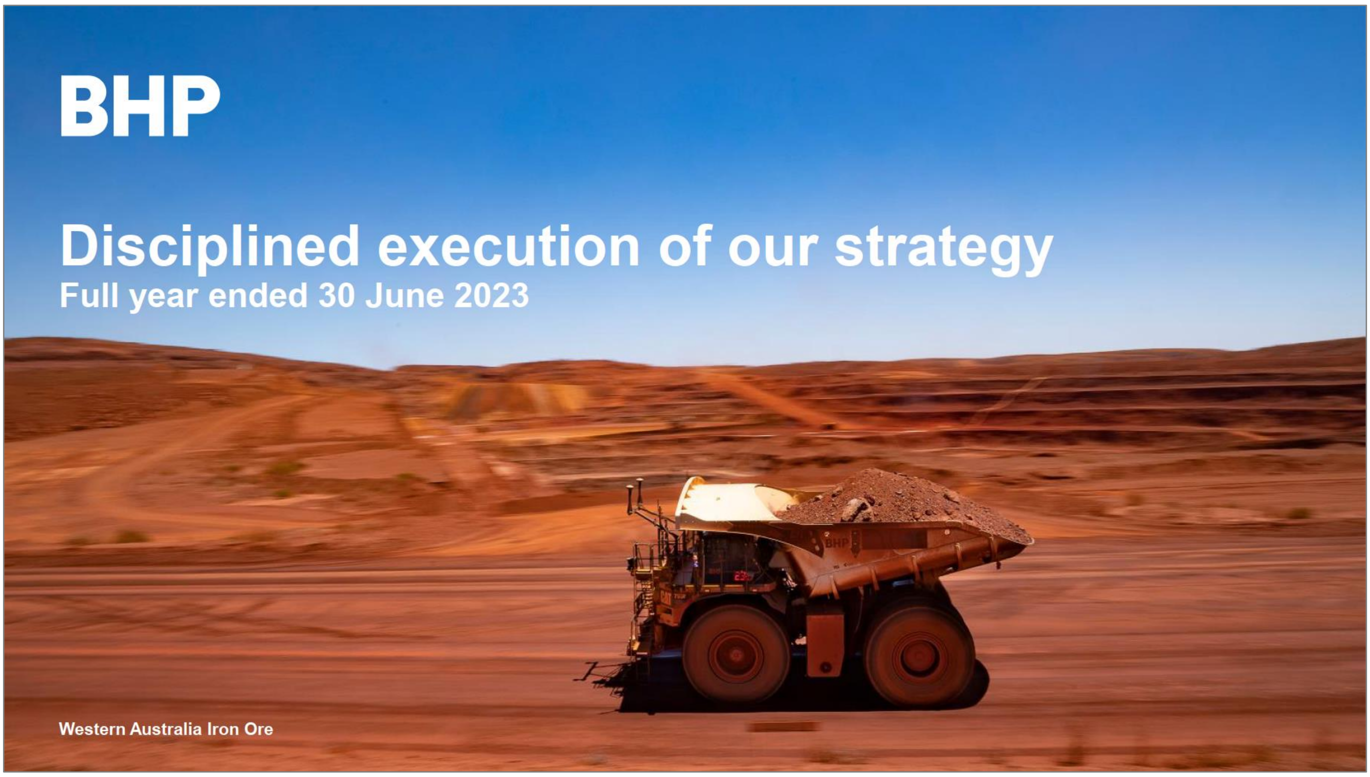
BHP

Financial results for the year ended 30 June 2023

Presentation & speech

22 August 2023



Hello and thank you for joining us to hear about BHP's results for the 2023 financial year. I'm joined today by our Chief Financial Officer, David Lamont.

Disclaimer

The information in this presentation is current as at 22 August 2023. It is in summary form and is not necessarily complete. It should be read together with the BHP Results for the full year ended 30 June 2023.

Forward-looking statements

This presentation contains forward-looking statements, which involve risks and uncertainties. Forward-looking statements include all statements other than statements of historical or present facts, including: statements regarding: trends in commodity prices and currency exchange rates; demand for commodities; global market conditions; guidance; reserves and resources and production forecasts; expectations, plans, strategies and objectives of management; our expectations, commitments, targets, goals and objectives with respect to social value or sustainability; climate scenarios; approval of certain projects and consummation of certain transactions; closure, divestment, acquisition or integration of certain assets, operations or facilities (including associated costs or benefits); anticipated production or construction commencement dates; capital expenditure or costs and scheduling; operating costs, and supply of materials and skilled employees; anticipated productive lives of projects, mines and facilities; the availability, implementation and adoption of new technologies; provisions and contingent liabilities; and tax, legal and other regulatory developments.

Forward-looking statements may be identified by the use of terminology, including, but not limited to, 'intend', 'aim', 'ambition', 'aspiration', 'goal', 'target', 'prospect', 'project', 'see', 'anticipate', 'estimate', 'plan', 'objective', 'believe', 'expect', 'commit', 'may', 'should', 'need', 'must', 'will', 'would', 'continue', 'forecast', 'guidance', 'outlook', 'trend' or similar words. These statements discuss future expectations or performance, or provide other forward-looking information.

The forward-looking statements are based on management's expectations and reflect judgements, assumptions, estimates and other information available as at the date made. BHP cautions against reliance on any forward-looking statements or guidance.

Additionally, forward-looking statements in this presentation do not represent guarantees or predictions of future financial or operational performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this presentation.

For example, our future revenues from our assets, projects or mines described in this presentation will be based, in part, upon the market price of the commodities produced, which may vary significantly from current levels. These variations, if materially adverse, may affect the timing or the feasibility of the development of a particular project, the expansion of certain facilities or mines, or the continuation of existing assets.

In addition, there are limitations with scenario analysis and it is difficult to predict which, if any, of the scenarios might eventuate. Scenario analysis is not an indication of probable outcomes and relies on assumptions that may or may not prove to be correct or eventuate.

Other factors that may affect the actual construction or production commencement dates, revenues, costs or production output and anticipated lives of assets, mines or facilities include our ability to profitably produce and deliver the products extracted to applicable markets; the impact of economic and geopolitical factors, including foreign currency exchange rates on the market prices of the commodities we produce and competition in the markets in which we operate; activities of government authorities in the countries where we sell our products and in the countries where we are exploring or developing projects, facilities or mines, including increases in taxes and royalties or implementation of trade or export restrictions; changes in environmental and other regulations; political or geopolitical uncertainty; labour unrest; and other factors identified in the risk factors discussed in section 8.1 of the Operating and Financial Review (OFR) in the BHP Annual Report 2023 and BHP's filings with the U.S. Securities and Exchange Commission (the 'SEC') (including in Annual Reports on Form 20-F) which are available on the SEC's website at www.sec.gov.

Except as required by applicable regulations or by law, BHP 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.

Presentation of data

Unless specified otherwise: variance analysis relates to the relative performance of BHP and/or its operations during the full year ended 30 June 2023 compared with the full year ended 30 June 2022; operations includes operated assets and non-operated assets; total operations refers to the combination of continuing and discontinued operations; continuing operations refers to data presented excluding the impacts of Onshore US from the 2017 financial year onwards and excluding Petroleum from the 2021 financial year onwards; copper equivalent production based on 2023 financial year average realised prices; references to Underlying EBITDA margin exclude third party trading activities; data from subsidiaries are shown on a 100% basis and data from equity accounted investments and other operations is presented, with the exception of net operating assets, reflecting BHP's share; medium term refers to a five-year horizon, unless otherwise noted. Throughout this presentation, production volumes and financials for the operations from BHP's acquisition of OZ Minerals Limited (OZL) are for the period of 1 May to 30 June 2023, whilst the acquisition completion date was 2 May 2023. Unless expressly stated, information and data in this presentation related to BHP's social value or sustainability position or performance does not reflect BHP's acquisition of OZL. Due to the inherent uncertainty and limitations in measuring greenhouse gas (GHG) emissions under the calculation methodologies used in the preparation of such data, all GHG emissions data or references to GHG emissions (including ratios or percentages) in this presentation are estimates. Emissions calculation and reporting methodologies may change or be progressively refined over time resulting in the need to restate previously reported data. Numbers presented may not add up precisely to the totals provided due to rounding. All footnote content (except in the Annexures) is contained on slide 21.

Non-IFRS information

We use various Non-IFRS information to reflect our underlying performance. For further information, the reconciliation of non-IFRS financial information to our statutory measures, reasons for usefulness and calculation methodology, please refer to section 10 'Non-IFRS financial information' in the BHP Annual Report 2023.

No offer of securities

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BHP and its subsidiaries

In this presentation, the terms 'BHP', the 'Company, the 'Group', 'BHP Group', 'our business', 'organisation', 'we', 'us', 'our' and ourselves' refer to BHP Group Limited and, except where the context otherwise requires, our subsidiaries. Refer to note 30 'Subsidiaries' of the Financial Statements in the BHP Annual Report 2023 for a list of our significant subsidiaries. Those terms do not include non-operated assets. This presentation covers BHP's functions and assets (including those under exploration, projects in development or execution phases, sites and closed operations) that have been wholly owned and/or operated by BHP or that have been owned as a joint venture[1] operated by BHP (referred to in this presentation as 'operated assets' or 'operations') during the period from 1 July 2022 to 30 June 2023.

BHP also holds interests in assets that are owned as a joint venture but not operated by BHP (referred to in this presentation as 'non-operated joint ventures' or 'non-operated assets'). Notwithstanding that this presentation may include production, financial and other information from non-operated assets, non-operated assets are not included in the BHP Group and, as a result, statements regarding our operations, assets and values apply only to our operated assets unless stated otherwise.

1. References in this presentation to a 'joint venture' are used for convenience to collectively describe assets that are not wholly owned by BHP. Such references are not intended to characterise the legal relationship between the owners of the asset.

This year our results have again proven that our focused strategy creates lasting value, through the cycle.

Disciplined execution of our strategy creates value

Delivered robust results in the 2023 financial year

Tragically, two fatalities in H2

Solid operating performance, with records at WAIO, Olympic Dam and Spence

Strong financial results and returns

OZ Minerals acquisition completed, integration underway

Growth options in execution and further being generated

Note: WAIO – Western Australia Iron Ore.

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But before we talk about our performance and the outlook for our business, I do want to acknowledge the tragic deaths of two of our colleagues during the year.

Safety is our top priority and fundamental to our success. And we remain resolute in our commitment to eliminating fatalities and serious injuries at BHP.

We have delivered a strong set of results, against a backdrop of economic uncertainty. The ability to deliver in any environment is the hallmark of a high-performing company. And we continue to do so.

We met our production guidance across each of our commodities, and achieved record annual production at Western Australia Iron Ore, Olympic Dam and Spence. And our unwavering focus on costs means we continue to manage inflation well – particularly compared to our competitors.

Our disciplined performance has delivered earnings[1] of over US$13 billion, and enabled us to announce a full year dividend of 170 US cents per share. That's US$8.6 billion that flows back to all of our investors – including the 17 million or so Australians (or two thirds of the population) who are direct or indirect investors in BHP – and brings our total ordinary dividends to shareholders over three years to more than US$40 billion.

We also contribute significantly to the economies in which we operate. This year our total economic contribution was US$54 billion[2]. And this includes almost US$14 billion paid to governments – US$12 billion of which was paid in Australia.

We've continued to expand and execute on our suite of growth options. We've progressed projects; advanced studies; invested in technology, innovation and early stage options; explored new regions; and of course, acquired OZ Minerals, which we're integrating with Olympic Dam to create a new copper province[3] in South Australia.

1. Underlying attributable profit.
2. This includes contribution to suppliers, wages and benefits for employees, dividends, taxes, royalties and voluntary social investment. For more information refer to the Economic Contribution Report 2023, available at bhp.com.
3. Combining Olympic Dam, Carrapateena, Prominent Hill and Oak Dam, will create a new copper province for BHP in South Australia.

The creation of shareholder value goes hand in hand with the creation of social value… our positive contribution to society and development of relationships of mutual value with our partners and stakeholders. Social value is fundamental to our success and our future competitiveness, so it is deeply interwoven into our strategic thinking and day-to-day actions.

We've made good progress against the social value metrics we announced in 2022 as we continue to build an inclusive, high-performance culture and a more sustainable business.

