



# BHP

## December 2024 Half year results

Western Australia Iron Ore

# Disclaimer

The information in this presentation is current as at 18 February 2025. It is in summary form and is not necessarily complete. It should be read together with the BHP Results for the half year ended 31 December 2024.

## 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; reserves and resources estimates; development and production forecasts; guidance; expectations, plans, strategies and objectives of management; climate scenarios; approval of projects and consummation of transactions; closure, divestment, acquisition or integration of certain assets, operations or facilities (including associated costs or benefits); anticipated production or construction commencement dates; capital costs and scheduling; operating costs, and availability of materials and skilled employees; anticipated productive lives of projects, mines and facilities; the availability, implementation and adoption of new technologies, including artificial intelligence; 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, 'aim', 'ambition', 'anticipate', 'aspiration', 'believe', 'commit', 'continue', 'could', 'ensure', 'estimate', 'expect', 'forecast', 'goal', 'guidance', 'intend', 'likely', 'may', 'milestone', 'must', 'need', 'objective', 'outlook', 'pathways', 'plan', 'project', 'schedule', 'seek', 'should', 'strategy', 'target', 'trend', 'will', 'would' or similar words. These statements discuss future expectations or performance or provide other forward-looking information.

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For example, our future revenues from our assets, projects or mines described in this presentation will be based, in part, on the market price of the commodities produced, which may vary significantly from current levels or those reflected in our reserves and resources estimates. 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.

Other factors that may affect our future operations and performance, including 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; weather, climate variability or other manifestations of climate change; 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 2024 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](http://www.sec.gov).

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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. There may also be differences in the manner that third parties calculate or report GHG emissions compared to BHP, which means that third-party data may not be comparable to our data. For information on how we calculate our GHG emissions, refer to the BHP GHG Emissions Calculation Methodology 2024, available at [bhp.com](http://bhp.com). 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 27.

## Presentation of data

Unless expressly stated otherwise: variance analysis relates to the relative performance of BHP and/or its operations during the half year ended 31 December 2024 compared with the half year ended 31 December 2023; total operations refers to the combination of continuing and discontinued operations; continuing operations refers to data presented excluding Petroleum from FY21 onwards; 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) during FY23 are for the period of 1 May to 30 June 2023, whilst the acquisition completion date was 2 May 2023. Unless expressly stated otherwise, for information and data in this presentation related to BHP's social value or sustainability position or performance: former OZL operations that form part of BHP's Copper South Australia asset and the West Musgrave Project are included for the period until 2 April 2024; former OZL Brazil assets are excluded; and all such information and data excludes BHP's interest in non-operated assets. Data in relation to the Daunia and Blackwater mines is shown for the period up to completion on 2 April 2024, unless expressly stated otherwise. Some of the land and tenements related to the Daunia and Blackwater mines are pending transfer following completion, however given that the assets are no longer under BMA's control or operated for BMA's benefit (except for periods prior to completion or where specifically stated) data related to the land and tenements has been excluded from this presentation.

## 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 'Non-IFRS financial information' in the BHP Financial Report for the half year ended 31 December 2024.

## No offer of securities

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## Reliance on third party information

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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 2024 for a list of our significant subsidiaries. Those terms do not include non-operated assets. Our non-operated assets include Antamina, Samarco and Vicuña. This presentation covers BHP's functions and assets (including those under exploration, projects in development or execution phases, and sites and operations that are closed or in the closure phase) that have been wholly owned and operated by BHP or that have been owned as a joint venture<sup>1</sup> operated by BHP (referred to in this presentation as 'operated assets' or 'operations') from 1 July 2024 to 31 December 2024 unless otherwise stated. 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.

## Financial results

18 February 2025



# BHP

## Performance summary

Half year ended 31 December 2024

Mike Henry  
Chief Executive Officer

Escondida

# A winning strategy

A focused portfolio, operational excellence and a distinctive approach to social value provide an enduring competitive advantage

**BHP has large, high-quality, long-life assets...**

Assets shown on the map include Jansen, Spence, Escondida, WAIO, Copper SA, and BMA.

**...in commodities positively leveraged to global megatrends**

- Population growth
- Urbanisation
- Increased living standards
- Data centres and AI
- Energy transition

**Our capital discipline and operational excellence...**

- Highest margins<sup>1</sup>
- Consistent NOCF<sup>2</sup>
- Strong balance sheet
- Delivering social value

**...enables organic growth and delivers value**

- Chilean copper**  
Pathways back to ~1.4 Mtpa<sup>3</sup>
- Copper South Australia**  
650 ktpa aspiration<sup>4</sup>
- Jansen Stages 1 & 2**  
8.5 Mtpa
- Western Australia Iron Ore**  
Studies for up to 330 Mtpa

Note: WAIO – Western Australia Iron Ore; BMA – BHP Mitsubishi Alliance; NOCF – Net operating cash flow.

# A strong start to FY25

Continued operational excellence delivers copper growth and solid financial results

On track for FY25 production guidance at all assets; Copper SA revised

10% copper production growth YoY in HY25; 19% growth across FY22-24<sup>5</sup>

Cost control delivers sector leading margins, strong cash flow and dividend

Portfolio of attractive organic growth projects advancing in potash and copper

Vicuña established to develop a Tier 1 copper project in Argentina

Comprehensive Samarco settlement agreement reached with Brazilian authorities



# Driving improved safety

Nothing is more important at BHP than improving the safety and wellbeing of our workforce

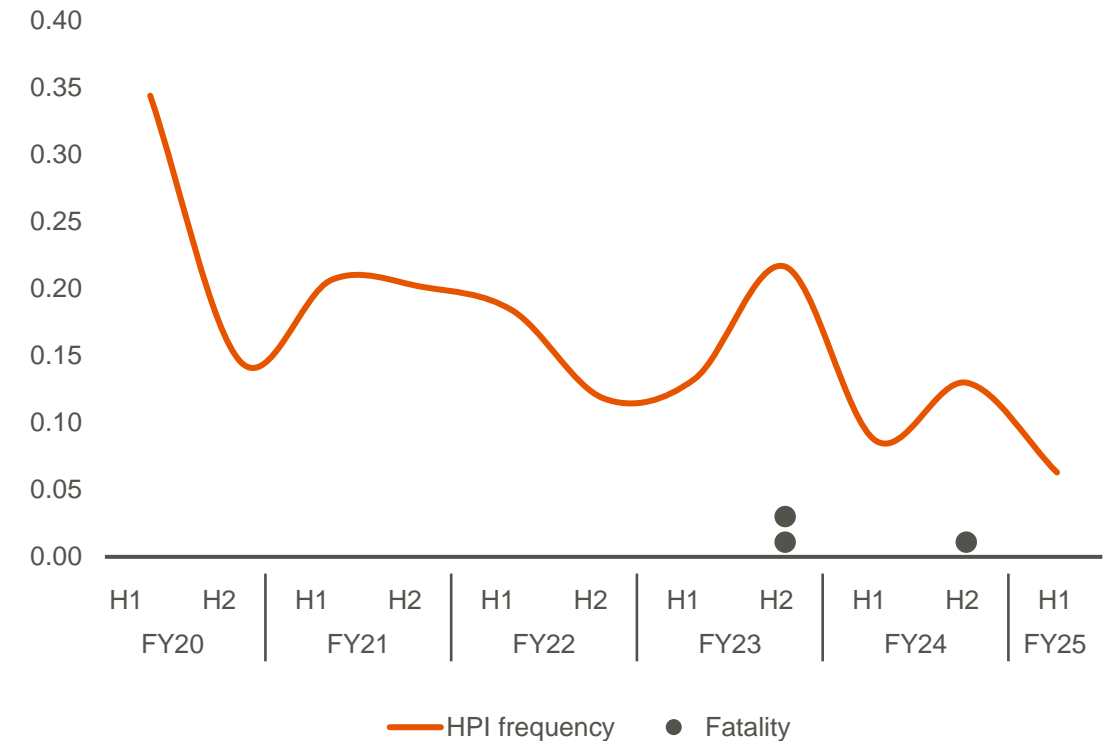
## Performance:

- No high-potential injuries in Q2 FY25
- ~33% reduction in H1 FY25 HPIF YoY
- ~54% reduction in H1 FY25 HPIF HoH

## Our focus is on:

- Leadership time in field reinforcing behaviours and culture of care
- Strong reporting culture with increased hazard identification
- Investment in technology to enhance controls
  - Automation
  - Remote operation
- Standardisation of effective risk controls under our BHP Operating System

## High-potential injury frequency (HPIF) (Frequency rate)



### Notes:

High-potential injuries are recordable injuries and first aid cases where there was the potential for a fatality. HPIF is combined employee and contractor frequency per 1 million hours worked. HPIF includes former OZ Minerals (except Brazil). This definition is independent of the Queensland Coal definition of "high potential incident" which is defined in the Queensland Coal Health and Safety legislation.

# BHP



## Financial performance

Vandita Pant  
Chief Financial Officer

BMA

# Financial performance

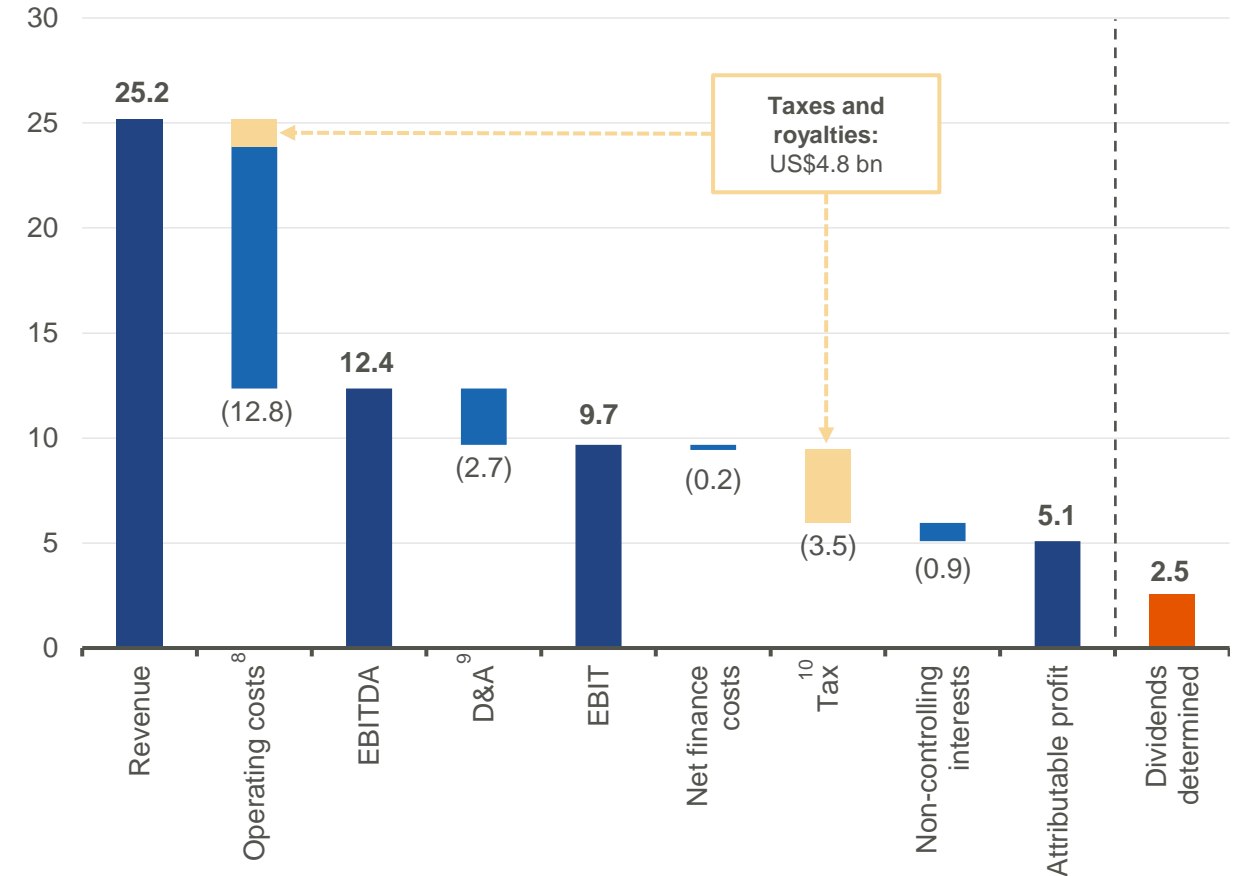
## A strong set of results

### Summary financials

- Underlying EBITDA of **US\$12.4 bn**
  - Underlying EBITDA margin of 51.1%
  - 20.4% ROCE
- Adjusted effective tax rate of **36.4%**<sup>6</sup>
  - Adjusted effective tax rate including royalties of **44.2%**<sup>6</sup>
- Underlying attributable profit of **US\$5.1 bn**
- Net operating cash flow of **US\$8.3 bn**
- **US\$5.2 bn** of capital and exploration expenditure
- Dividends determined of **US\$2.5 bn**
- Net debt of **US\$11.8 bn** (FY24: US\$9.1 bn)
- Exceptional items of **US\$0.7 bn**<sup>7</sup>

