We undertake initiatives to help support our people to manage their own health and well-being so that when they are at work they can be present, alert and engaged. We provide all employees and their family members access to external employee assistance providers. These services support, guide and coach people to manage their own well-being. Mental health awareness and improvement projects are periodically undertaken by operations.

The Africa Wellness Committee continued to provide strategic oversight in FY18, planning annual activities and recommending projects to improve wellness. Key events hosted across all operations included the Global Challenge, Nelson Mandela Day, activities to support cancer awareness, Women's Day, Heritage Day, World AIDS Day Commemoration and blood donation drives.



CASE STUDY



KEEPING WELL IN THE OFFICE ENVIRONMENT

Office health and wellness was a focus in FY18, with the Johannesburg and Perth teams promoting good health at work through various wellness events.

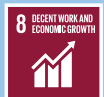
In Perth, employees took part in a four-day event, which addressed risks associated with working under time pressure and various stress loads. A range of health checks were facilitated by industry leading health specialists in evaluating employees' risk factors based on both physical and mental requirements associated with office roles. The event offered healthy eating consultations, resilience-building workshops, mindfulness and skin cancer workshops and checks to align with our commitment to looking at health in a holistic way.

In the Johannesburg office, despite an understanding of what constitutes a healthy lifestyle, many employees reported that they lack the behavioural skills needed to sustain good habits.

The South Africa Wellness Committee organised a Corporate Wellness Week which included a body composition scan and analysis, live blood analysis, stress relief massages, health topic discussions, cardiopulmonary resuscitation demonstrations and access to free exercise sessions including spinning, yoga and water aerobics. Employees who identified problem areas and needed further help were assisted by the onsite health provider through referrals to appropriate specialists.



CASE STUDY



SUPPORTING MENTAL HEALTH AT WORK

In FY18, our GEMCO and Cannington operations supported the well-being of their people through a campaign to provide education and raise awareness of mental health and associated mental health conditions. The campaign aimed to contribute to a positive cultural shift by reducing the stigma commonly associated with mental illness.

Over 1,000 employees and contractors attended a series of mental health awareness and education sessions at our GEMCO and Cannington operations. Tools and skills were also provided to our leaders to assist them in managing and working collaboratively with those that may be affected by a mental health condition.

Following the sessions, a Mental Health Peer Support Network was established at GEMCO, with 23 self-nominated employees from a range of roles and work areas selected as Peer Support Officers (PSOs). Cannington is in the process of setting up a similar network.

All PSOs will undertake accredited Mental Health First Aid training and will act as another avenue of support for personnel with emerging or current mental health concerns or conditions. Contact details for all PSOs have been displayed across site and PSOs have regular meetings scheduled with an on-site employee assistance program psychologist to ensure they are given any additional training or tools to assist them in providing this support.

SUPPORTING HEALTHY COMMUNITIES

Our operations are located within or near local communities. We seek to understand and manage activities that potentially affect community health and implement programs that aim to mitigate these health impacts. This includes looking at ways to manage dust, noise and waste to reduce our impact on communities. If issues do arise, there is a process in place for community members to report concerns and we work with them to address these concerns. Further detail is available in our Communities and Society report at www.south32.net.

We are committed to helping reduce the occurrence of communicable diseases such as HIV/AIDS, TB and malaria in our local communities, as well as also providing support for other diseases such as Machado-Joseph Disease. Our operations collaborate with relevant government, non-government and community-based organisations to promote good health and hygiene practices to reduce disease.



CASE STUDY



MANAGING HIV AND TB AT OUR SOUTH AFRICA OPERATIONS

In South Africa, the TB epidemic is directly linked to HIV incidence and prevalence. The World Health Organisation (WHO) reports an estimated TB prevalence of 781 in 100,000 people or approximately 0.8 per cent⁽⁴⁾. South Africa has the highest number of HIV-associated TB cases in the world and has a HIV prevalence of 12.8 per cent of the population⁽⁵⁾.

To respond to the dual epidemics, South Africa developed an integrated National Strategic Plan for HIV and AIDS, TB and Sexually Transmitted Infections (STIs), and adopted targets set by the United Nations AIDS committee, UNAIDS. South32, through its membership of the Minerals Council South Africa, supports the global fight against HIV and TB through the “Masoyise iTB” initiative.

The South32 HIV and TB program aims to:

- Promote HIV and TB counselling, testing and condom distribution
- Include HIV and TB screening as part of our medical surveillance program
- Provide preventative treatment for TB for people living with HIV
- Improve stakeholder relationships between occupational health and other service providers to share information on HIV/AIDS programs' intakes and successes

Our HIV and TB program is well entrenched as part of the occupational health processes. Statistical data indicates that the HIV and TB prevalence rates at our mining operations in South Africa are well below national rates. Indicators show the South32 HIV rate is 2.61 per cent compared to the 12.8 per cent reported nationally, while the TB rate is 0.32 per cent compared to 0.8 per cent reported nationally.

(4) WHO Global Tuberculosis Report 2017.

(5) South Africa's National Strategic Plan for HIV, TB and STIs 2017-2022.