We further reduced our operational emissions by 11 per cent from last year. And, while future progress won't be smooth or linear, particularly as we also look to grow our business, we remain on track to achieve our 2030 target.

Our relationships with the Indigenous peoples on whose traditional lands we operate are critical to our business. This year we spent over US$330 million with Indigenous suppliers globally, more than double last year's figure. In Australia, we also achieved the 'Elevate' designation for our latest Reconciliation Action Plan, which we co-created with Traditional Owners and speaks to the way we embed initiatives that include, support and empower Indigenous people.

Jobs in the mines of the future are changing – safer, more high-tech, more automated. In the competition for the best talent, BHP must be an attractive place to work for everybody. We advanced female employee representation to more than 35 per cent[4] – that's more than double since we announced our ambition to achieve global gender balance by 2025[5].

So with that, I'll now hand over to David to take you through our financial results.

4. As at 30 June 2023.
5. In CY16, we announced our aspiration to achieve gender balance within our employee workforce globally by the end of FY25, which we define as a minimum 40 per cent women and 40 per cent men in line with the definition used by entities such as the International Labour Organization.


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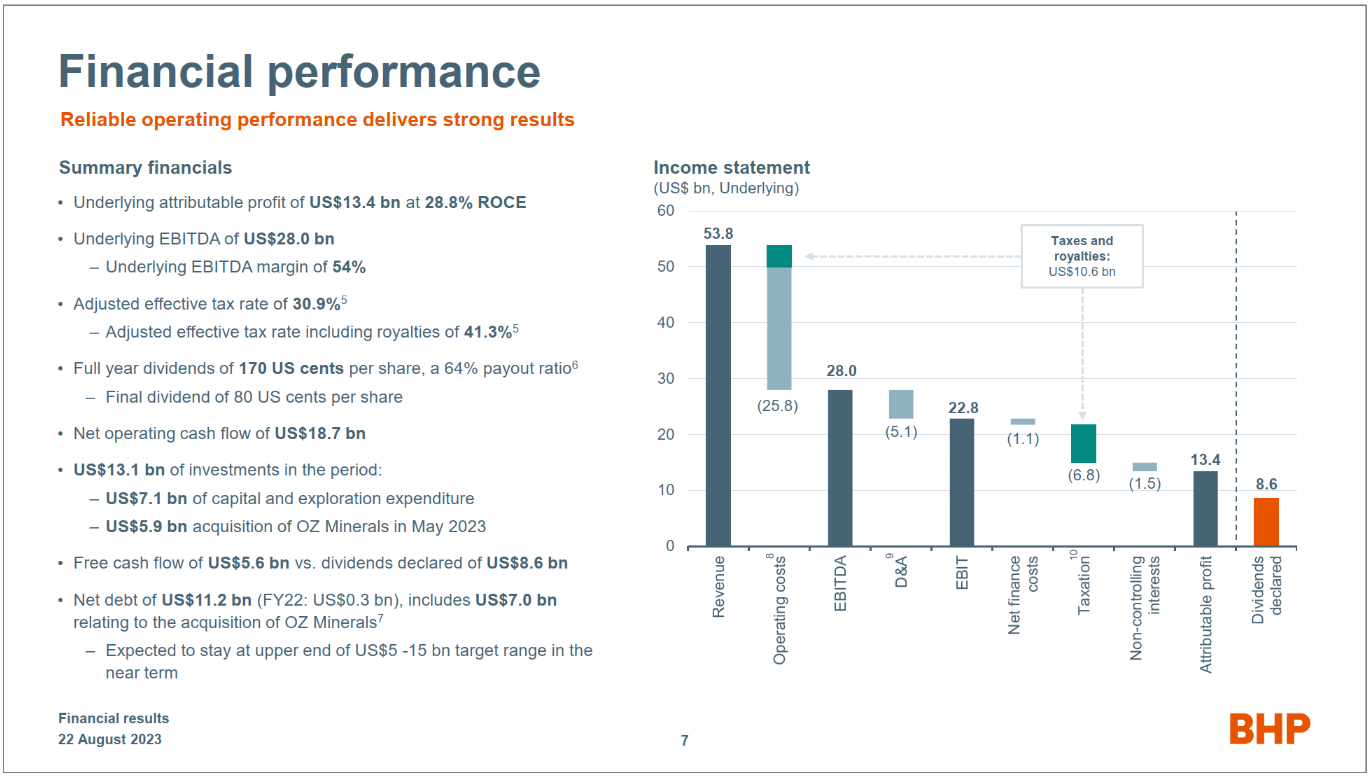
Full year ended 30 June 2023
David Lamont
Chief Financial Officer
Escondida

Thanks, Mike.



We delivered another strong set of results, despite lower prices and continued inflationary pressures.

Our EBITDA margin, at 54 per cent, and return on capital employed, at 29 per cent, reflects the quality of our assets, and reliable operating performance.

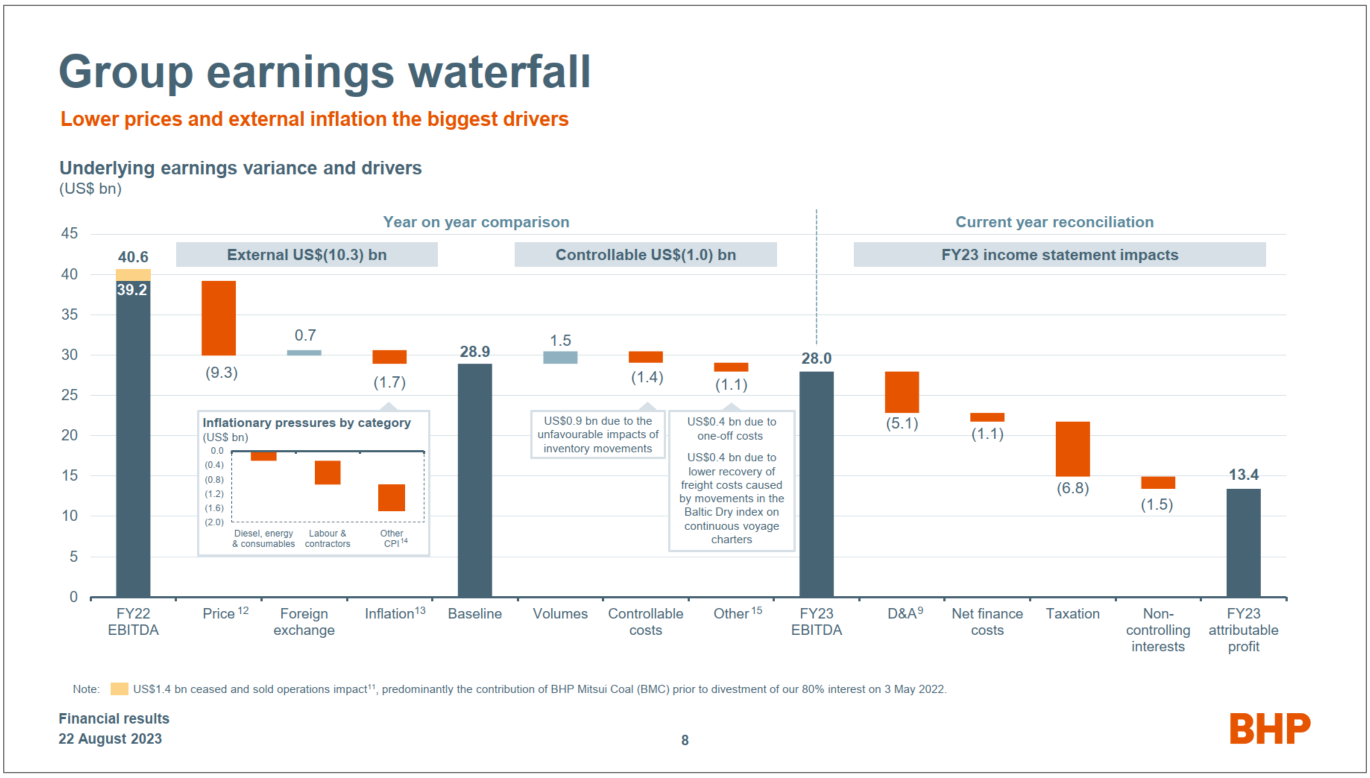
Underlying attributable profit decreased by US$7.9 billion[6] to US$13.4 billion. Taxes and royalties amounted to US$10.6 billion, which reflects an effective tax rate[7] of 41.3 per cent.

Ensuring shareholders continue to benefit from our consistent and reliable performance, we've announced a final dividend of 80 US cents per share, fully franked, which equates to US$4 billion.

During the year, we spent US$7.1 billion on capital and exploration expenditure – an increase of 16 per cent[8] year-on-year.

And net debt finished at US$11.2 billion, including US$7 billion related to the acquisition of OZ Minerals. In the near term, we expect to stay at the upper end of our US$5 to US$15 billion target range, as we ramp up spend on growth.

6. Continuing operations.
7. Adjusted effective tax rate.
8. Continuing operations.



The biggest driver of the year-on-year decline in earnings was lower commodity prices. Iron ore and copper, our two largest segments, saw prices down 18 per cent, and 12 per cent, respectively, compared to last year. Metallurgical coal prices declined 22 per cent.

Usually, the impact of lower prices would be partly offset by lower royalties. But in Queensland, royalties increased as we paid an additional US$700 million under the new royalty regime.

We also continue to see the effects of inflation, which had a negative US$1.7 billion impact, and equates to an effective rate of around 10 per cent. The favourable impacts of the weaker Australian dollar and Chilean peso against the US dollar were only a partial offset to inflation.

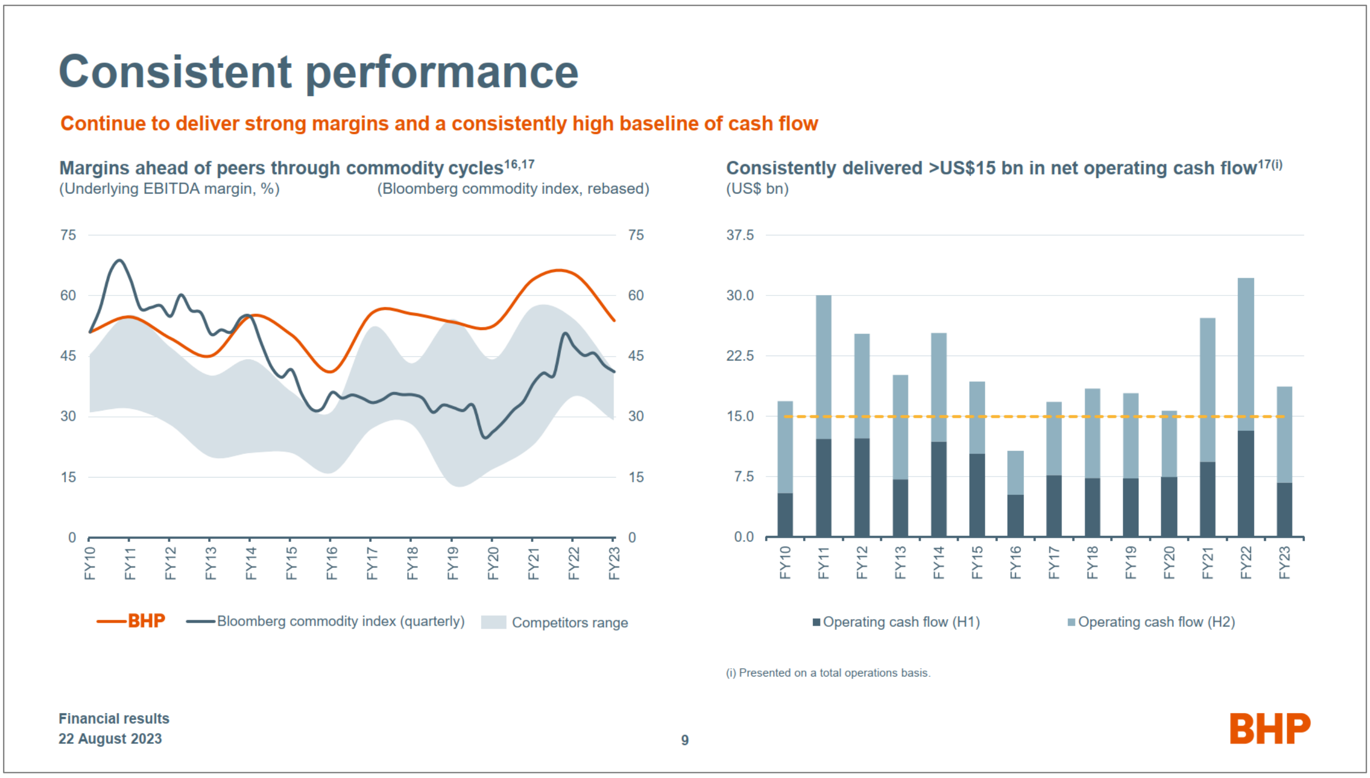
Beyond these external pressures, we delivered well against the areas within our control.