### Income statement

(US\$ bn, Underlying)

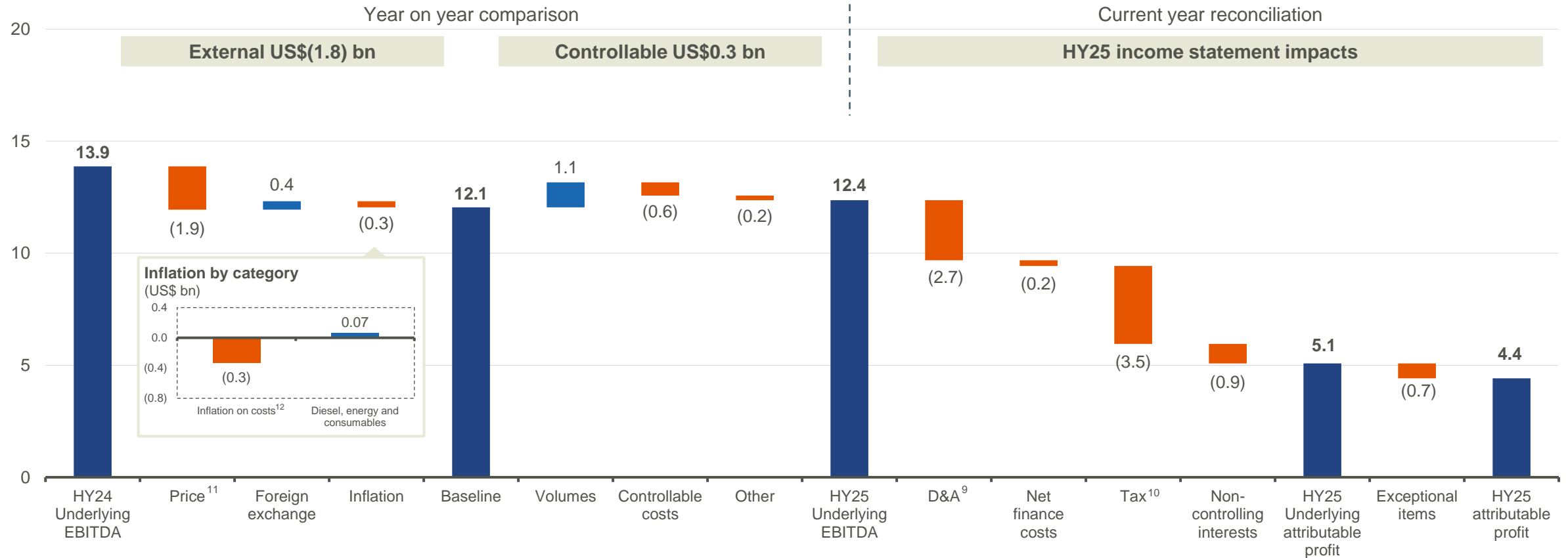




# Group earnings waterfall

Strong operational performance offset by weaker prices

## Earnings variance and drivers (US\$ bn)



# Segment performance

## Iron ore

Production: 130.9 Mt ▲  
EBITDA margin: 63%



## Copper

Production: 987 kt ▲  
EBITDA margin: 54%



## Steelmaking coal<sup>13</sup>

BMA production: 8.9 Mt ▼  
BMA EBITDA margin: 21%



## Energy coal<sup>14</sup>

NSWEC production: 7.4 Mt ▼  
NSWEC EBITDA margin: 17%



## Potash

Jansen Stage 1 ahead of construction schedule: **63% complete**  
Jansen Stage 2 in execution: **6% complete**



## BHP Operating System (BOS)

and our approach to operational excellence is delivering



On track to hit production guidance at all assets. BMA and NSWEC on track to deliver production in upper half of FY25 guidance range



Escondida 10-year production record offset impact of a weather-related power outage at Copper SA



On track to deliver FY25 unit cost guidance



HY25 unit costs were ~3.9% lower across our major assets, with Escondida delivering a 12% reduction

Note: WAIO – Western Australia Iron Ore; Copper SA – Copper South Australia; BMA – BHP Mitsubishi Alliance; NSWEC – New South Wales Energy Coal. Arrow indicates movement relative to HY24.

# Delivering consistent cash flows

Sector leading cash flow generation allows for allocation to both growth and returns

## Our sector leading margins and consistent cash flow generation...

- Strong EBITDA margins, averaging 53% since FY10
- Annual net operating cash flow of >US\$15 bn consistently since FY10

## ...has driven significant shareholder returns...

- Capital Allocation Framework is embedded in all decision making
- US\$83 bn in cash returns, post the introduction of the CAF in FY16<sup>15</sup>

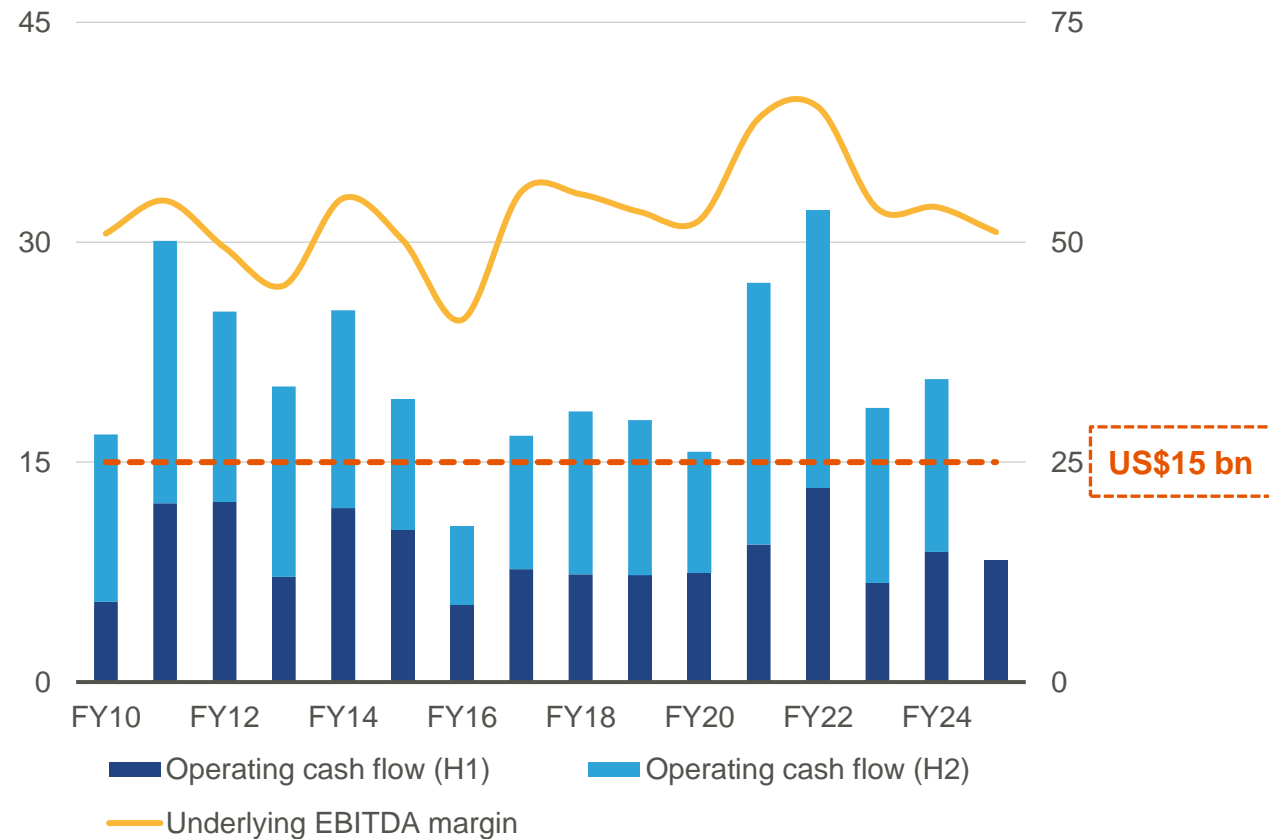
## ...and will provide funding for our growth and returns

- Cash flow generation supports our funding requirements
- High quality suite of attractive organic growth options

## Consistent and strong net operating cash flows<sup>16</sup>

(Net operating cash flow, US\$ bn)

(Underlying EBITDA margin, %)



# Samarco Brazilian settlement agreement

Comprehensive agreement with Public Authorities in Brazil with a total financial value of R\$170 bn on a 100% basis<sup>17</sup>

Includes (on a 100% basis):

**R\$38 bn**

Spent on remediation and compensation to September 2024

Obligation to pay:

**R\$100 bn**

Managed by public authorities paid by Samarco in 20 instalments

**R\$5 bn**

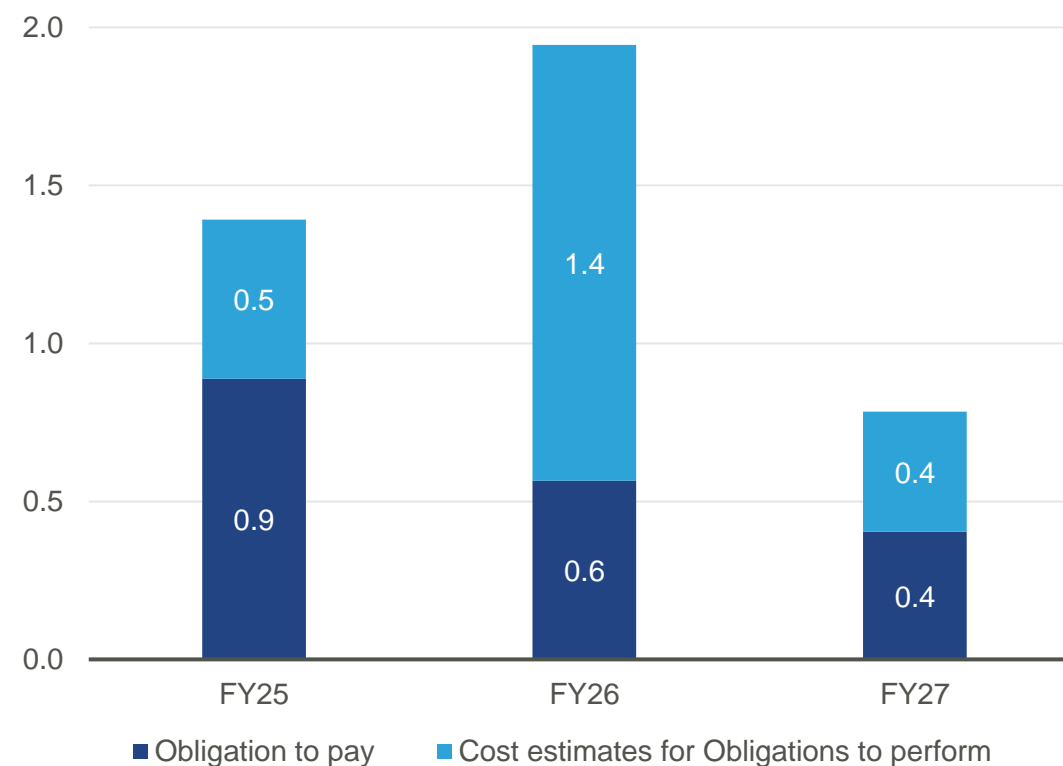
Paid in December 2024 as first instalment of R\$100 bn, next instalment in June 2025