Production was up three per cent in copper equivalent terms, and delivered an increase of US$1.5 billion. And on the cost front, we continued to perform well, meeting unit cost guidance for the majority of our assets. The US$1.4 billion increase in controllable cash costs is primarily due to unfavourable timing impacts of inventory movements.

The US$1.1 billion in the ‘Other’ category largely reflects one-off costs of US$400 million in relation to the OZ Minerals acquisition, and employee allowances and entitlements. As well as the US$400 million accounting impact due to movements in the freight index on some of our freight contracts – specifically continuous voyage charters.

Attributable profit declined 37 per cent[9] and is lower than our EBITDA due to depreciation, interest associated with maintaining a healthy capital structure, substantial taxes and then backing out amounts relating to non-controlling interests – notably, Escondida and Jimblebar.

9. Underlying attributable profit; continuing operations.



Our operations are performing well. We continue to produce strong margins and a consistently high baseline of cash flow.

Over the past decade, we have delivered average margins of 55 per cent – significantly ahead of our nearest competitors – and generated average net operating cash flows of US$20 billion per year.

This stability is a hallmark for us and demonstrates the quality of our portfolio and the consistency of our returns, despite volatility in the sector.

Segment performance

Iron ore

Production:	257 Mt
Average realised price:	US$92.54/wmt
EBITDA margin:	67%
WAIO unit cost[18]:	US$17.79/t
WAIO C1 unit cost[19]:	US$15.86/t

Nickel

Production:	80 kt
Average realised price:	US$24,021/t
EBITDA margin:	8%

- Impacted by inventory draw downs, cost inflation and lower realised prices for intermediate products in sales mix

Copper

Production:	1,717 kt
Average realised price:	US$3.65/lb
EBITDA margin:	47%
Escondida unit cost[18]:	US$1.40/lb

Potash

- Jansen Stage 1 continues to be on time and on budget
- Stage 1: 26% complete
- US$3.1 bn in contracts awarded to date

Metallurgical coal

BMA production:	29 Mt –
Average realised price:	US$271.05/t
BMA EBITDA margin:	42%
BMA unit cost[18]:	US$96.46/t

Energy coal[20]

NSWEC production:	14.2 Mt
Average realised price - export:	US$236.51/t
NSWEC EBITDA margin:	56%
NSWEC unit cost[18]:	US$82.37/t

Note: WAIO – Western Australia Iron Ore; BMA – BHP Mitsubishi Alliance; NSWEC – New South Wales Energy Coal. Arrow indicates movement relative to FY22.

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BHP

This strong performance is seen around the business.

Iron Ore continued to perform incredibly well, with an EBITDA margin of 67 per cent, underpinned by record production volumes at Western Australia Iron Ore, strong price realisations relative to benchmark, and the lowest costs of the major producers – with C1 costs of US$15.86 per tonne, up only five per cent.

In Copper, our margin remains healthy at 47 per cent. Escondida's production increased five per cent year-on-year. and while unit costs increased 17 per cent, this was a solid outcome in the context of what our competitors are experiencing. This reflects Chilean inflation of around 12 per cent, as well as above-inflation price increases for diesel and explosives.

We achieved record production at Spence, following higher concentrator throughput, and at Olympic Dam, as a result of continued strong concentrator and smelter performance.

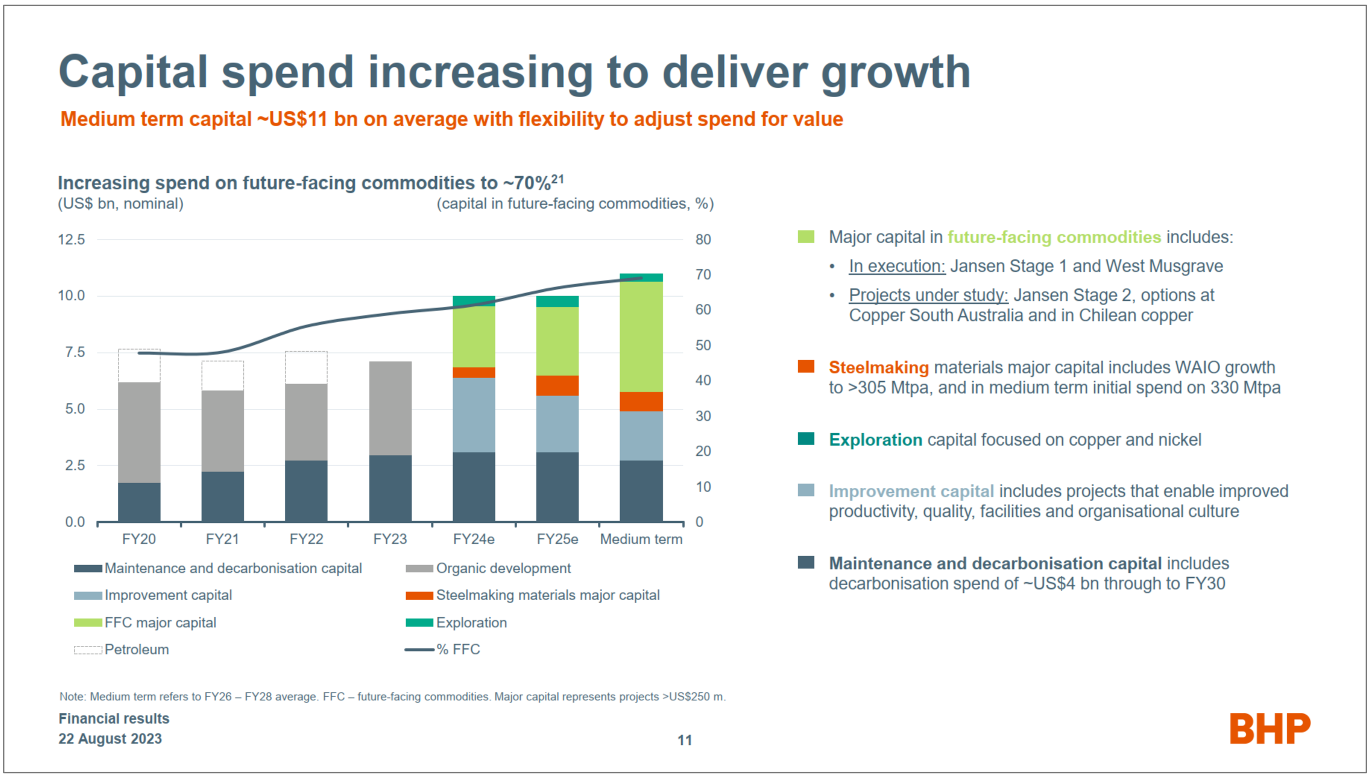
BMA finished the year in a strong position – offsetting the impact of significant wet weather during the first three quarters with strong underlying operational performance. Continued improvement in truck productivity following further transitions to the autonomous fleet, was a key driver.

In Nickel, our margin was lower year-on-year as we purchased additional higher-cost third party concentrate to compensate for ore supply issues and drew down on inventory.

New South Wales Energy Coal achieved a strong EBITDA margin of 56 per cent. We continue to manage this asset for value as we transition towards ceasing mining in 2030.

And at Jansen, Stage 1 is now 26 per cent complete, and remains on budget and ahead of its original schedule.

Our ongoing focus on productivity and costs allowed us to manage external pressures well, delivering a strong performance operationally and on the cost front.



Now, turning to capital expenditure.

We are increasing our spend as we look to unlock productivity, decarbonise our assets[10], and deliver growth in future-facing commodities.

Incorporating the OZ Minerals assets, we expect to spend around US$10 billion on capital and exploration in the 2024 and 2025 financial years. The majority of this will go towards improvement and growth, as we progress Jansen, Copper South Australia projects and growth in the Pilbara. As we've said, we're not spending any growth capital at BMA, as these projects are uncompetitive following the Queensland Government's decision to raise royalty rates to the highest maximum rate on coal in the world.

As we look to the medium term, we expect spend to increase to around US$11 billion per year. An increasing proportion of this – around 70 per cent – will go towards future-facing commodities. This includes continued spend on Jansen Stage 1 and potentially Stage 2, growth in our Chilean and Australian copper operations, and nickel.

However, as always, this is not set in stone. We remain flexible and will only spend capital where we see compelling value.

With that, I'll now hand back to Mike for an update on the business.

10. Operated assets.

Thanks, David.

I'd like now to explain our outlook for the commodities we produce, and what we're doing to grow value.

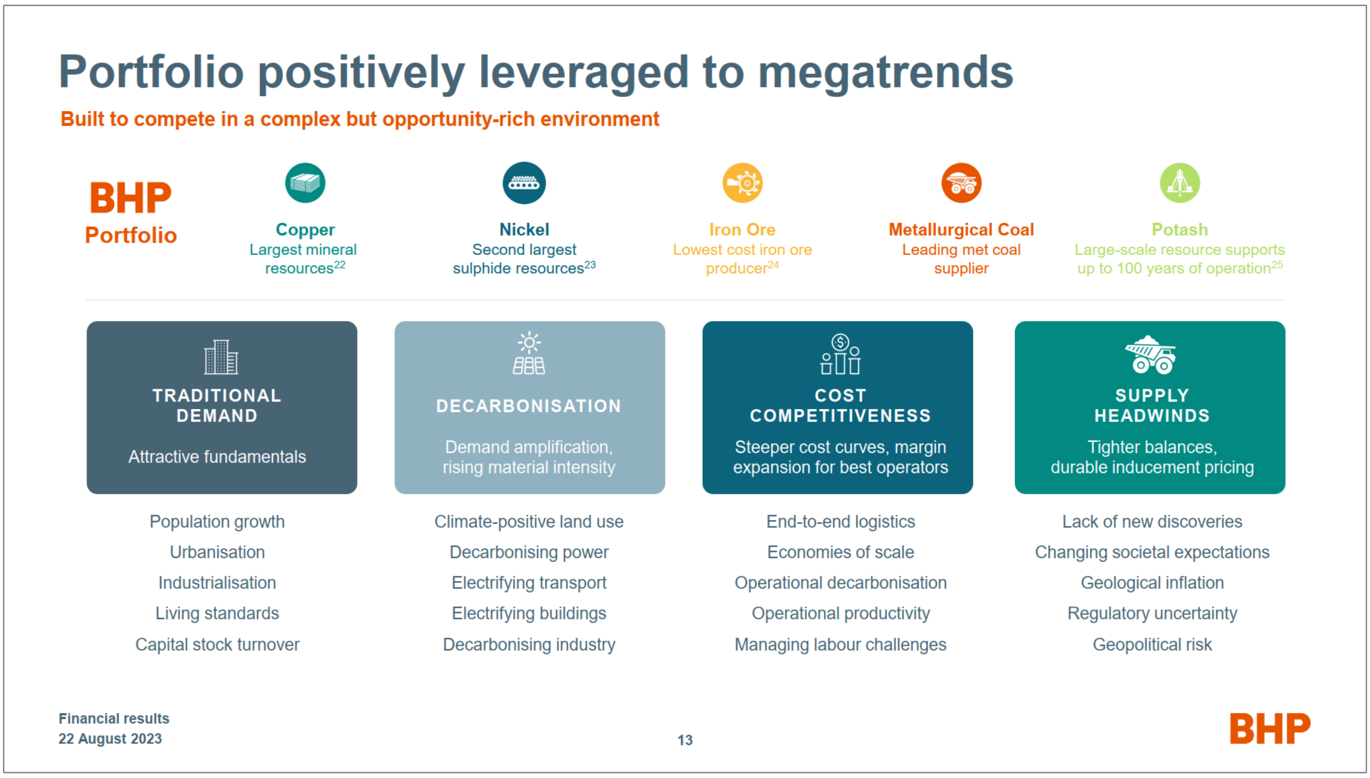
In the near term, we expect the economic environment to remain uncertain.

Anti-inflationary policies have slowed demand in the developed world. And while China and India have been a source of relative stability for commodities demand over the last six months as expected, momentum in China has slowed.

The July Politburo meeting set a positive, pro-growth tone. However, it remains uncertain how quickly and effectively these policies will be implemented. If policy is implemented well, 2023 should end with solid momentum moving into 2024. If not, growth will continue to disappoint.

However, it is worth recognising what's going well in China. Low-carbon technology sectors are booming, infrastructure investment is strong, housing completions are growing 19 per cent year-on-year, and autos and consumer durable sales are healthy.

As a result of all of this, we've revised our 2023 forecasts for Chinese steel expectations down, but our copper projections up.



While there is uncertainty in the short term, the long term outlook remains positive.

Traditional demand drivers are an undeniable force. Population growth, ongoing urbanisation and industrialisation, and rising living standards are expected to result in a global economy that is two and a half times larger by 2050.

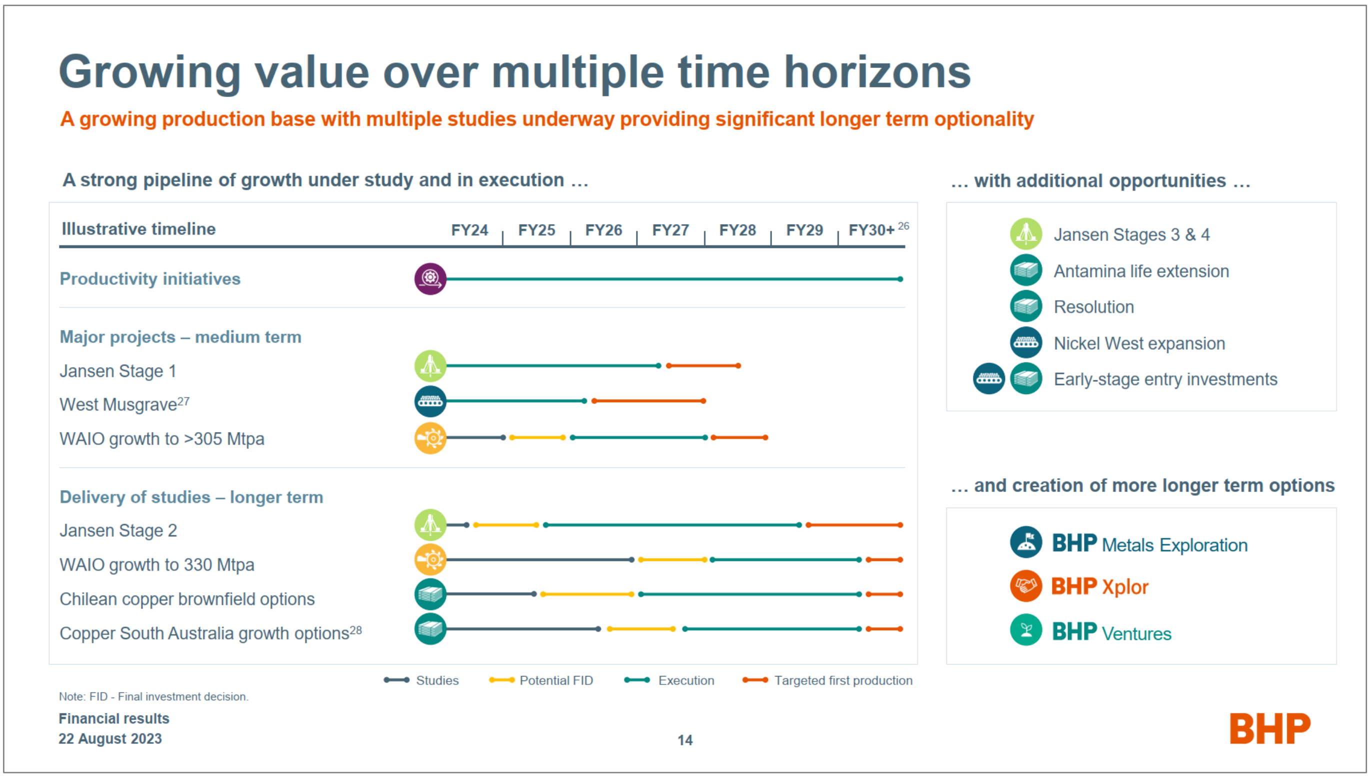
The energy transition is expected to further amplify demand. Not only due to the massive investment required in decarbonisation infrastructure, but also due to potential climate-related physical impacts which may drive more frequent replacement of capital stock, and more investment in defensive measures to mitigate these risks.

Cost differentiation is expected to become even more pronounced. General inflation and labour are expected to put upwards pressure on costs, particularly for companies that are less-efficient. The costs of decarbonisation are also expected to be inflationary, and will disproportionately impact companies with higher emissions intensity. As such, while the marginal cost of mining production is now clearly higher than in the past, in the medium term there are signs that it could go higher still once the after-effects of the pandemic and the ongoing Ukraine conflict unwind. That means lower-cost operators like BHP stand to capture higher relative margins in certain commodities.

Combined with the challenges of bringing on new supply – for example, due to grade decline headwinds, a lack of economic discoveries, permitting challenges, and local stakeholder opposition – this creates an environment in which companies like BHP can thrive.

This year marked an inflection point in the resources sector. My sense is that the business and political circles are beginning to grasp the scale of the challenges the world faces in securing the metals and minerals needed for global growth and the energy transition, as well as the opportunities those challenges present for nations, communities and companies.

BHP’s strategy, commitment to social value, and the deliberate shaping of our portfolio, means we are well positioned to benefit from these trends.



So how do we seize on this opportunity?

First and foremost, increasing productivity from existing assets is our most valuable lever. And this requires an ongoing focus on optimisation and efficiency – through the way we operate our assets, the way we embrace innovation, and our culture of continuous improvement – to ensure we make the most of what we already have.

Our cathodes team at Escondida exemplifies this. Their systematic approach to continuous improvement, has delivered a substantial improvement in performance and they were recently awarded the prestigious Shingo prize for operational excellence.

Our strategy is focused on owning assets in attractive commodities, that are large, long-life, low-cost, and with options to expand. The larger the ore body, the larger the potential opportunity they present for organic growth – not just in the short term, but over decades.

Western Australia Iron Ore is a prime example of this. It's an asset that was operating at around 60 million tonnes per year in the 1990s, and my guess is that its potential probably wasn't imagined at that time. But by capturing opportunities to expand and improve, we're now at 285 million tonnes per annum, and progressing towards 305. Our studies into further growth, to 330 million tonnes per annum are due to be completed in 2025[11].

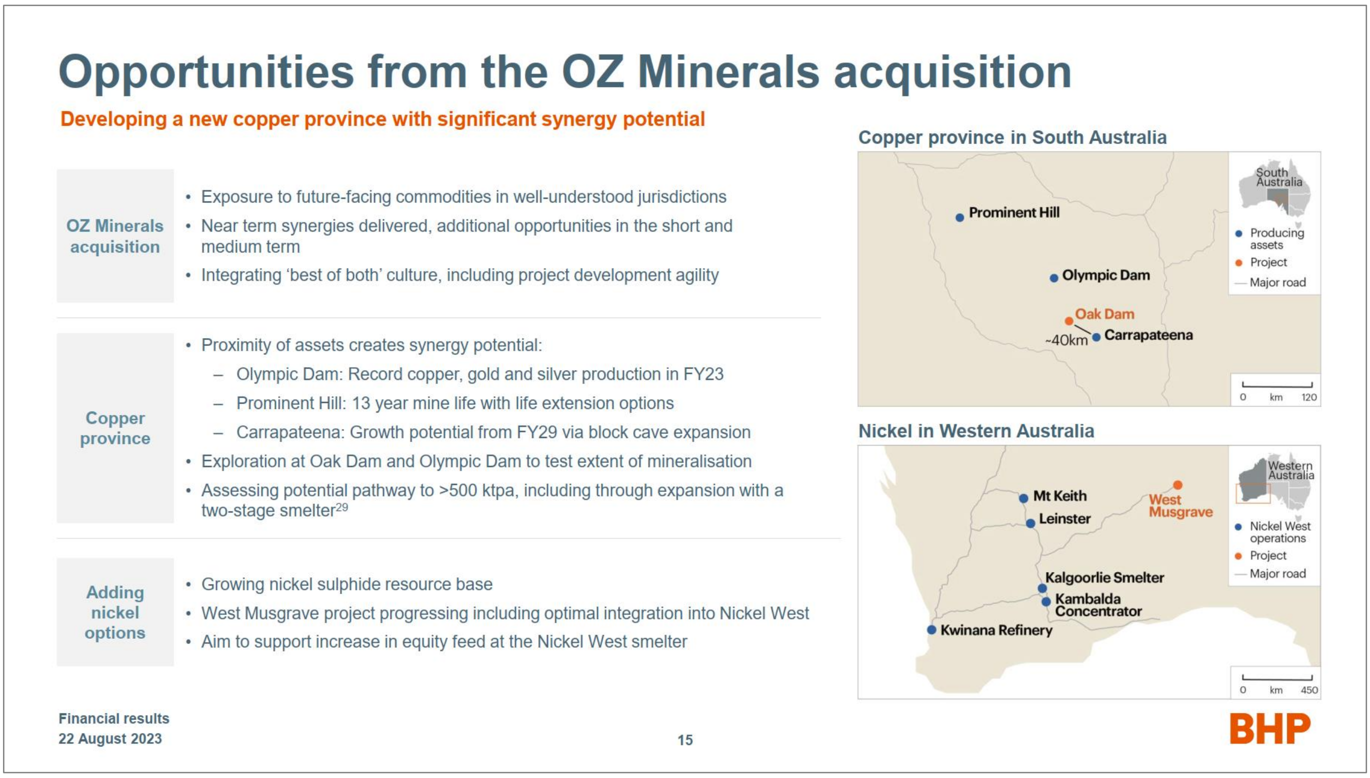
I'll come back to our plans in South Australia and the Americas shortly.

We're also actively generating longer term options through our other levers.

In exploration, we've refined our approach and ramped up spend over recent years, which has led to the discovery of the Ocelot copper system in Arizona, and ongoing exploration success at Oak Dam in Australia. And we've made additional investments in early stage options.

We've substantially increased our investment in innovation. The global need to increase commodities supply, ever more sustainably, will only be achieved by breakthroughs in innovation and technology. And BHP's significant resource holdings mean that even small improvements in our methods can deliver a great deal of value.