Obligations to perform:

**~R\$32 bn**

To be completed by Samarco

BHP outflows related to Samarco obligations FY25-27  
(US\$ bn, on a 50% basis)<sup>18</sup>



# A more resilient business with a strong balance sheet

Our leverage and gearing remains low thanks to disciplined application of the Capital Allocation Framework

## Since FY22 revision of net debt target range:

- A more resilient portfolio
- Increased exposure to future-facing commodities

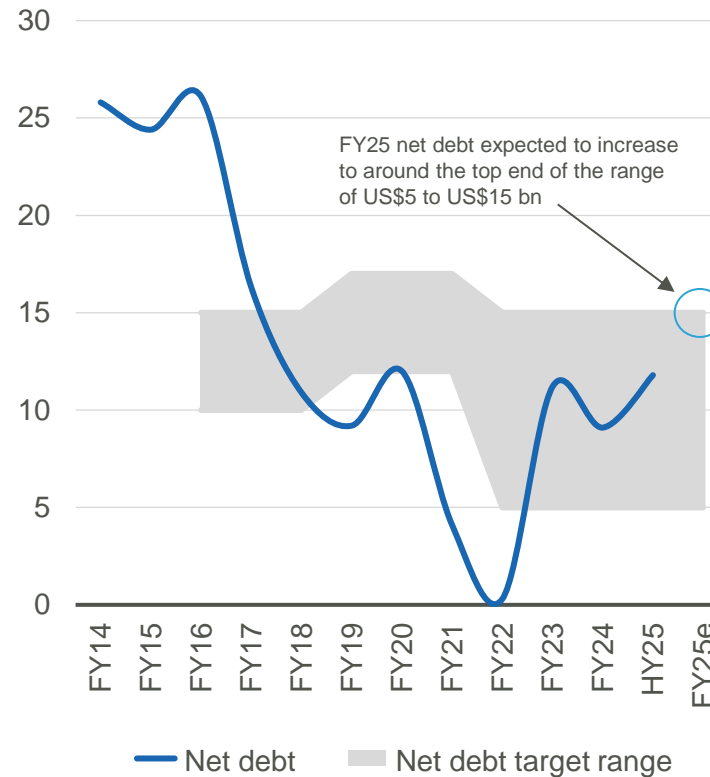
## Cash outflows in H2 FY25:

- US\$2.0 bn for Vicuña transaction
- US\$0.8 bn for Samarco settlement

## FY26 and beyond:

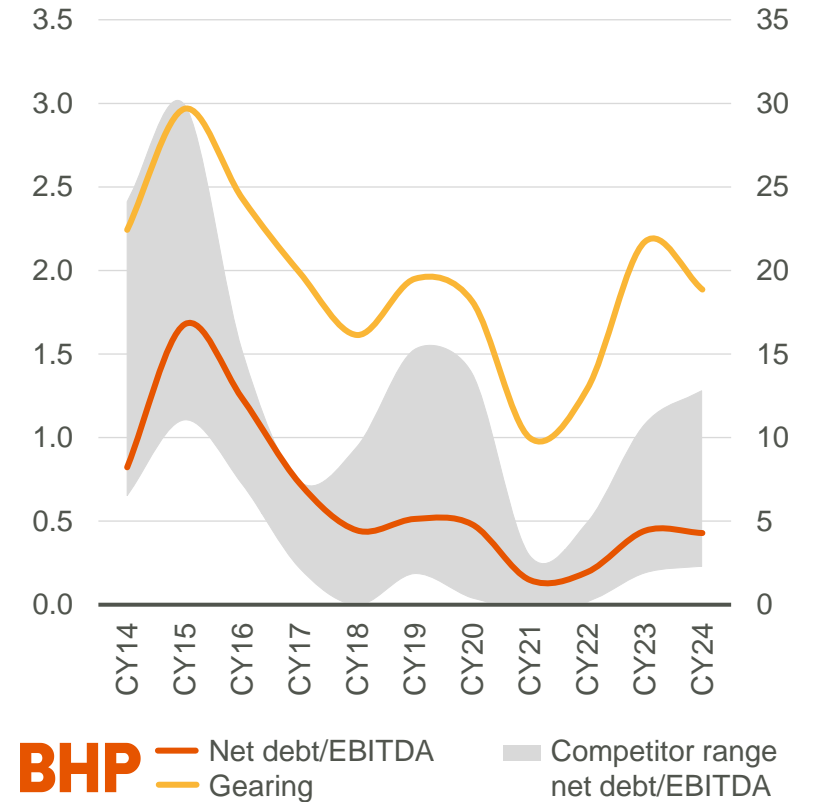
- Advancing our high-quality pipeline of organic growth opportunities

Net debt and net debt target range  
(Net debt, US\$ bn)



BHP has low leverage vs. the sector<sup>19</sup>

(Net debt / EBITDA, x) (Gearing, %)



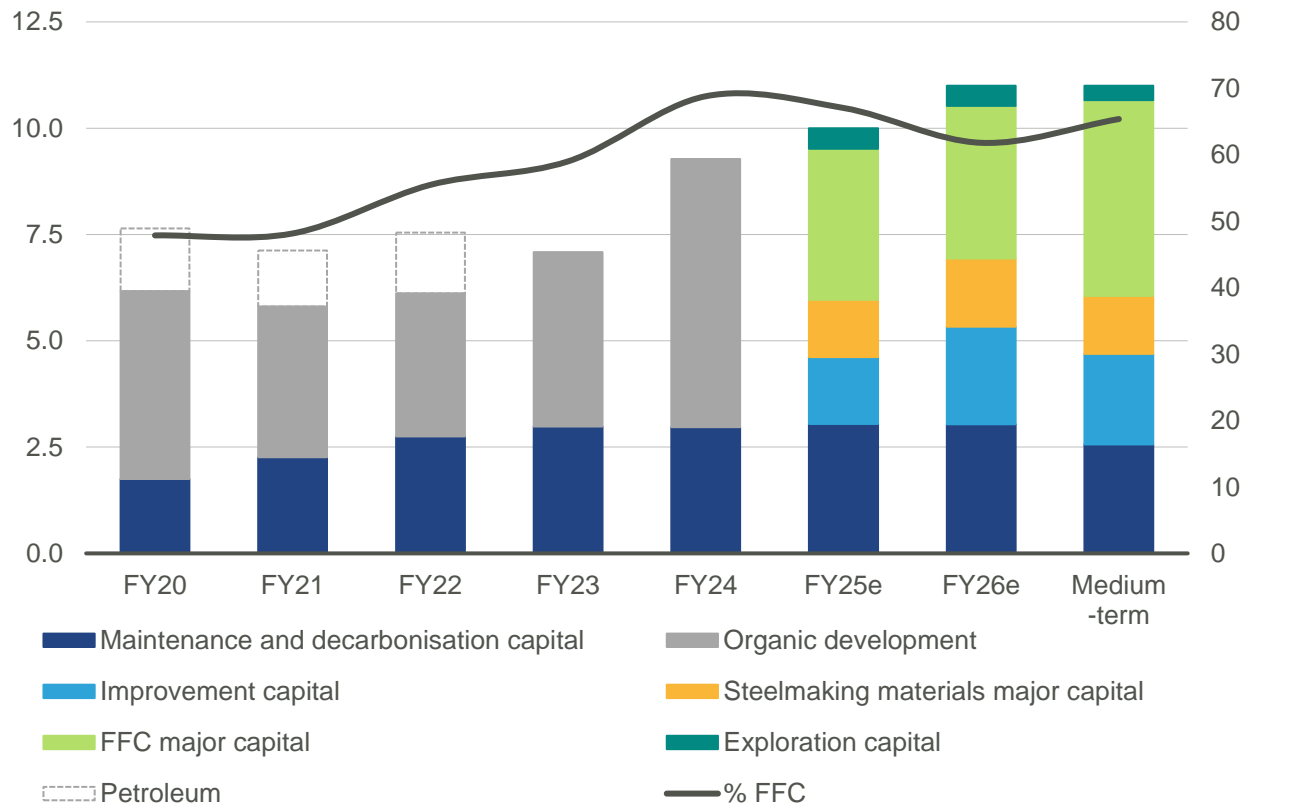
**BHP** — Net debt/EBITDA — Competitor range net debt/EBITDA  
— Gearing

Note: Competitors include Anglo American, Glencore and Rio Tinto.  
Source: BHP analysis, Bloomberg estimates.

# Higher capital spend to unlock organic growth

Increasing growth spend on future facing commodities with continued flexibility to adjust spend for value

**Future-facing commodities form majority of growth spend<sup>20</sup>**  
 (US\$ bn, nominal) (Capital in future-facing commodities, %)



## ● FFC major capital

**Copper:** Escondida new concentrator, Laguna Seca expansion, expansion of Copper SA smelting and refining

**Potash:** Jansen Stage 1 and Jansen Stage 2

## ● Steelmaking materials major capital

**Iron ore:** growth to >305 Mtpa

## ● Maintenance and decarbonisation capital

- Includes:
  - Asset integrity
  - Truck, shovel and other fleet replacement
  - Stripping

## ● Improvement capital

- Includes projects that enable improved safety, productivity, quality, facilities and organisational culture

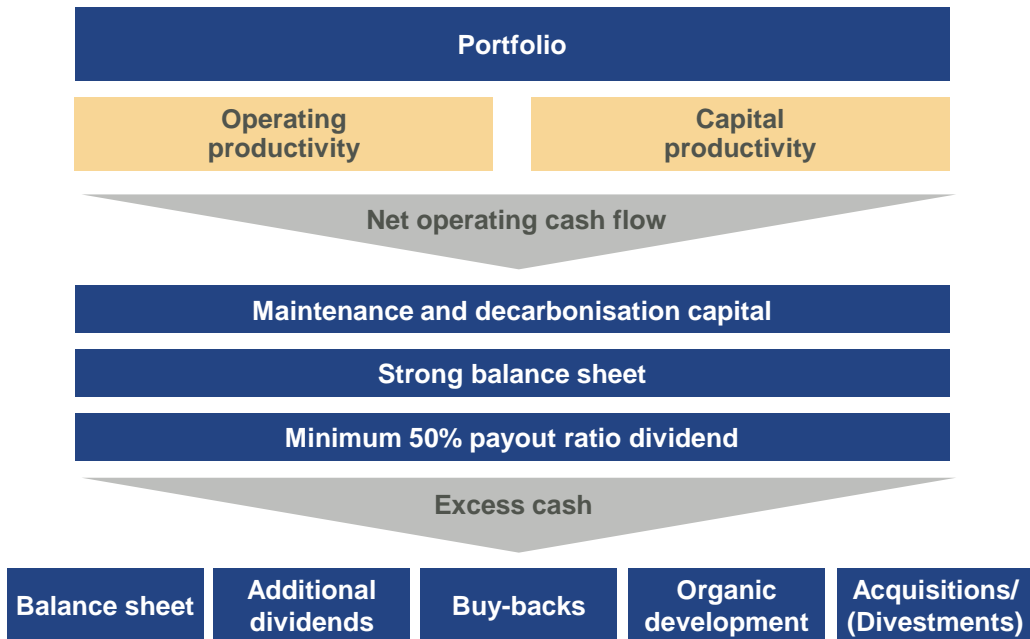
## ● Exploration

Note: Medium-term refers to FY27 – FY29 average. % FFC refers to % spend on future-facing commodities.

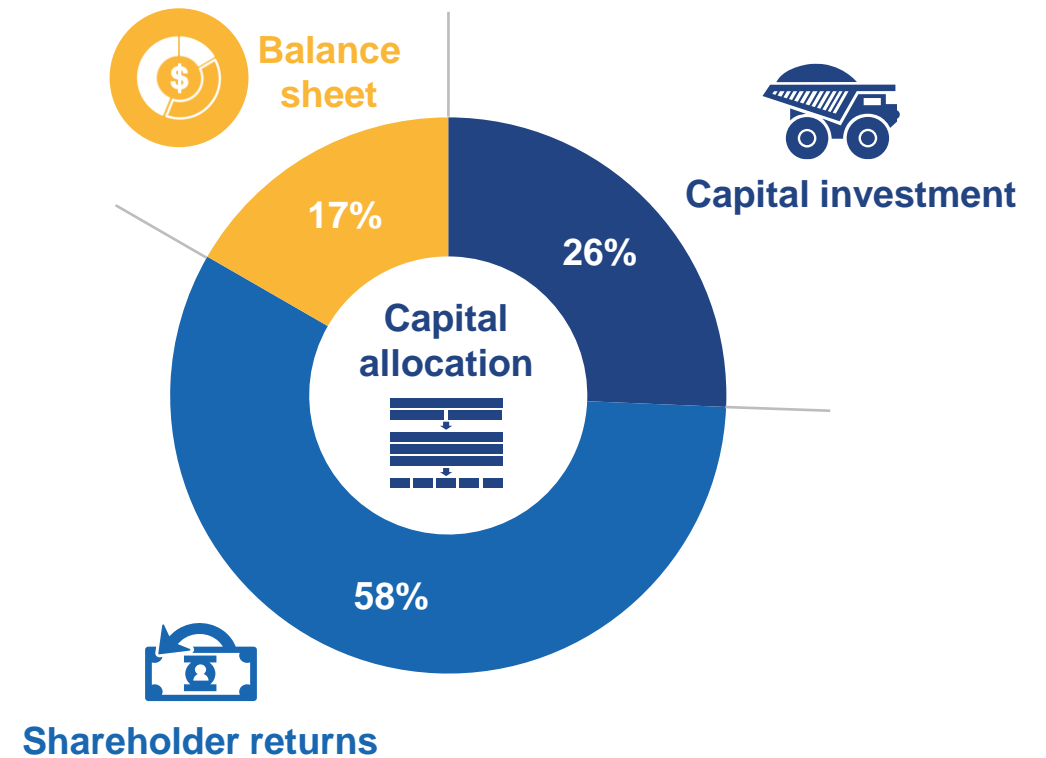
# Disciplined capital allocation enables our strategy

Generates healthy returns for shareholders and enables more investment in attractive projects

The Capital Allocation Framework sits at the core of BHP



Allocation of capital since its introduction in FY16



# BHP

## Business update

Half year ended 31 December 2024

Mike Henry  
Chief Executive Officer



Copper SA

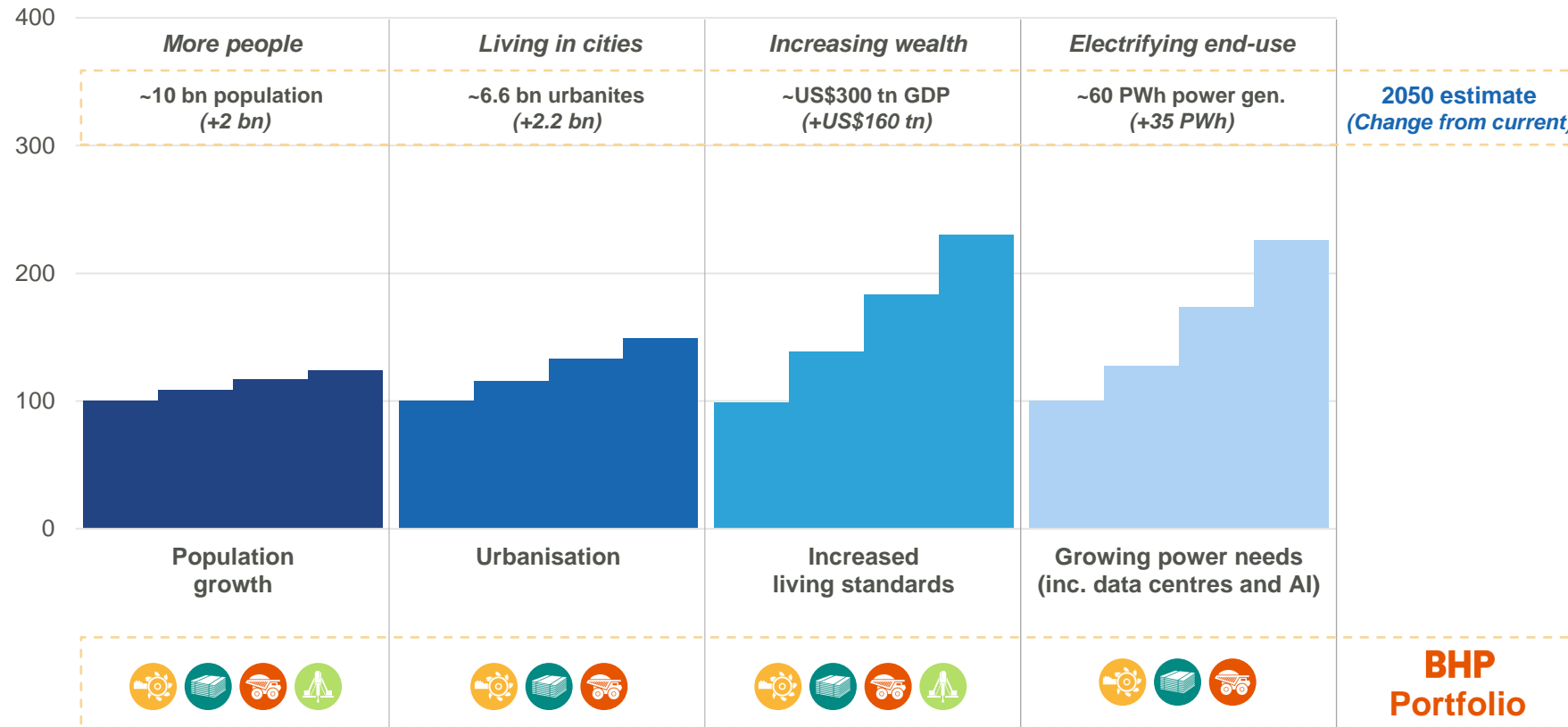


# Commodities positively leveraged to global megatrends

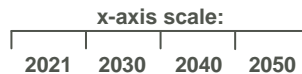
Population growth, urbanisation, higher living standards and the energy transition create opportunities for commodities long-term

Our portfolio has exposure to forecast megatrend growth from today to 2050

(Indexed growth: 100 = 2021 level)



Source: BHP analysis, UN.



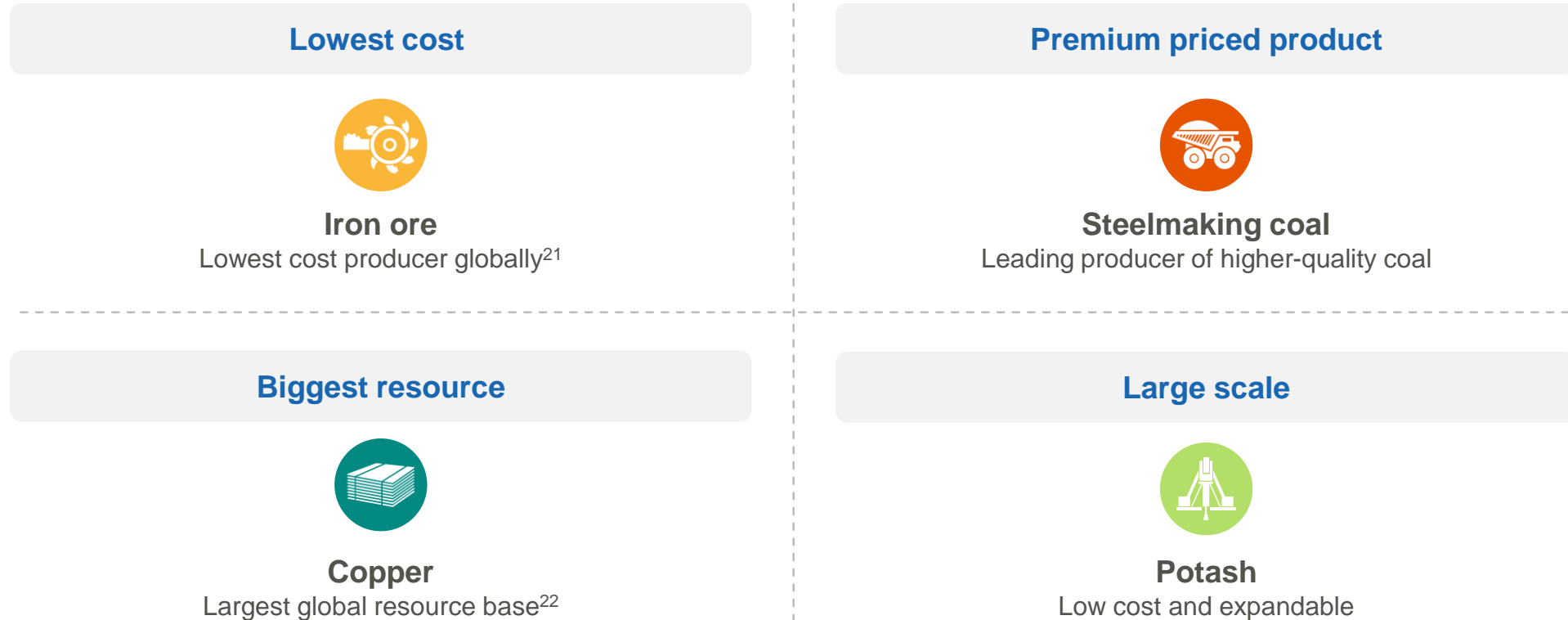
Iron ore 
 Copper 
 Steelmaking coal 
 Potash

## Commodity Attractiveness Framework

- ✓
 Differentiated drivers leveraged to megatrends
- ✓
 Large scalable market
- ✓
 Favourable cost curve position
- ✓
 Large percentage of economic value upstream
- ✓
 Inducement pricing

# Premium assets in the most attractive commodities

A simple portfolio of assets with strong growth potential underpinned by distinctive sources of competitive advantage



# WAIO: the world's leading iron ore business

Stronger free cash flow generation than peers, helping to drive shareholder returns and growth

Operational excellence coupled with structural advantages

**5<sup>th</sup> year**

as lowest cost major iron ore producer<sup>21</sup>

Since FY20 WAIO is on track to deliver...