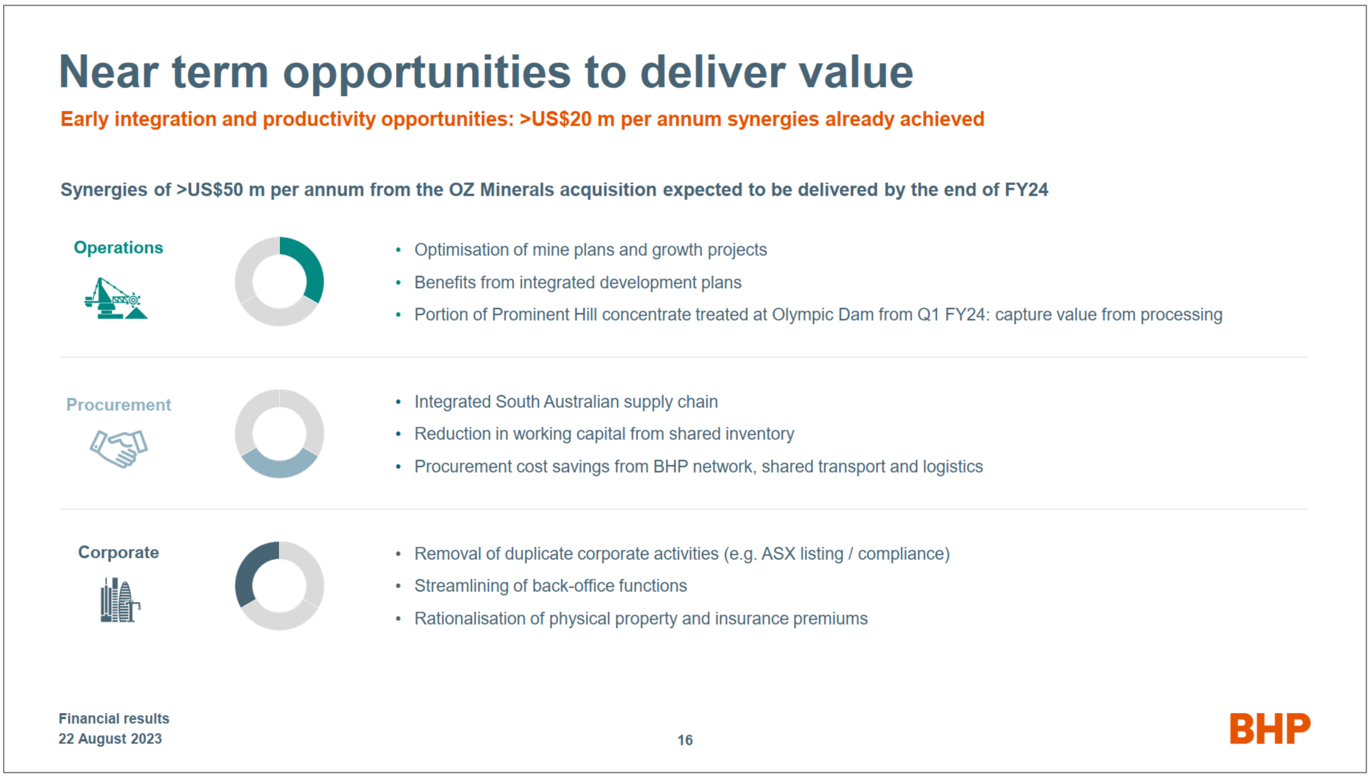
11. Calendar year.



The successful acquisition of OZ Minerals also creates an exciting opportunity. We're working hard to embed its assets and its excellent people into BHP. The culture and people of OZ Minerals were a key part of its success, and contributed significantly to its attractiveness as an acquisition.

Combining Olympic Dam, Carrapateena, Prominent Hill and Oak Dam, will create a new copper province for BHP in South Australia. And as we've demonstrated at Western Australia Iron Ore and BMA, having operations in close proximity to each other brings substantial benefits, including the leveraging of shared infrastructure and relationships towards better productivity and long-term growth.

While OZ adds about 120 thousand tons of copper production now, it also brings further growth in both the near and longer-term. We're evaluating the next steps in terms of integration and growth, with a focus on building scale and optionality.



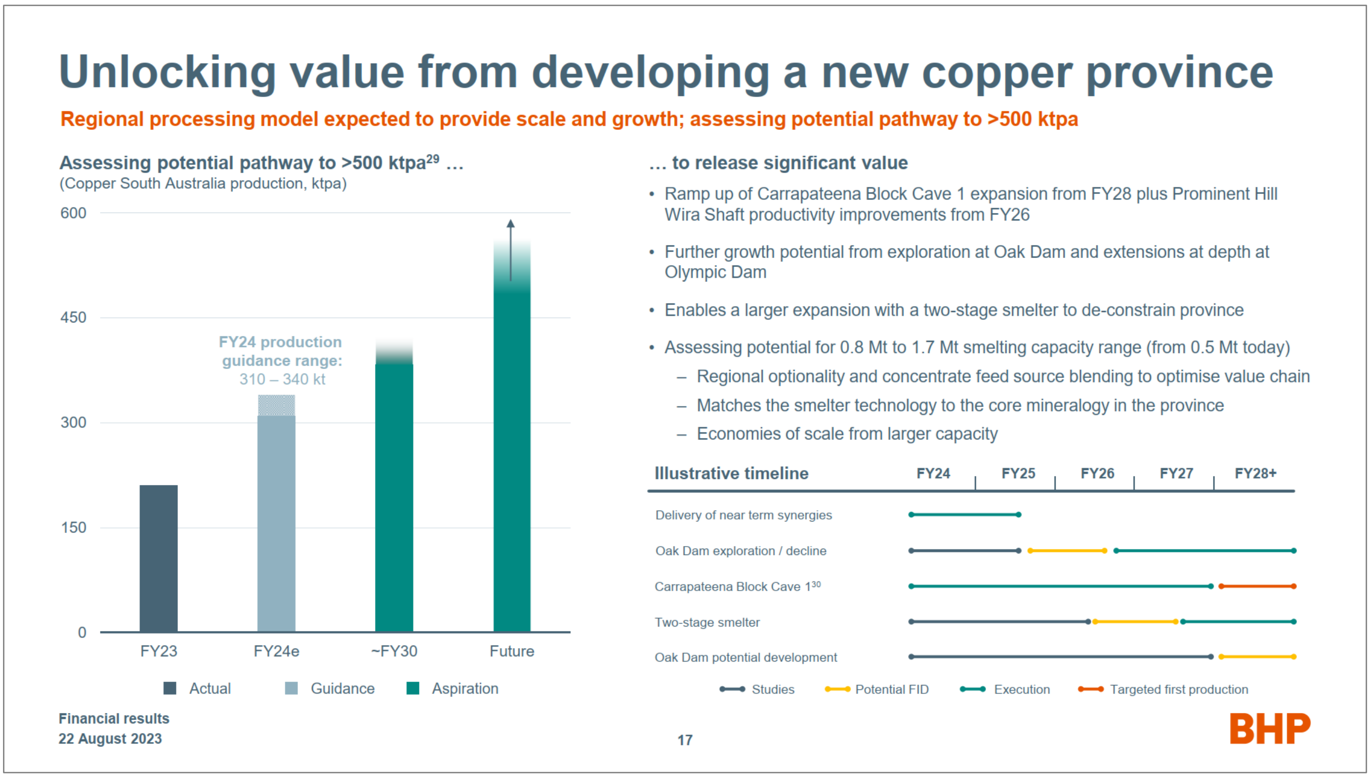
In the near term, we expect to unlock synergies of at least US$50 million in EBITDA per annum by the end of the 2024 financial year. US$20 million of that has already been achieved.

These are broadly split across three categories.

First, operationally… through optimising mine plans and growth studies, and treating concentrate from Prominent Hill at Olympic Dam when we have excess capacity.

Second, through procurement… integrating supply chains, sharing inventory and leveraging the cost savings from the BHP network.

And finally, at the corporate level… by reducing compliance costs and streamlining functions.



Of course, we expect to create far more significant value over the medium-to-longer term, as we integrate our operations and optimise our growth pathway.

We're working off a stable base, with record production this year at Olympic Dam providing a strong platform for growth. The Carrapateena block cave will progressively ramp up over the course of the decade. And factoring in the OZ Minerals assets into our thinking for two-stage smelting at Olympic Dam could enable us to capture significant upside from processing all concentrate within the province.

On top of this, Oak Dam provides further potential upside. We've now released an Exploration Target, which indicates between 0.5 and 1.7 billion tonnes of mineralisation at between 0.8 and 1.1 per cent copper grade. And with Oak Dam only 40 kilometres from Carrapateena, this provides options for synergies should Oak Dam get developed.

With stable and competitive government policies in place, we believe there will be a strong case for capital investment in these assets. Our aspiration[12] is to grow copper production across the province to more than 500 thousand tonnes per year.

12. Represents our current aspiration for Copper South Australia, and not intended to be a projection, forecast or production target.

In potash, we're excited about the pipeline of growth projects that we have ahead of us. The long-term fundamentals for the market are compelling and have improved further since we sanctioned Jansen Stage 1.

We've accelerated studies on Stage 2 and expect to have the option to trigger an investment decision on that within this financial year. All major permits are in place for this, and we have the necessary port capacity. Should we proceed[13], Stage 2 would add an additional 4 million tonnes per annum of potash capacity, with possible first production estimated to be in the 2029 financial year, around the time Jansen Stage 1 will be finishing its ramp up.

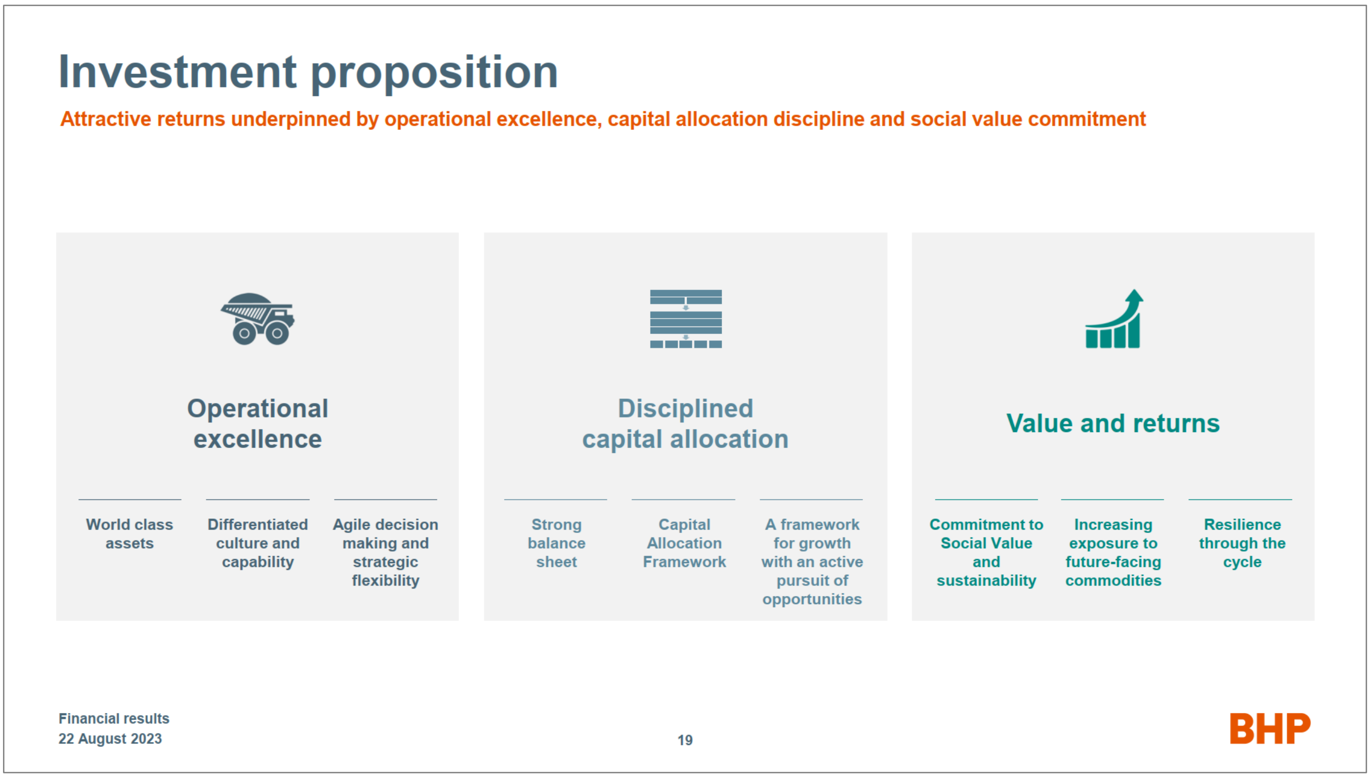
We're also working hard to define the path forward for Escondida, noting the grade decline expected after 2026.

Escondida is well-placed to be one of the most responsible copper producers globally through its transition to 100 per cent renewable power and desalinated water usage. And it has significant untapped resource potential.

We're progressing studies into potentially replacing the Los Colorados concentrator as well as expanding our leaching operations. This includes five leaching technologies under study or in execution, which in addition to helping us extract more copper, could realise other benefits – including lower water and energy consumption, no tailings dams, and production of a cathode finished product that doesn't require smelting.

These technologies have shown interesting and promising results so far – either in operation or through pilots. Each demonstrates a different proposition – in terms of cycle time, cost and production impact. Our studies are expected to complete identification phase during 2024, at which time we'll be in good shape to assess which are technically and economically viable, and to further focus our efforts on the most attractive. We expect to employ different combinations of technologies, across different locations and time horizons.

13. Subject to Board approval.



So, in summary. At BHP we're focused on creating value now, and into the future. We think and plan in decades.