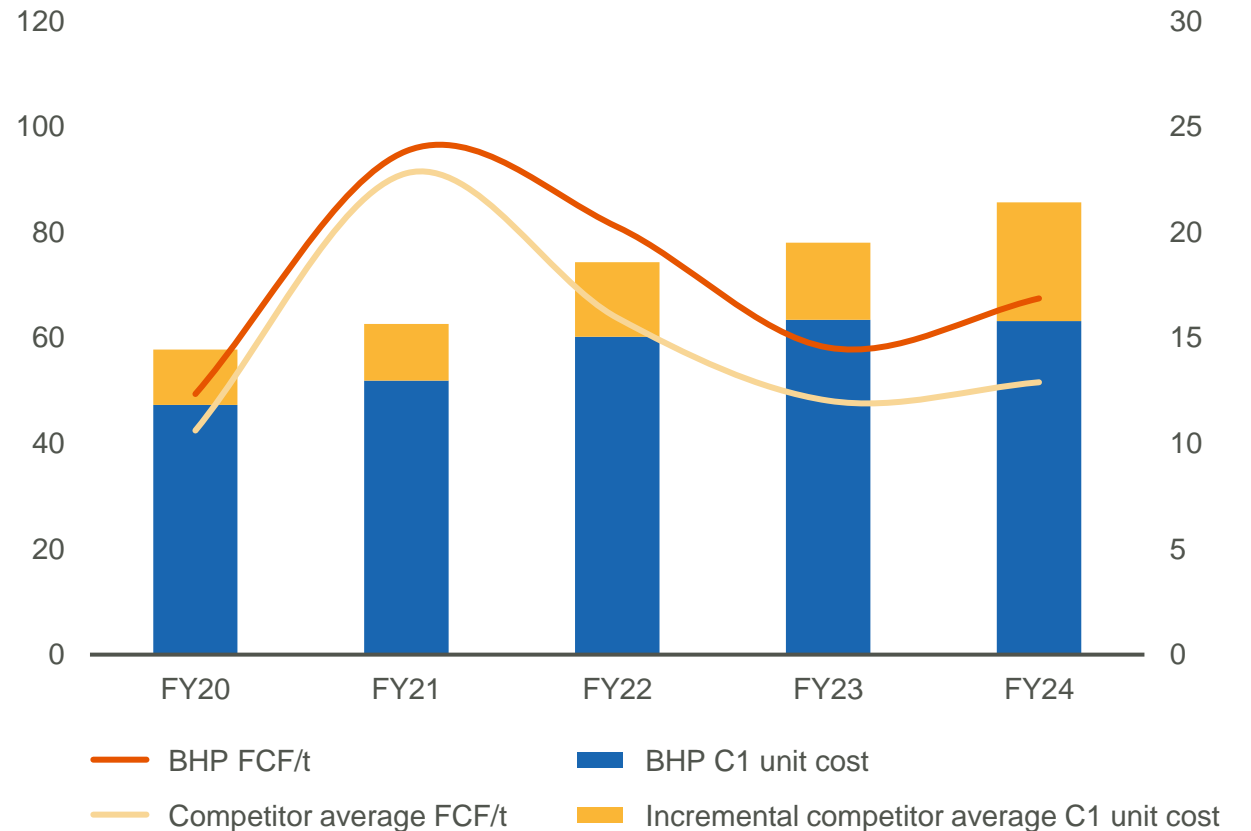
**>10 ppt**

better cost performance vs. Pilbara competitors<sup>23</sup>

## Consistent superior free cash flow (FCF) generation

(Iron ore FCF, US\$/dmt)<sup>24</sup>

(C1 unit cost US\$/t)

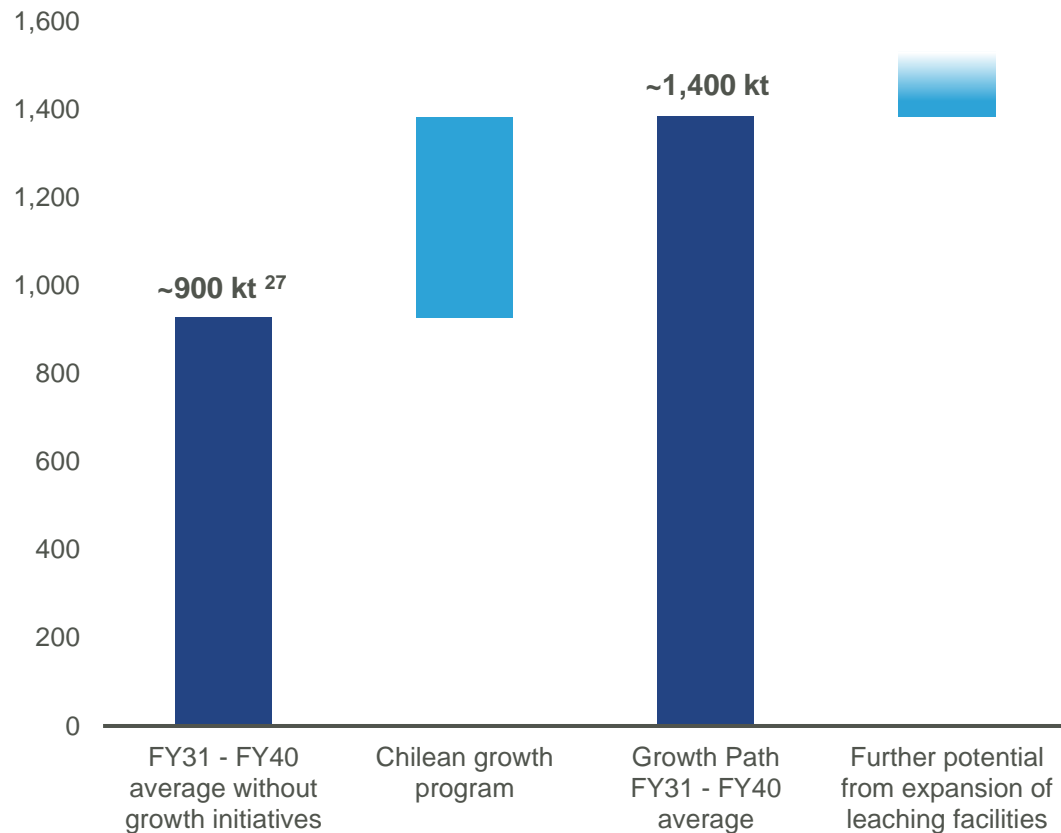


Note: Competitors include Fortescue Metals Group, Rio Tinto and Vale.  
Source: BHP analysis, publicly available reports.

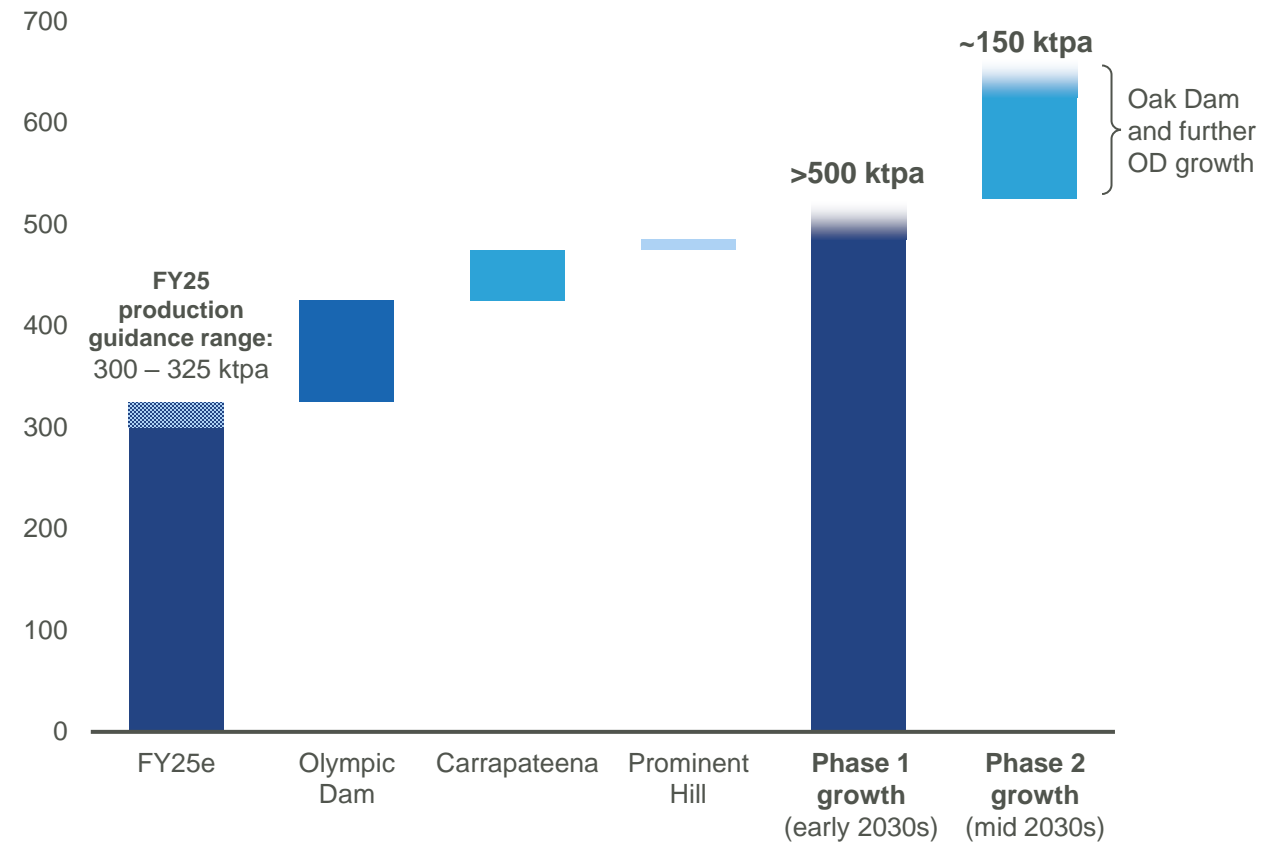
# Copper: a compelling pipeline of organic growth options

Unlocking the world's largest copper endowment with an aspirational pathway towards over 2 Mtpa of attributable copper production<sup>25</sup>

**Chilean copper projects have potential to grow production<sup>26</sup>**  
(Average annual copper production, ktpa)



**Copper SA growth pathway capturing US\$1.5 bn in potential synergies**  
(Copper production<sup>28</sup>, ktpa)



# Vicuña: emerging copper district with world class potential

Transaction close was an important step towards the development of both the Filo del Sol and Josemaria projects

## Transaction closed on 15 January 2025

- A long-term strategic alliance between BHP and Lundin Mining
- 50/50 JV structure enables strong governance and operating practices
- Josemaria and Filo project teams are transitioning to Vicuña

## Next steps

- Mineral resource estimate expected in H1 CY25
- Timing and scope of technical studies to be provided in H1 CY25

## RIGI bill provides significant opportunity

- Incentivises large foreign investment into Argentina
  - Reduced income taxes, exempt from withholding income tax
  - Ability to repatriate cash
  - 30-year stability period
- Two years from July 2024 to qualify the project under RIGI

## Phased development pathway

- Integrated project plan being advanced, incorporating both Filo del Sol and Josemaria projects through a phased development strategy



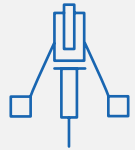
# Jansen: a top tier asset set for strong cash flow

Designed to be a first quartile cost potash producer that is expected to be resilient through the cycle



## Potash is an attractive future-facing commodity

- Exposure to global megatrends
- Leverage to population growth and higher living standards
- Supply-driven market, reliable demand with upside



## World class asset

- Low cost, cash generative and long-life asset
- Growth via potential capital efficient expansions
- Increased diversification, only major miner in potash



## Ready for ramp up post first production in late CY26








- Supporting training and recruitment of trade personnel
- Working with buyers across all major potash consuming regions



Jansen

# Continue to be a leader on project delivery

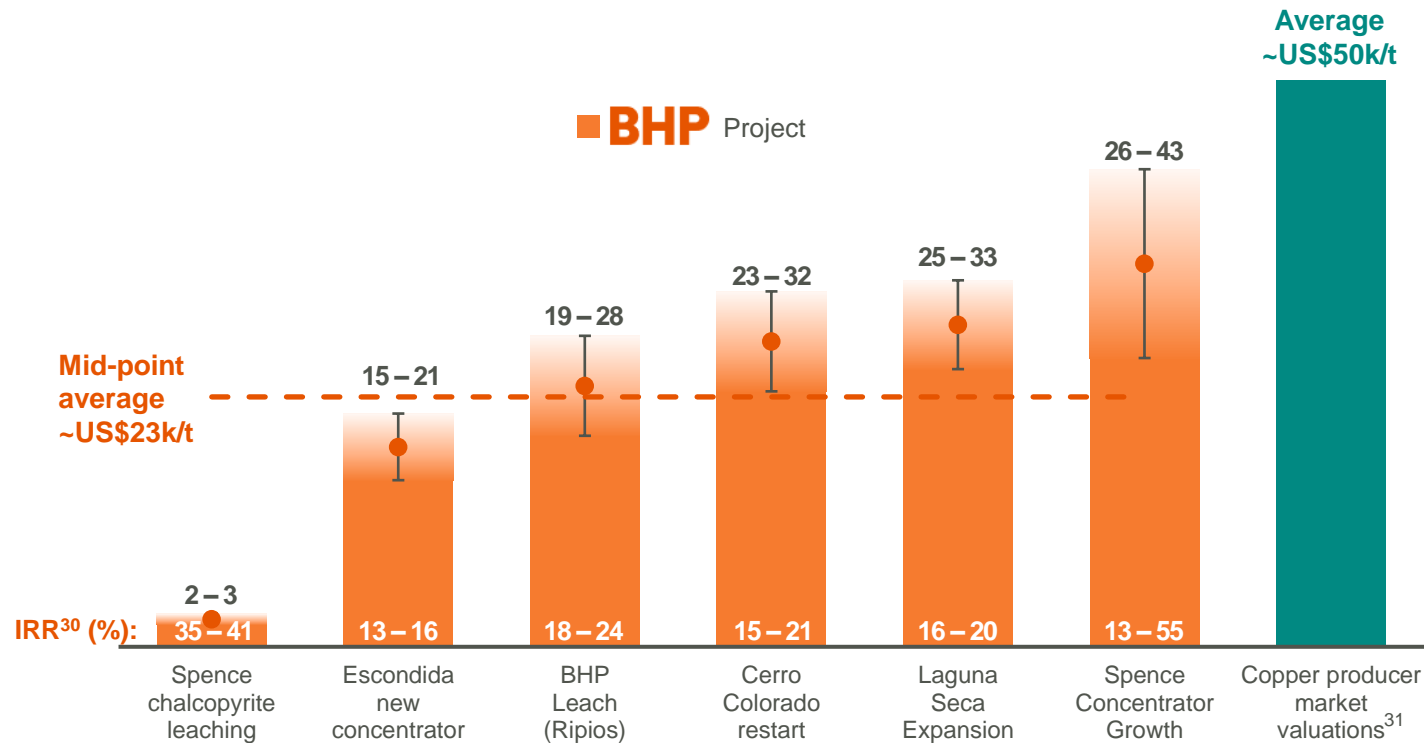
We have consistently delivered better outcomes on our projects vs. our competitors

	<b>BHP</b>	Industry average <sup>29</sup>	<b>Disciplined and differentiated approach</b>
 <b>Safety (TRIF)</b>	<b>1.4</b>	<b>2.8</b>	<b>Global experience</b> Connected global Projects Centre of Excellence (PCoE) brings experience from all of BHP 
 <b>Execution cost</b>	<b>↑ 2%</b>	<b>↑ 8%</b>	<b>Proactive management and informed planning</b> A focus on in-depth studies and advanced engineering delivers a solid foundation for predictable delivery and cost 
 <b>Execution schedule</b>	<b>↑ 1%</b>	<b>↑ 22%</b>	
 <b>Business case achieved</b>	<b>↑ 94%</b>	<b>↑ 66%</b>	<b>Value optimisation processes</b> Deliver cost mitigants from actions such as design improvements and commercial wins 

# Attractive internal options to grow in copper for value

Our organic projects benchmark well vs. current market valuations of listed copper producers

**Capital intensity of Chilean growth vs. listed copper producer valuations**  
(US\$/tpa CuEq production)



## Organic growth is attractive

- Typically lower risk
- In-depth resource understanding and internal expertise
- Leverages BHP's differentiated strengths:
  - Robust investment processes
  - Project delivery capabilities
  - Approach to social value
- Change of control premium not required



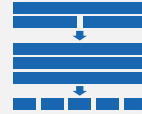
# Investment proposition

Attractive returns underpinned by operational excellence, capital allocation discipline and social value commitment



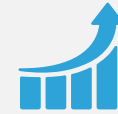
## Operational excellence

- > World class assets
- > Differentiated culture and capability
- > Agile decision making and strategic flexibility



## Disciplined capital allocation

- > Strong balance sheet
- > Capital Allocation Framework
- > A framework for growth with an active pursuit of opportunities



## Value and returns

- > Commitment to social value and sustainability
- > Increasing exposure to future-facing commodities
- > Resilience through the cycle

**BHP**

# Footnotes

1. Slide 4: BHP 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.
2. Slide 4: See slide 11 demonstrating consistent net operating cash flows between FY10 and FY24.
3. Slide 4: Chilean copper refers to Escondida and Pampa Norte, excluding exploration. For further information on Chilean copper growth pathways refer to slides 20 and 24.
4. Slide 4: Aspiration includes Inferred Resources from Oak Dam and Exploration studies at OD Deeps.
5. Slide 5: 10% increase in copper production from H1 FY24 (894 kt) to H1 FY25 (987 kt). 19% increase in copper production from FY22 (1,574 kt) to FY24 (1,865 kt)
6. Slide 8: Adjusted effective tax rate and Adjusted effective tax rate including royalties: excludes the influence of exchange rate movements and exceptional items.
7. Slide 8: For further information refer to Financial Statements note 2 'Exceptional items'.
8. Slide 8: Operating costs net of other income and of profit/(loss) from equity accounted investments, related impairments and expenses.
9. Slide 8 and 9: D&A: represents depreciation and amortisation expense and net impairments.
10. Slide 8 and 9: Tax: includes foreign exchange movements in tax expense.
11. Slide 9: Price: net of price-linked costs.
12. Slide 9: CPI is exclusive of any CPI relating to diesel, energy and other consumable materials.
13. Slide 10: BMA figures are on a 100% basis and for FY24 include Blackwater and Daunia up to 2 April 2024.
14. Slide 10: Total revenue from thermal coal sales, including BMA and NSWEC, was US\$955 m (HY24: US\$980 m).
15. Slide 11: Includes total cash dividends paid from FY16 interim to FY24 final (inclusive) and the US\$5.2 bn share buy-back paid from US Onshore proceeds.
16. Slide 11: BHP Underlying EBITDA margin (excluding third party products). BHP net operating cash flow 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. Presented on a total operations basis.
17. Slide 12: The agreement delivers a full and final settlement of the Framework Agreement obligations, the Federal Public Prosecution Office claim and other claims in relation to the dam failure by the Federal Government of Brazil, State of Minas Gerais, State of Espirito Santo, public prosecutors and public defenders.
18. Slide 12: Under the final settlement agreement, Samarco is the primary obligor for the settlement obligations and BHP Brasil and Vale are each secondary obligors of any obligation that Samarco cannot fund or perform in proportion to their shareholding at the time of the dam failure, which is 50% each. All financial obligations are presented on a real, undiscounted basis and will accrue inflation at IPCA inflation rate. Payments will be made in Brazilian Reais. USD amounts are calculated using 31 December 2024 USD/BRL exchange rate of 6.19.
19. Slide 13: CY24 leverage for competitors based on Bloomberg consensus as at 30 January 2025, HY25 data for BHP. Gearing calculated as net debt divided by net debt plus net assets.
20. Slide 14: Note capital in future-facing commodities % includes capital for nickel prior to HY25
21. Slide 18 and 19: BHP internal analysis based on WAIO C1 reported unit costs compared to publicly available unit costs reported by major competitors, including Fortescue, Rio Tinto and Vale. There may be differences in the manner that third parties calculate or report unit costs compared to BHP, which means that third-party data may not be comparable to our data. WAIO C1 unit costs 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.
22. Slide 18: Largest copper mineral resources on a contained metal basis, equity share. Source BHP data: BHP Annual Report 2024.
23. Slide 19: Outperformance based on average percentage increase in costs of Pilbara competitors based on publicly available information for their financial reporting period assuming midpoint of guidance.
24. Slide 19: Based on disclosed financial data as reported by competitors. There may be differences in the manner that third parties calculate or report this information compared to BHP, which means third-party data may not be comparable to our data. For further information, the reconciliation of non-IFRS financial information to our statutory measures, reasons for usefulness and calculation methodology, please refer to 'Non-IFRS financial information' in the BHP Financial Report for the half year ended 31 December 2024.
25. Slide 20: Represents our current aspiration for BHP group attributable copper production, and not intended to be a projection, forecast or production target. Includes potential increases in production rates, as well as potential from non-operated joint ventures as well as exploration programs. The pathway is subject to the completion of technical studies to support Mineral Resource and Ore Reserves estimates, capital allocation, regulatory approvals, market capacity, and, in certain cases, the development of exploration assets, in which factors are uncertain.
26. Slide 20: Chilean growth program includes Escondida new concentrator, Laguna Seca expansion, Spence throughput and recovery increase, Escondida and Pampa Norte leaching options. Further potential includes leaching extension through Nitrate Leach, and Cerro Colorado Hypogene development.
27. Slide 20: Indicated no new growth investment.
28. Slide 20: 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 assets acquired as part of the OZ Minerals acquisition. Includes Inferred Resources from Oak Dam and Exploration studies at OD Deeps. The pathway to increase potential production at Copper South Australia is subject to regulatory approvals, market capacity and, in certain cases, the development of exploration assets, which factors are uncertain.
29. Slide 23: All BHP data represents FY24 performance, except for 'Business Case Achieved' which represents FY25 H1 YTD performance. Industry averages based on Mining, Minerals and Metals (for 'TRIF' and 'Business Case Achieved') and All Industry (inclusive of Chemicals and Oil & Gas sectors) (for 'Execution Cost' and 'Execution Schedule') data sets per Independent Project Analysis (IPA) from 2012 to 2023.
30. Slide 24: IRR based on low and high potential capex ranges at \$4.50/lb copper consensus price (real 2024) based on the median of long-term forecasts from Bank of America, Barrenjoey, Citi, Deutsche Bank, Goldman Sachs, JPMorgan and UBS.
31. Slide 24: Listed copper producers include Antofagasta, First Quantum, Freeport, Ivanhoe, Southern Copper and Teck. Copper producer capital intensities calculated as enterprise value divided by last twelve months of copper equivalent production.

# **BHP**

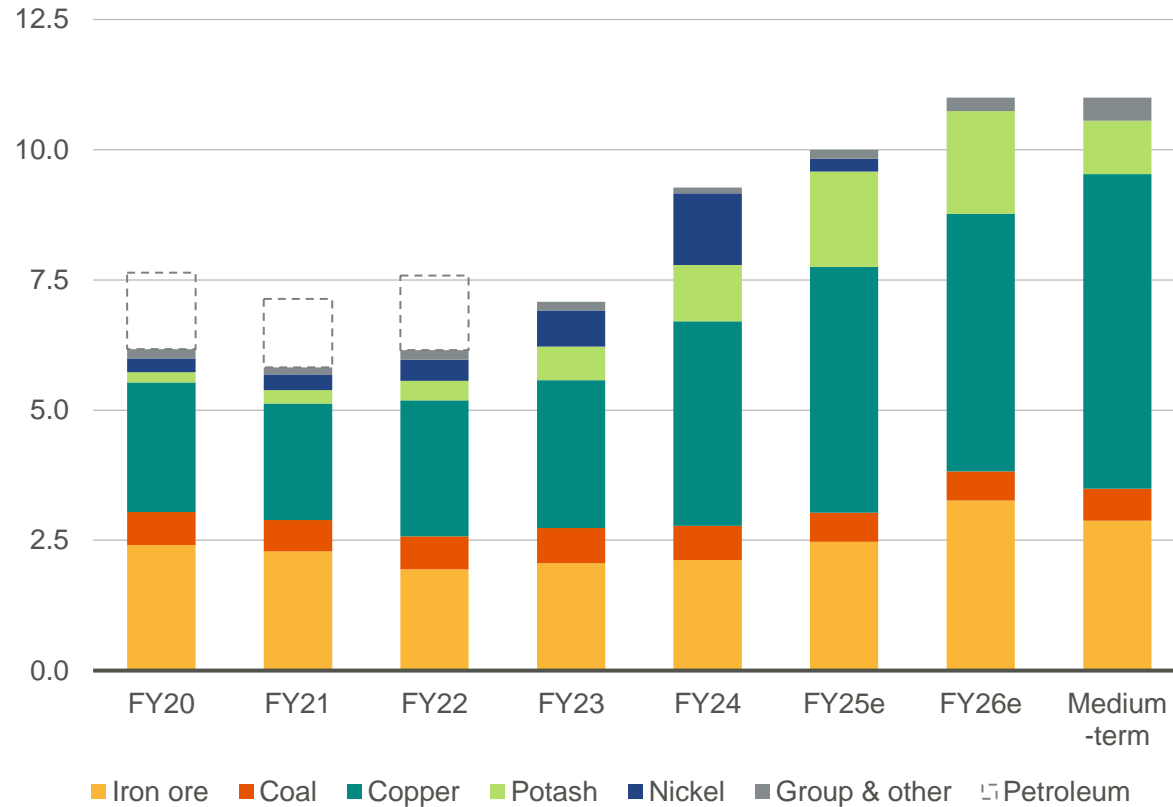
## **Appendix**

# Capital spend by commodity

Increasing growth spend with continued flexibility to adjust spend for value

## Future-facing commodities form majority of growth spend

(US\$ bn, nominal)



### On average medium-term spend is split across:

- Maintenance, improvement and decarb capital of ~US\$4.7 bn p.a.
- Copper and potash major capital of ~US\$4.6 bn p.a.
- Steelmaking major capital of ~US\$1.4 bn p.a.
- Exploration capital of ~US\$0.3 bn p.a.