By 2050 we're looking at a global population of around 10 billion, about two thirds of that in urban areas, and all of them seeking a better standard of living – raising demand for housing, better food, consumer goods, cars, infrastructure, power and utilities. And the energy transition stands to amplify the commodity-intensity of that demand.

Steelmaking materials, copper, nickel, and potash… all vital to the global future we aspire to, and all central to BHP's business.

We continue to plan strategically, responsibly, consistently, with a clear focus on being the best operator, being disciplined in capital allocation, and continuing to generate value and returns for all those around us.

BHP's future really could not be more exciting.

Thank you.

Footnotes

1. Slide 5: For our baseline year of FY20, our operational GHG emissions were 14.5 Mt CO2-e, adjusted for discontinued operations (Onshore US assets and Petroleum) and the divestment of BMC, and for methodological changes (use of Intergovernmental Panel on Climate Change Assessment Report 5 AR5 Global Warming Potentials and move to facility-specific emissions calculation methodology for fugitives at Caval Ridge). These adjustments have also been applied to the GHG emissions figures for subsequent years to aid comparability. The use of carbon credits will be governed by BHP's approach to carbon offsetting described at bhp.com/climate.
2. Slide 5: Female employee representation as at 30 June 2023.
3. Slide 5: Total economic contribution includes contribution to suppliers, wages and benefits for employees, dividends, taxes, royalties and voluntary social investment. For more information refer to the BHP Economic Contribution Report 2023.
4. Slide 5: For further information refer to BHP Responsible Minerals Program.
5. Slide 7: Adjusted effective tax rate and Adjusted effective tax rate including royalties: excludes the influence of exchange rate movements and exceptional items.
6. Slide 7: Dividend per share refers to cash dividends. Payout ratio on underlying attributable profit.
7. Slide 7: US$7.0 bn net debt impact from OZ Minerals purchase includes US$5.9 bn acquisition cost and US$1.1 bn assumption of OZ Minerals interest bearing liabilities.
8. Slide 7: Operating costs net of other income.
9. Slide 7 and 8: D&A represents depreciation and amortisation expense and net impairments.
10. Slide 7: Taxation: includes foreign exchange movements in tax expense.
11. Slide 8: Total FY22 underlying EBITDA (on a continuing operations basis) of US$40.6 bn adjusted for US$1.4 bn ceased and sold operations impact. This is predominantly the contribution from BMC prior to divestment of our 80% interest in BMC to Stanmore SMC Holdings Pty Ltd, a wholly owned entity of Stanmore Resources Limited, on 3 May 2022.
12. Slide 8: Price: net of price-linked costs.
13. Slide 8: Inflation: includes CPI increases across the cost base, and price increases for consumable costs including diesel and explosives.
14. Slide 8: CPI is exclusive of any CPI relating to diesel, explosives and other consumable materials.
15. Slide 8: Other includes US$411 m of one-off items, including OZ Minerals transactions costs (US$131 m) and adjustment for employee allowances and entitlements in FY23 (US$280 m). Other also includes US$414 m impact of lower recovery of freight costs caused by movements in the Baltic Dry index on continuous voyage charters.
16. Slide 9: Bloomberg commodity index (Source: Bloomberg, BCOM Index) as at the end of each quarter, rebased to BHP FY10 EBITDA margin. BHP FY23 underlying EBITDA margin (excluding third party products). Peer data compiled from publicly available information (e.g. company reports). Peers include: Anglo American, Glencore (exc. Marketing), Rio Tinto, Vale.
17. Slide 9: BHP information related to periods prior to FY20 are as reported and have not been restated for IFRS5 Non-current Assets Held for Sale and Discontinued Operations. FY11 and FY10 have also not been restated for other accounting standard changes.
18. Slide 10: Average realised exchange rates for FY23 of AUD/USD 0.67 (FY23 guidance rate AUD/USD 0.72) and USD/CLP 864 (FY23 guidance rate USD/CLP 830).
19. Slide 10: WAIO C1 cost: excludes royalties (government and third party royalties), net inventory movements, depletion of production stripping, exploration expenses, marketing purchases, demurrage, exchange rate gains/losses, and other income. There may be differences in the manner that third parties calculate or report unit costs data compared to BHP, which means third party data may not be comparable with our data.
20. Slide 10: Total revenue from thermal coal sales, including BMA and NSWEC, was US$3,528 m (FY22: US$3,559 m).
21. Slide 11: Medium term capital and exploration expenditure refers to FY26 – FY28 average. Major capital represents projects >US$250 m.
22. Slide 13: Largest copper mineral resources on a contained metal basis, equity share. Peers include: Anglo American, Antofagasta, Codelco, First Quantum Minerals, Freeport, Glencore, Rio Tinto, Southern Copper and Teck. Source peers: Wood Mackenzie Ltd, Q2 2023. Source BHP data: BHP Annual Report 2023.
23. Slide 13: Second largest nickel sulphide resources on a contained metal basis, equity share. Source peers: MinEx Consulting Global Ni Database, July 2022. Source BHP data: BHP Annual Report 2023.
24. Slide 13: Based on published unit costs by major iron ore producers, as reported at 30 June 2023. There may be differences in the manner that third parties calculate or report unit costs data compared to BHP, which means third party data may not be comparable with our data.
25. Slide 13: Based on a Reserve life of 94 years as reported in BHP's 17 August 2021 news release, available to view on www.bhp.com.
26. Slide 14 and 18: Represents FY30 and the proceeding decade.
27. Slide 14: The West Musgrave project is currently under review with the start of the targeted first production range based on the range previously disclosed by OZ Minerals (H2 CY25).
28. Slide 14: Timing of Copper South Australia growth options are aligned and subject to approval of the introduction of two-stage smelting at Olympic Dam.
29. Slide 15 and 17: Represents our current aspiration for Copper South Australia, and not intended to be a projection, forecast or production target. Includes potential increases in production rates, as well as potential impacts from our exploration program and the recent OZ Minerals acquisition including Ore Reserves and Mineral Resources (refer to slide 30 "Competent Person Statement – Copper Mineral Resources").
30. Slide 17: Carrapateena Block Cave production representative of Mine Ore tonnes ramp-up.
31. Slide 18: Expected capital intensity Jansen Stage 2, US$/product tonne, Real 1 July 2023.

Appendix

Slide 24: Future GHG emissions estimates are based on latest annual business plans. Excludes acquired OZ Minerals assets and plans. FY20 to FY22 GHG emissions data has been adjusted for methodology changes and divestments; for more information refer to Metrics, targets and goals, in the Annual Report OFR 6.12. 'Decarbonisation pathway' represents planned decarbonisation activities to reach BHP's operational GHG emissions target and goal. 'Uncertainty range' refers to higher-risk options currently identified that may enable faster or more substantive decarbonisation, but which currently have a relatively low Technology Readiness Level, higher operational integration risk and/or are not yet commercially available and includes project that may require changes to recognition of carbon sequestration such as mineral carbonation. 'BHP's net zero trajectory' refers to a hypothetical straight line between our FY20 baseline and FY30 medium term target, and another hypothetical straight line between our FY30 medium term target and CY50 long term goal. 'Negative GHG emissions solutions' include carbon credits (avoidance, reductions or removals) or other technologies that result in emission reductions. This shows the requirement in order to reach net zero if decarbonisation at the lower line of the 'Uncertainty range' were achieved (but does not reflect probability). 'Fugitive methane and other sources' includes (as part of 'other sources') other feedstocks and heat sources, such as coal, coke, fuel oil and LPG, and use of self-generated carbon credits. GHG emissions calculation methodology changes may affect the information presented in these charts. 'Fugitive methane and other sources' is estimated in accordance with the Australian National Greenhouse and Energy Reporting measurement methodology and does not reflect the tendency for methane density to increase as coal mines deepen, due to current uncertainty with respect to future opportunities to manage methane at our BMA mines. Forecast information is subject to change due to technical, operational, or commercial risks that may impact future outcomes.

BHP

Appendix

Safety and social value indicators

We continue to emphasise the safety culture that must be present every day to eliminate fatalities and serious injuries at BHP

Key safety indicators[1]	FY23	FY22	Target/Goal
Fatalities	2	0	Zero work-related fatalities
High Potential Injury (HPI) frequency[3]	0.18	0.14	Year-on-year improvement of HPI frequency
Total Recordable Injury Frequency (TRIF)[3]	4.5	4.0	Year-on-year improvement in TRIF

Social value: key indicators scorecard[1,2]		FY23	FY22	Target/Goal
Operational greenhouse gas (GHG) emissions[4] (Mt CO_2-e)		9.8	11.0	Reduce operational GHG emissions by at least 30 per cent from FY20 levels by FY30
Value chain emissions: Financial value committed in steelmaking partnerships and ventures to date (US$ m)		114	90	Steelmaking: 2030 goal to support industry to develop technologies and pathways capable of 30 per cent GHG emissions intensity reduction in integrated steelmaking, with widespread adoption expected post-2030
Value chain emissions: Reduction[5] in emissions intensity of BHP-chartered shipping of our products (%)		41	✓	Maritime transportation: 2030 goal to support 40 per cent GHG emissions intensity reduction of BHP-chartered shipping of BHP products
Social investment (US$ m)		149.6	186.4	Voluntary investment focused on the six pillars of our social value framework
Indigenous procurement spend (US$ m)		332.6	149.9	Purchases from Indigenous vendors of US$269 m in FY23
Female employee representation[6] (%)		35.2	32.3	Aspirational goal for gender balance by the end of FY25
Indigenous employee representation (%)	Australia[7]	8.6	8.3	Aim to achieve 9.7 per cent by the end of FY27
	Chile[8]	9.7	8.7	Aim to achieve 10.0 per cent by the end of FY25
	Canada[9]	7.7	7.2	Aim to achieve 20.0 per cent by the end of FY26
Area under nature-positive management practices[10] (%)		1.3	1.0	2030 goal of having at least 30 per cent of the land and water we steward[11] under conservation, restoration or regenerative practices

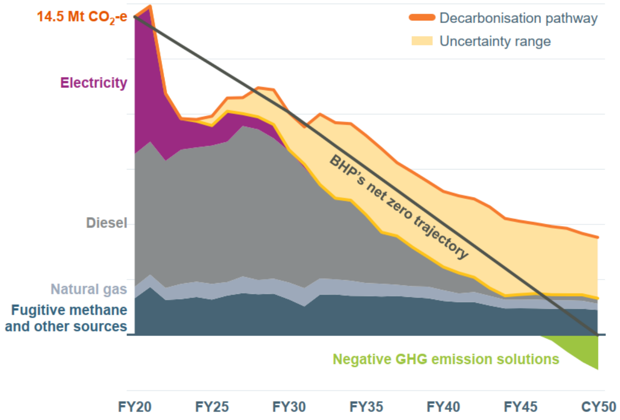
1. All data points are presented on a total operations basis, unless otherwise noted. Excludes OZ Minerals operations and functions.
2. Includes selection of key social value framework metrics. Additional metrics are included in the Annual Report OFR section 6.
3. Combined employee and contractor frequency per 1 million hours worked.
4. For our baseline year of FY20, our operational GHG emissions were 14.5 Mt CO_2-e. FY20 baseline and performance data has been adjusted for divestment of our Petroleum business (merger with Woodside completed on 1 June 2022) and our interest in BHP Mitsui Coal (completed on 3 May 2022), and for methodological changes (use of Intergovernmental Panel on Climate Change (IPCC) Assessment Report 5 (AR5) Global Warming Potentials and the transition to a facility-specific GHG emission calculation methodology for fugitives at Caval Ridge).
5. Against calendar year (CY) 2008. CY08 was selected as the baseline year for this goal to align with the base year for the International Maritime Organisation's 2030 emissions intensity goal and its corresponding reasoning and strategy.
6. At 30 June. We define gender balance as a minimum 40 per cent women and 40 per cent men in line with the definitions used by entities such as the International Labour Organization.
7. Indigenous employee representation at Minerals Australia operations, which was 8.6% at 30 June 2023. Total Indigenous employee representation in Australia, including non-operational roles (2.7%), was 7.7% at 30 June 2023. While for FY23 this does not include employees of OZL who joined BHP via acquisition on 2 May 2023, former OZL operations in Australia had 3.8% Indigenous employee representation at 30 June 2023.
8. Indigenous employee representation at Minerals Americas operations in Chile, which was 9.7% at 30 June 2023.
9. Indigenous employee representation at the Jansen Potash project and operations in Canada, which was 7.7% at 30 June 2023. Total Indigenous workforce representation at the Jansen Potash project and operations, including contractors (21.4 per cent), was 20.8 per cent at 30 June 2023.
10. Area under our stewardship that has a formal management plan including conservation, restoration or regenerative practices. 1.3 per cent is calculated based on areas of land and water that we stewarded at 30 June 2023. Refer to the BHP ESG Standards and Databook 2023, available at https://www.bhp.com/sustainability, for more information.
11. Excluding greenfield exploration licences (or equivalent tenements), which are outside the area of influence of our existing mine operations. 30 per cent will be calculated based on the areas of land and water that we steward at the end of FY30.