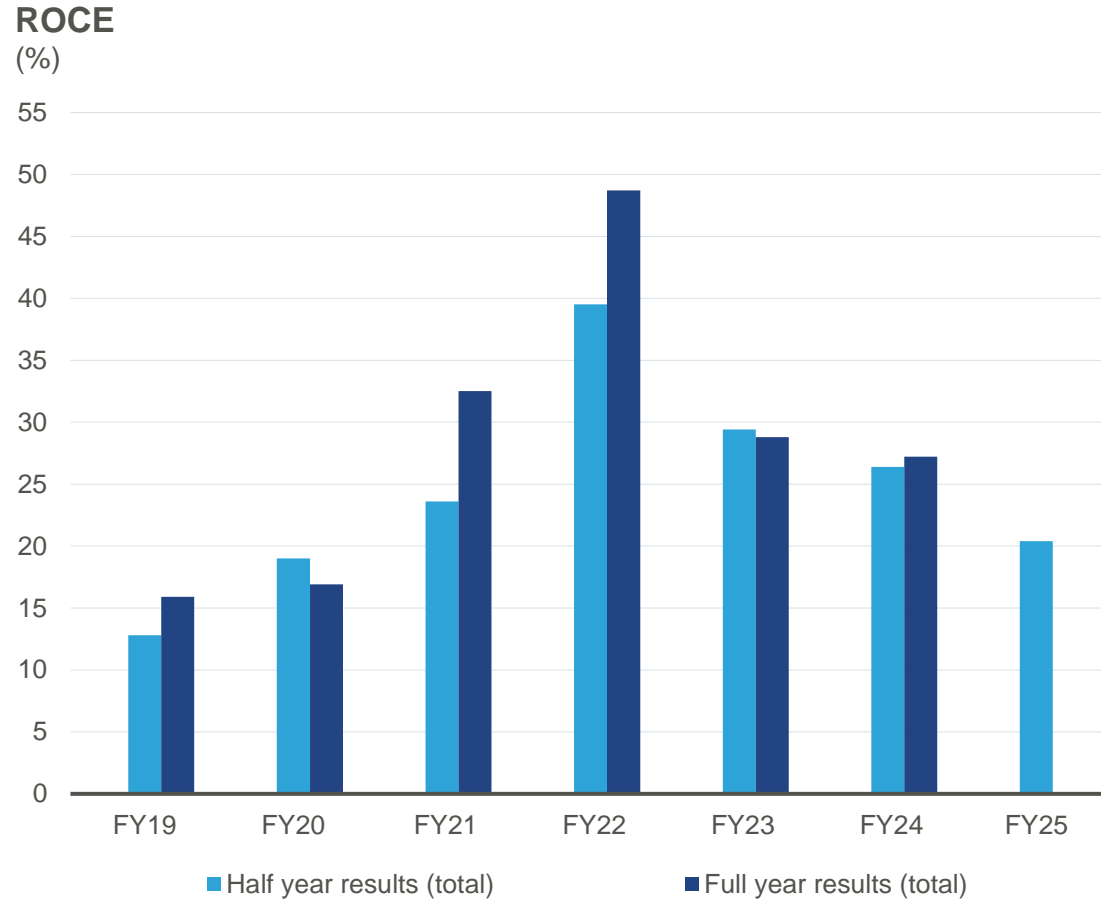
Note: Medium-term refers to FY27 – FY29 average. FFC – future-facing commodities. Major capital represents projects >US\$250 m.

Financial results

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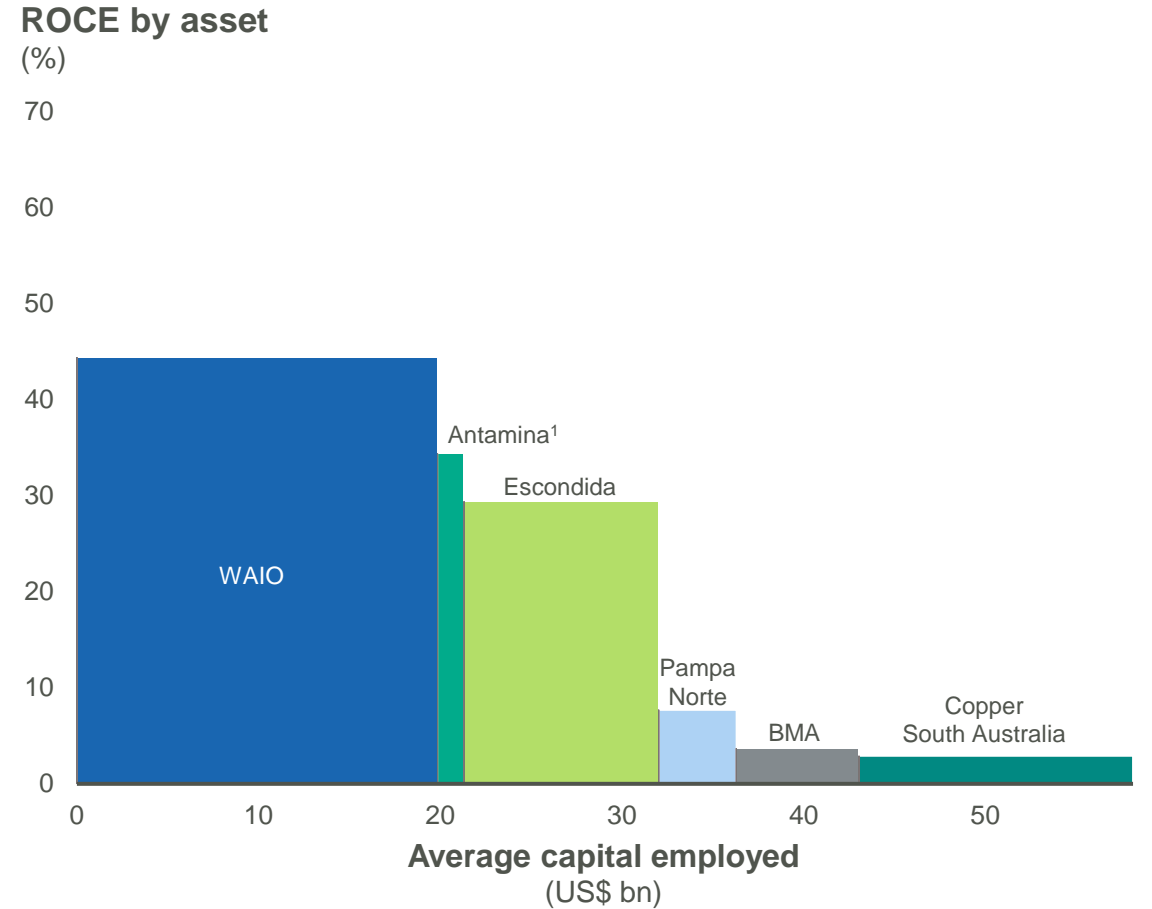
# Return on Capital Employed

ROCE of 20.4% for HY25



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.

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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 has not been shown as it is under development. Western Australia Nickel ROCE has not been shown following the Group's decision to temporarily suspend operations

# Samarco delivering on Brazilian Agreement

First instalment paid, new compensation systems being initiated

## Obligation to Pay

R\$100 bn

(100% basis)

- To be paid by Samarco in 20 instalments, weighted to early years
- R\$5 bn paid December 2024
- Next instalment (R\$6 bn) to be paid June 2025
- 12 eligible municipalities have signed up to date to receive agreed compensation amounts

## Obligations to Perform

Estimate R\$32 bn

(100% basis)

**Compensation, resettlement and environmental recovery actions to be completed by Samarco**

**Programs of work weighted to first 3 years**

**Progress to date:**

- Community resettlement 94% complete; 347 families have received the keys to their new properties in Novo Bento Rodrigues and Paracatu
- New compensation programs being initiated in impacted regions`



Novo Bento Rodrigues school



Candonga hydroelectric dam on the Doce River

Note: Future financial obligations are shown on a real, undiscounted and 100% basis and will accrue inflation at IPCA inflation rate. Payments are made in Brazilian Reais.

# Understanding the Samarco Brazilian agreement

The settlement agreement addresses remaining obligations under the Framework Agreement, but residual risks remain

## Agreement resolves and settles:

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- TTAC Framework Agreement obligations
- **R\$155 bn** Federal Public Prosecution Office Claim
- **R\$20 bn** Public Civil Claim
- **R\$47.6 bn** collective moral damages claim
- **R\$10.3 bn** claim related to new impacted areas in Espírito Santo state
- Brazil Resettlement case (daily fines)
- Judicial and administrative environmental fines connected with the dam failure

Samarco remains the primary obligor for the obligations set in the agreement

Note: TTAC – The Transaction Conduct Adjustment Term.

Note: Under a Liability Sharing Agreement, BHP and Vale each agrees to pay 50% in the case of unsuccessful defence against litigation.

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## Disclosed previously as contingent liabilities, settlement does not resolve:

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- UK group action claim
  - Settlement Agreement will not resolve all UK claimants' claims. However, ~40% of individual claimants and ~80% of municipalities in UK claim are eligible to opt in and be paid through this settlement (if they choose to adhere, they will be required to withdraw their foreign claims).
- Australian shareholder class action claim.
- Netherlands group action claim against certain Vale and Samarco entities.
- Criminal charges in Brazil. In November 2024 the Federal Court found Samarco, BHP Brasil, Vale, and VogBR (Samarco's independent consultant) not liable for criminal offences relating to the dam failure. The Federal Prosecutors have appealed this decision.
- Civil public actions commenced by NGOs, private associations, including the action concerning the use of Tanfloc for water treatment.
- Existing and future trailing litigation, including from individuals, large businesses, indigenous peoples and other traditional communities.
  - Agreement addresses collective and moral damages for Indigenous People and Traditional communities who opt in, but not individual claims from community members. Payments of financial aid to these communities are to continue during consultation period (18 months).
- Future or unknown claims arising from new information or damages.



# Social value highlights

Driving shareholder value through access to resource, talent and partners - and shared prosperity for people and planet

## Our social value framework



Western Australia selected for NeoSmelt ESF trial preferred site  
Trial started of first-ever Toyota Battery Electric HiLux double cab to reduce diesel emissions



Female employee participation 38.9% (+2.7ppt from HY24)



Landmark Native Title Project Agreement between BMA and Barada Barna people



Partnership with communities to help restore and protect the Meewasin Valley in Saskatchewan, Canada

# 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 <sup>1</sup>	Target/Gol	HY25	FY24	HY24
Fatalities	Zero work-related fatalities	0	1	0
High-potential injury (HPI) frequency <sup>2</sup>	Year-on-year improvement in HPI frequency	0.06	0.11	0.09
Total recordable injury frequency (TRIF) <sup>2</sup>	Year-on-year improvement in TRIF	4.3	4.8	4.6

Social value: key indicators scorecard <sup>1</sup>	Target/Gol	HY25	FY24	HY24
Operational GHG emissions (MtCO <sub>2</sub> -e) <sup>3</sup>	Reduce operational GHG emissions by at least 30% from FY20 levels by FY30	4.5	9.2	4.7
Value chain GHG emissions (Scope 3): Committed funding in steelmaking partnerships and ventures to date (US\$m)	Steelmaking: 2030 goal to support industry to develop steel production technology capable of 30% lower GHG emissions intensity relative to conventional blast furnace steelmaking, with widespread adoption expected post-CY30	✓	140	✓
Value chain GHG emissions: Reduction in GHG emissions intensity of BHP-chartered shipping of our products from CY08 (%) <sup>4</sup>	Maritime transportation: 2030 goal to support 40% GHG emissions intensity reduction of BHP-chartered shipping of BHP products	44	42	43
Social investment (US\$m BHP equity share)	Voluntary investment focused on the six pillars of our social value framework	37.4	136.7	36.1
Indigenous procurement spend <sup>5</sup> (US\$m)	Key metric for part of our 2030 Indigenous partnerships goal, to support the delivery of mutually beneficial outcomes	452	609	289
Female employee participation <sup>6</sup> (%)	Aspirational goal for gender balanced employee workforce <sup>7</sup> by the end of CY25	38.9	37.1	36.2 <sup>8</sup>
Indigenous employee participation <sup>6,9</sup> (%)	Australia: aim to achieve 9.7% by the end of FY27	8.6	8.3	8.4 <sup>10</sup>
	Chile: aim to achieve 10.0% by the end of FY25	10.0	10.1	10.2
	Canada: aim to achieve 20.0% by the end of FY26	10.4	11.2	9.4
Area under nature-positive management practices <sup>11</sup> (%)	2030 goal of having at least 30% of the land and water we steward <sup>12</sup> under conservation, restoration or regenerative practices	1.6	1.6	-

1. Data includes former OZL (except Brazil) and Blackwater and Daunia mines until 2 April 2024, except where specified otherwise.