A proactive approach to decarbonisation

Integrating decarbonisation into our operational and capital plans, and collaborating to achieve our climate targets and goals

Projected and potential operational GHG emissions abatement pathway to CY50[1]

(Operational GHG emissions, $MtCO_2$-e)



1. See Footnote on slide 21.

A partnership approach to Scope 3

Steelmaking

Collaborative partnerships with steelmakers representing 19 per cent of global reported steel production[1]

Blast Furnace & Basic Oxygen Potential Pathway: China Baowu and Monash University 'Low Carbon Knowledge Centre'

Direct Reduced Iron & Electric Smelting Potential Pathway: Hatch design study for pilot ESF plant

Electrolysis Pathway: Boston Metals, Electra

Shipping

Five operationalised dual fuelled LNG vessels: Capable of up to 30 per cent GHG emissions reduction per journey[2]

Biofuels introduced into fuel mix: Expect up to 19 per cent GHG emissions reduction per voyage leg[3]

Photo: BHP, China Baowu and Monash University *'Low Carbon Knowledge Centre'*

1. World Steel in Figures 2023, World Steel Association.
2. When run on LNG compared to conventional fuel and taking into account efficiency of the vessel design.
3. Compared to conventional fuel. The biofuels used are certified under the International Sustainability and Carbon Certification systems.

Samarco and Renova Foundation

Samarco plans restart of second concentrator by CY25. R$30.7 bn spent on reparation and compensation programs

Renova

- Claims processed for ~80%[1] of people on Renova's register and in its indemnification programs. Of those, ~75% were eligible for and have received payment
- Candonga[2] Hydro Power Plant is operating and connected to National Electricity System
- 42 programs to restore the environment and re-establish affected communities
- ~1.5 million pieces of data generated annually along the river confirm the water quality in the Doce River has returned to historic levels

Resettlement

- ~75% of resettlement cases[3] completed across the region, with a further ~10% in progress, the majority of which are expected to be completed by end CY23
- >40 families have moved into their new homes including in the communities of Bento Rodrigues and Paracatu
- First local businesses are open in Bento Rodrigues and Paracatu, and the school in Bento Rodrigues has commenced classes

Samarco

- Approved restart of the second concentrator to increase operating capacity to 60% in CY25
- Reached agreement with a group of financial creditors to restructure its financial debt
- Germano pit dam decommissioning complete. Main dam decommissioning on track for FY29
- ~11,600 direct and indirect jobs created by Samarco, and ~R$2.8 bn in taxes[4] since restart

1. Based on current known number of claimants in Renova database.
2. Candonga is the Risoleta Neves Hydro Power Plant impacted by the dam failure.
3. Resettlement cases completed includes completed construction (families either moved in or handover to families in progress) or cash payment solution.
4. ~R$2.8 bn in taxes contributed until June 2023 includes taxes generated from Samarco's value chain activities.

Oak Dam exploration project update[1]

We have commenced the next phase of drilling as we work towards defining a first Mineral Resource[2]

Oak Dam Exploration Target FY23[3]

	Low	High
Mt	500	1,700
Cu%	0.8	1.1

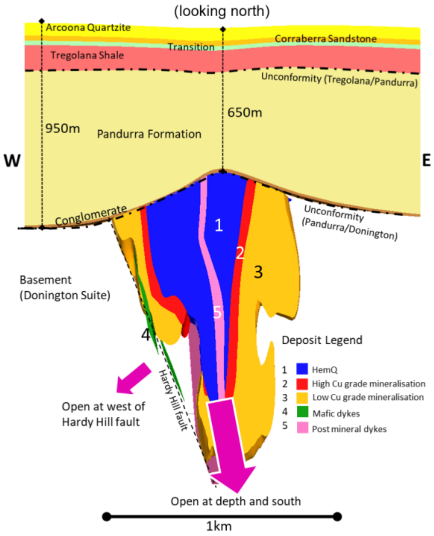
The potential quantity and grade ranges of an Exploration Target are conceptual in nature and as such has insufficient exploration to estimate a Mineral Resource, and it is uncertain if further exploration or analysis will result in the estimation of a Mineral Resource.

Oak Dam strategy update

- Entered next phase of drilling campaign following environmental approvals in March 2023, progressing towards a first Mineral Resource
- Currently running nine drill rigs, with eleven rigs expected by November 2023
- 150 rooms accommodation camp and supporting facilities planned in 2023 to advance additional information

Oak Dam project schematic cross section

(Oak Dam cross section showing the target is open at depth, south and west of the Hardy Hill fault)



1. Refer to "*BHP Operational Review for the year ended 30 June 2023, Appendix 1 – Oak Dam Exploration Target*".
2. The potential quantity and grade of an Exploration Target is conceptual in nature and as such there has been insufficient exploration to estimate a Mineral Resource, and it is uncertain if further exploration or analysis will result in the estimation of a Mineral Resource.
3. The exploration target using the BHP range analysis process based on drilling provided in "*BHP Results for the half year ended 31 December 2022, Appendix 1 – Explanatory Notes and JORC table 1*".

Competent Person Statement – Oak Dam

Competent Persons Statement

The information in this presentation that relates to Exploration Targets is based on information compiled by Dr. Kathy Ehrig, a Competent Person who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientists.

Dr. Kathy Ehrig has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results. Dr. Kathy Ehrig consents to the inclusion in the presentation of the matters based on her information in the form and context in which it appears.

Chilean copper leaching overview

Studies progressing on options to partially offset longer term grade decline in copper

Significant resource potential

- Escondida ~26 Bt at 0.52% grade
- Spence ~2.5 Bt at 0.43% grade
- Cerro Colorado ~2.3 Bt at 0.40% grade

Success with BHP designed leaching technology Full SaL

- Full SaL, a BHP designed leaching technology, has been successfully deployed at Spence and is on track to be implemented at Escondida
- Escondida expects first production in FY25 producing ~410kt in copper cathodes over a 10-year period through improved recoveries and shorter leach cycle times for secondary sulphide ores
- Capital expenditure is expected to be approximately US$300 m (100 per cent basis) with first production during FY25

Studies actively progressing on ores from across our Chilean assets

- Five leaching technologies under study or execution with active trials and pilots aiming to unlock both resource and latent capacity
- BioLeach already in operation at Escondida
- Assessing both BHP developed technology and partnering with external parties to maximise optionality

BHP Leaching technologies	Cycle time	Capital Cost	Potential production impact
BioLeach Existing methodology in operation, uses acid and bacterial leaching	Long	Existing process	Existing process
Full SaL 2 Leaching of crushed material with high chloride concentrations	Medium		
BHP Leach Leaching with alternative reagents and increased process temperatures	Short		

Other technologies

Jetti
Addition of catalyst to current bioleach process

Nuton
Rio Tinto Technology that uses catalyst and temperature to processes primary hypogene ore among others

Competent Person Statement – Copper Mineral Resources

Copper Mineral Resources Competent Persons Statement

The information in next slide relates to Copper Mineral Resources as at 30 June 2023. Mineral Resources are inclusive of Ore Reserves and is based on information compiled by Marcelo Cortes as Competent Person (compiler) for all declared Mineral Resources. The information in this presentation that relates to the FY2023 Mineral Resources reported by BHP in accordance with the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012' ('The JORC Code 2012 Edition') in the 2023 BHP Annual Report, available to view on www.bhp.com.

M. Cortes is a current Member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and he is a full-time employee of BHP. M. Cortes has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the JORC Code 2012 Edition. M. Cortes owns shares in BHP and is entitled to participate in employee share holding plans. M. Cortes consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

Mineral Resources as presented are reported in 100 per cent terms. Dry tonnages are reported and all tonnage and quality information has been rounded, hence small differences may be present in the totals. Total contained copper metal is presented in the table below as kilo tonnes (kt). Total contained Cu Metal presented is at equity basis. No metallurgical recovery has been applied to the calculation of contained copper metal. Mineral Resources classification is applied based on mineralisation type, geological understanding and an assessment of reasonable prospects for eventual economic extraction.

Competent Person Statement – Copper Mineral Resources

Compiled Copper Mineral Resources as at 30 June 2023

Deposit	Ore type	Measured Resources		Indicated Resources		Inferred Resources		Total Resources			BHP interest (%)
		Tonnes (Mt)	% Cu	Tonnes (Mt)	% Cu	Tonnes (Mt)	% Cu	Tonnes (Mt)	% Cu	Contained metal (Cu kt)	
Chile copper operations and projects											
Escondida	Oxide	84	0.57	22	0.58	5.0	0.65	111	0.58	644	57.5
	Mixed	58	0.47	45	0.47	22	0.47	125	0.47	588	
	Sulphide	5,120	0.59	3,660	0.51	9,980	0.53	18,800	0.54	101,520	
Pampa Escondida	Sulphide	294	0.53	1,150	0.55	5,420	0.44	6,860	0.46	31,556	57.5
Pinta Verde	Oxide	109	0.60	64	0.53	15	0.54	188	0.57	1,072	57.5
	Sulphide	–	–	23	0.50	37	0.45	60	0.47	282	
Chimborazo	Sulphide	–	–	137	0.50	81	0.60	218	0.53	1,155	57.5
	Escondida Total	5,665	0.59	5,101	0.52	15,560	0.50	26,362	0.52	136,816	
Cerro Colorado	Oxide	68	0.61	113	0.62	5.7	0.58	187	0.62	1,159	100
	Supergene Sulphide	48	0.58	97	0.58	22	0.64	167	0.59	985	
	Transitional Sulphide	72	0.45	104	0.41	29	0.42	205	0.43	882	
	Hypogene Sulphide	–	–	–	–	1,700	0.36	1,700	0.36	6,120	
	Cerro Colorado Total	188	0.54	314	0.54	1,757	0.37	2,259	0.40	9,146	
Spence	Oxide	19	0.61	1.6	0.58	–	–	21	0.61	128	100
	Supergene Sulphide	90	0.54	29	0.31	0.3	0.42	119	0.48	571	
	Transitional Sulphide	12	0.58	0.4	0.44	–	–	12	0.58	70	
	Hypogene Sulphide	748	0.47	716	0.43	831	0.39	2,300	0.43	9,890	
	Spence Total	869	0.48	747	0.43	831	0.39	2,452	0.43	10,659	
Copper projects											
Pantera	OC Sulphide	–	–	13	1.28	7.1	1.09	20	1.21	242	100
Succoth	OC Sulphide	–	–	61	0.57	57	0.52	120	0.54	648	100
Copper gold operations											
Pedra Branca	UG Sulphide	1.5	1.55	8.3	1.68	7.3	1.38	17	1.54	262	100
Carrapateena	UG Sulphide	130	1.01	470	0.62	300	0.26	900	0.56	5,040	100
Prominent Hill	UG Sulphide	45	1.17	51	0.86	66	0.85	162	0.94	1,523	100
	SP Sulphide	0.4	1.16	4.0	0.11	-	-	4.4	0.19	8	
	SP Low-grade	-	-	2.2	0.16	-	-	2.2	0.16	4	
Copper gold project											
Fremantle Doctor	UG Sulphide	-	-	-	-	100	0.51	100	0.51	510	100
Copper uranium gold operations											
Olympic Dam	OC Sulphide	3,410	0.59	3,330	0.56	2,900	0.58	9,640	0.58	55,912	100
	UG Sulphide	810	1.55	720	1.45	210	1.40	1,740	1.49	25,926	
Copper zinc operations											
Antamina	Sulphide Cu only	190	0.81	392	0.83	603	0.85	1,190	0.84	9,996	33.75
	Sulphide Cu-Zn	71	0.82	207	1.00	224	1.08	502	1.01	5,070	
	UG Sulphide Cu only	–	–	–	–	251	1.28	251	1.28	3,213	
	UG Sulphide Cu-Zn	–	–	–	–	166	1.14	166	1.14	1,892	

Competent Person Statement – Nickel Mineral Resources

Nickel West Mineral Resources Competent Person Statement

The information in this slide relates to Nickel West Mineral Resources as at 30 June 2023. Mineral Resources are inclusive of Ore Reserves and is based on information compiled by Richard Finch as Competent Person (compiler) for all declared Mineral Resources. The information in this presentation that relates to the FY2023 Mineral Resources reported by BHP in accordance with the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012' ('The JORC Code 2012 Edition') in the 2023 BHP Annual Report, available to view on www.bhp.com.

R. Finch is a current Member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and he is a full-time employee of BHP. R. Finch has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the defined in the JORC Code 2012 Edition. R. Finch owns shares in BHP and is entitled to participate in employee share holding plans. R. Finch consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

Mineral Resources as presented are reported in 100 per cent terms. Dry tonnages are reported and all tonnage and quality information has been rounded, hence small differences may be present in the totals. Total contained nickel metal is presented in the table below as kilo tonnes (kt). No metallurgical recovery has been applied to the calculation of contained nickel metal. Mineral Resources classification is applied based on mineralisation type, geological understanding and an assessment of reasonable prospects for eventual economic extraction. Table below only includes Nickel Sulphide resources.

Compiled Nickel West Sulphide Mineral Resources as at 30 June 2023

Deposit	Ore type	Measured Resources		Indicated Resources		Inferred Resources		Total Resources			BHP interest (%)
		Tonnes (Mt)	% Ni	Tonnes (Mt)	% Ni	Tonnes (Mt)	% Ni	Tonnes (Mt)	% Ni	Contained metal (Ni kt)	
Nickel West operations											
Leinster	OC Disseminated Sulphide	4.1	0.72	77	0.58	52	0.64	133	0.60	798	100
	OC Massive Sulphide	0.25	4.4	1.0	4.9	0.37	4.7	1.6	4.8	77	
	UG Disseminated Sulphide	16	1.8	16	1.4	4.3	1.2	36	1.5	540	
	UG Massive Sulphide	0.74	5.4	2.3	5.6	1.2	4.4	4.2	5.2	218	
Mt Keith	OC Disseminated Sulphide	133	0.54	67	0.52	24	0.52	224	0.53	1,187	100
Cliffs	UG Disseminated Sulphide	-	-	6.4	0.89	1.6	1.0	8.0	0.92	74	100
	UG Massive Sulphide	0.64	3.7	1.0	3.8	0.35	3.5	2.0	3.7	74	
Yakabindie	OC Disseminated Sulphide	151	0.61	89	0.61	148	0.61	388	0.61	2,367	100
Nickel West projects											
Honeymoon Well	OC Disseminated Sulphide	-	-	138	0.62	6.5	0.66	144	0.62	893	100
	UG Disseminated Sulphide	9.1	0.72	18	0.75	3.8	0.74	31	0.74	229	
	UG Massive Sulphide	0.35	6.0	0.92	6.4	0.17	6.6	1.4	6.3	88	
Jericho	OC Disseminated Sulphide	-	-	9.1	0.59	77	0.55	86	0.55	473	100
Nickel West copper projects											
Nebo	OC Sulphide	–	–	49	0.34	1.1	0.35	50	0.34	170	100
Babel	OC Sulphide	91	0.31	190	0.28	58	0.32	340	0.30	1,020	

Continued capital allocation discipline

Strong competition for capital as we focus on creating value

FY23

Operating productivity | **Capital productivity**

Net operating cash flow — US$18.7bn

- Maintenance and decarbonisation capital — US$3.0 bn
- Strong balance sheet — ✓
- Minimum 50% payout ratio dividend — US$9.1 bn

Excess cash[1] — US$5.2 bn

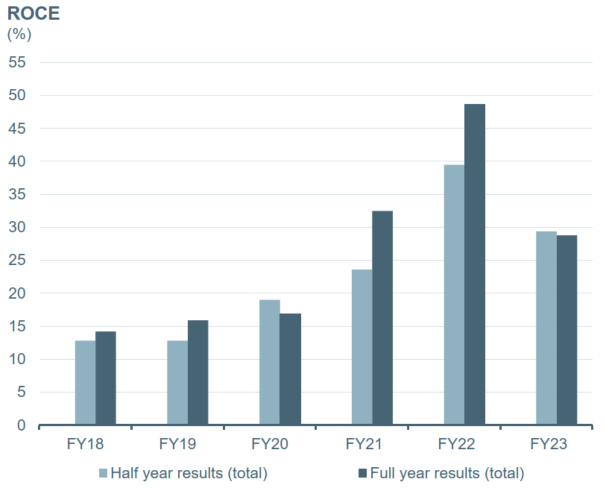
Balance sheet[2]	Additional dividends	Buy-backs	Organic development	Acquisitions/ (Divestments)
US$(9.0) bn	US$4.2 bn	US$0.0 bn	US$4.1 bn	US$5.9 bn

- US$2.3 bn improvement
- US$0.2 bn major capital in steelmaking materials
- US$1.2 bn major capital in future-facing commodities (FFC)
- US$0.4 bn exploration

1. Excess cash includes total net cash outflow of US$1.5 bn (FY22: US$2.6 bn) which comprises dividends paid to non-controlling interests of US$1.2 bn (FY22: US$2.5 bn); net investment and funding of equity accounted investments of US$0.6 bn (FY22: US$0.3 bn) and an adjustment for exploration expenses of US$(0.3) bn (FY22: US$(0.2) bn) which is classified as organic development in accordance with the Capital Allocation Framework.
2. Includes US$1.1 bn of OZL interest bearing liabilities.

Return on Capital Employed

ROCE of 28.8% for FY23



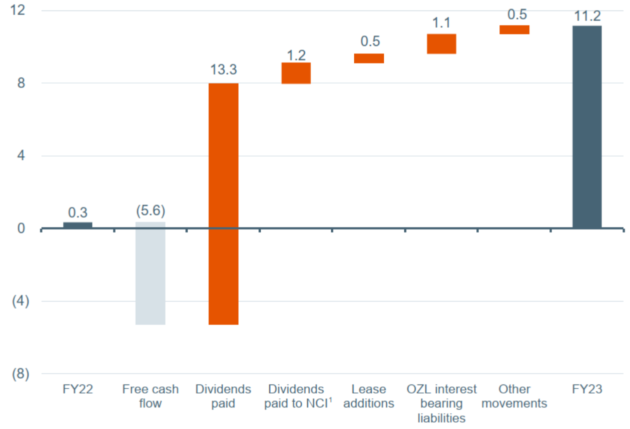
Note: ROCE represents profit after tax excluding exceptional items and net finance costs (after tax), which are annualised for half year results, divided by average capital employed. Average capital employed is net assets less net debt for the last two reporting periods.

1. Antamina: average capital employed represents BHP's equity interest.
Note: NSWEC has not been shown as ROCE is distorted by negative capital employed due to the rehabilitation provision being the primary balance remaining on Balance Sheet following previous impairments. Jansen and West Musgrave have not been shown as they are under development.

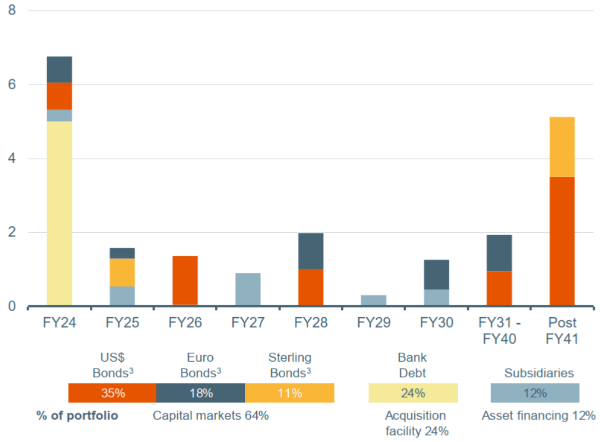
Balance sheet

Net debt of US$11.2 bn and gearing of 18.7%

Movements in net debt
(US$ bn)



Debt maturity profile[2]
(US$ bn)



1. NCIs: dividends paid to non-controlling interests of US$1.2 bn predominantly relate to Escondida.
2. Debt maturity profile: all debt balances are represented in notional USD inception values and based on financial years; as at 30 June 2023; subsidiary debt is presented in accordance with IFRS 10 and IFRS 11.
3. Debt maturity profile: includes hybrid bonds (1.4% of portfolio, in Euro) with maturity shown at first call date.

BHP guidance

Group	FY24e	
Capital and exploration expenditure (US$ bn)	~10.0	Cash basis.
Split by category:		
Maintenance and decarbonisation capital	3.1	Includes non-discretionary spend for deferred development and production stripping; risk reduction, compliance and asset integrity; and decarbonisation.
Improvement capital	3.3	Includes projects that enable improved productivity, quality, facilities and organisational culture.
Major capital in steelmaking materials	0.5	
Major capital in future-facing commodities	2.7	Includes Jansen, Full SaL (Escondida) and West Musgrave.
Exploration	0.4	
Split by segment:		
Copper	4.2	Includes ~US$0.9 bn for growth and exploration.
Iron ore	2.0	
Coal	0.7	
Potash	1.2	Includes ~US$1.0 bn for Jansen Stage 1, and ~US$125 m of pre-commitment spend for Jansen Stage 2.
Nickel	0.8	
Other	1.1	Includes West Musgrave.

BHP guidance (continued)

Copper	FY24e	Medium term	
Copper production (kt)	1,720 – 1,910		Escondida: 1,080 – 1,180 kt; Pampa Norte: 210 - 250 kt ; Copper South Australia: 310 – 340 kt; Antamina: 120 – 140 kt (zinc 85 – 105 kt).
Escondida			
Copper production (kt, 100% basis)	1,080 – 1,180	1,200 – 1,300	Medium term refers to FY25 and FY26.
Unit cash costs (US$/lb)	1.40 – 1.70	1.30 – 1.60	Medium term refers to FY25 and FY26. Excludes freight and government royalties; net of by-product credits; based on an exchange rate of USD/CLP 810.
Spence			
Copper production (kt)	210 – 250	~250	
Unit cash costs (US$/lb)	2.00 – 2.30		

Iron Ore	FY24e	Medium term	
Iron ore production (Mt)	254 – 264.5		Western Australia Iron Ore: 250 – 260 Mt; Samarco 4 – 4.5 Mt.
Western Australia Iron Ore			
Iron ore production (Mt, 100% basis)	282 – 294	>305	
Unit cash costs (US$/t)	17.40 – 18.90	<17	Excludes freight and government royalties; based on an exchange rate of AUD/USD 0.67.
Sustaining capital expenditure (US$/t)	-	~5.5	Medium term average; +/- 50% in any given year. Excludes costs associated with carbon abatement and automation programs.

Coal	FY24e	
BMA		
Production (Mt, 100% basis)	56 – 62	
Unit cash costs (US$/t)	95 – 105	Excludes freight and royalties; based on an exchange rate of AUD/USD 0.67.
NSWEC		
Production (Mt)	13 – 15	

Nickel	FY24e
Production (kt)	77 – 87

Note: Medium term refers to a five-year horizon, unless otherwise noted.

Key Underlying EBITDA sensitivities

Approximate impact[1] on FY23 Underlying EBITDA of changes of:	US$ m
US$1/t on iron ore price[2]	227
US$1/t on metallurgical coal price	17
US¢1/lb on copper price[2]	34
US$1/t on energy coal price[2]	13
US¢1/lb on nickel price	1
AUD (US¢1/A$) operations[3]	147
CLP (US¢0.10/CLP) operations[3]	28

1. EBITDA sensitivities: assumes total volume exposed to price; determined on the basis of BHP's existing portfolio. Does not include impact of OZ Minerals which was acquired on 2 May 2023.
2. EBITDA sensitivities: excludes impact of equity accounted investments.
3. EBITDA sensitivities: based on average exchange rate for the period.