2. Combined employee and contractor frequency per 1 million hours worked. FY24 data restatements for HPIF and TRIFR restated due to ongoing verification activities resulting in updated recordable injury and exposure hour data.

3. Our operational GHG emissions are the Scopes 1 and 2 emissions from our operated assets. Baseline year data and performance data from FY24 have been adjusted for divestment of our interest in BMC (completed on 3 May 2022), divestment of our Petroleum business (merger with Woodside completed on 1 June 2022), BMA's divestment of the Blackwater and Daunia mines (completed on 2 April 2024), our acquisition of OZ Minerals (completed on 2 May 2023) and for methodology changes (use of IPCC Assessment Report 5 (AR5) Global Warming Potentials and the transition to a facility-specific GHG emission calculation methodology for fugitives at Caval Ridge and Saraji South). This provides the data most relevant to assessing progress against our operational GHG emissions medium-term target and differs from annual total operational GHG emissions inventory (unadjusted for acquisitions, divestments and methodology changes).

4. Baseline year data and performance data have been adjusted to only include voyages associated with the transportation of commodities currently in BHP's portfolio due to the data availability challenges of adjusting by asset or operation for CY08 and subsequent year data. GHG emissions intensity calculations currently include the transportation of copper, iron ore, steelmaking coal, energy coal, molybdenum, uranium and nickel. Baseline year data and performance data have also been adjusted for a methodology change to use maritime transport emission factors from EU Regulation 2023/1805, after The British Standards Institution EN 16258 standard (the source of the emission factors we previously used) was withdrawn in CY23.

5. Includes former OZL (except Brazil) for HY25 only.

6. Based on a 'point in time' snapshot of employees as at the end of the relevant reporting period.

7. We define gender balance as a minimum 40% women and 40% men in line with the definitions used by entities such as the International Labour Organization.

8. Includes some but not all former OZL reflecting progressive migration of employee data onto BHP systems.

9. Indigenous employee participation for Australia is at Minerals Australia operations; for Chile is at Minerals Americas operations in Chile; and for Canada is at the Jansen Potash project and operations in Canada.

10. Indigenous employee representation in Australia, is at Minerals Australia operations and includes some but not all former OZL (operational and non-operational roles) reflecting progressive migration of employee data onto BHP systems.

11. Nature-positive management practices refer to an area under stewardship that has a formal management plan that includes conservation, restoration or regenerative practices. This metric is measured on an annual basis and an update will be provided in the full year results for FY25.

12. 'Land and water we steward' excludes areas we hold under greenfield exploration licenses (or equivalent tenements), which are outside the area of influence of our existing mine operations.

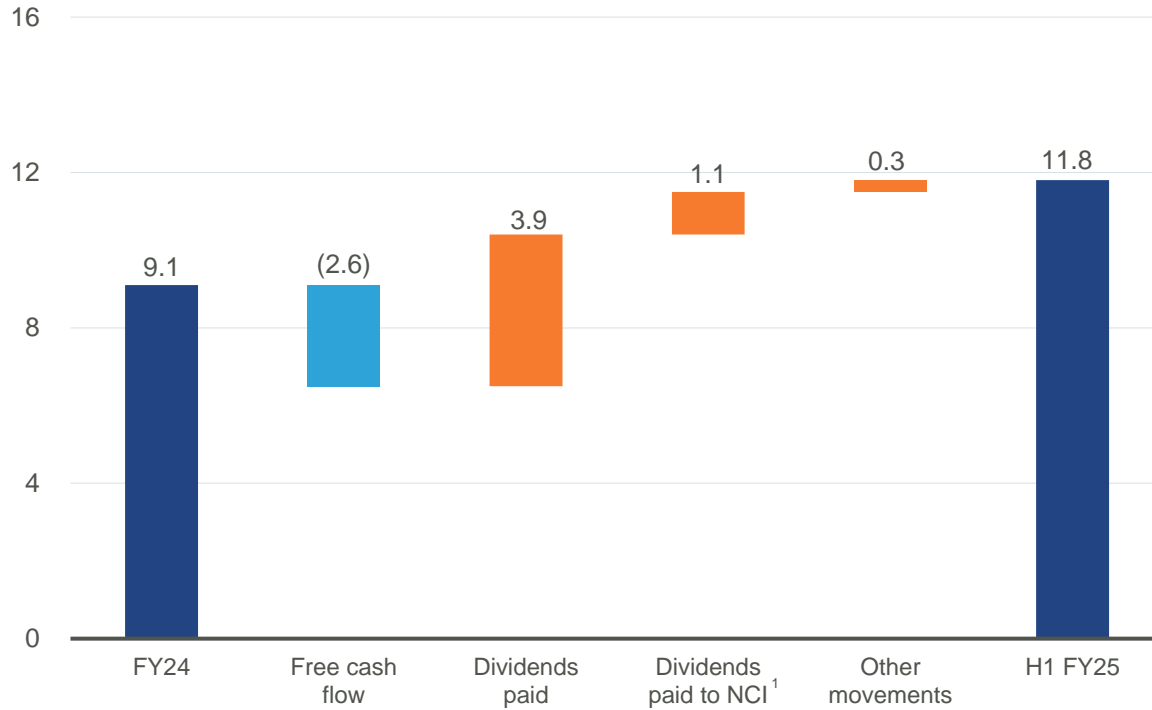
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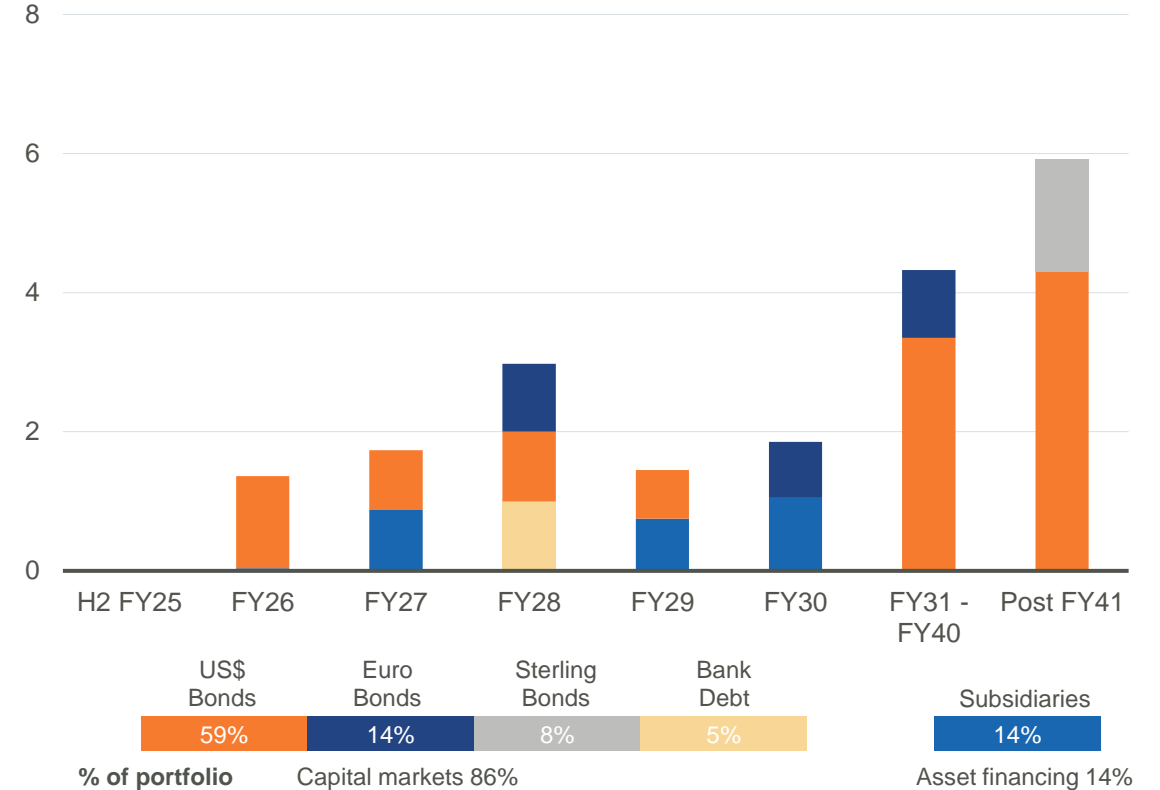
# Balance sheet

Net debt of US\$11.8 bn and gearing of 19.2%

## Movements in net debt (US\$ bn)



## Debt maturity profile<sup>2</sup> (US\$ bn)



1. NCIs: dividends paid to non-controlling interests of US\$1.1 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 31 December 2024; subsidiary debt is presented in accordance with IFRS 10 and IFRS 11.

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# BHP guidance

Group	FY25e	
Capital and exploration expenditure (US\$ bn)	~10	Cash basis.
<b>Split by category:</b>		
Maintenance and decarbonisation capital	3.0	Includes non-discretionary spend for deferred development and production stripping; risk reduction, compliance and asset integrity; and decarbonisation and initiatives to reduce Scope 1 and Scope 2 GHG emissions from our operated assets. .
Improvement capital	1.6	Includes projects that enable improved productivity, quality, facilities and organisational culture.
Major capital in steelmaking materials	1.3	
Major capital in future-facing commodities	3.6	Includes Jansen and Full SaL (Escondida).
Exploration	0.5	
<b>Split by segment:</b>		
Copper	4.7	Includes ~US\$1.8 bn for growth and exploration.
Iron ore	2.5	
Coal	0.6	
Potash	1.8	Includes ~US\$1.4 bn for Jansen Stage 1, and ~US\$0.4 bn for Jansen Stage 2.
Western Australia Nickel	0.2	
Other	0.2	

# BHP guidance (continued)

Copper	FY25e	Medium-term	
Copper production (kt)	1,845 – 2,045		Escondida: 1,180 – 1,300 kt; Spence: 240 – 270 kt; Copper South Australia: 300 – 325 kt; Antamina: 115 – 135 kt (zinc 90 – 110 kt).
<b>Escondida</b>			
Copper production (kt, 100% basis)	1,180 – 1,300	900 – 1,000	Medium-term for Escondida refers to an average for a period from FY27 onwards.
Unit cash costs (US\$/lb)	1.30 – 1.60	1.50 – 1.80	Medium-term for Escondida refers to an average for a period from FY27 onwards. Excludes freight and government royalties; net of by-product credits; based on an exchange rate of USD/CLP 842.
<b>Spence</b>			
Copper production (kt)	240 – 270	~250	
Unit cash costs (US\$/lb)	2.00 – 2.30	2.05 – 2.35	Excludes freight; net of by-product credits; based on an exchange rate of USD/CLP 842.
<b>Copper South Australia</b>			
Copper production (kt)	300 – 325		
Unit cash costs (US\$/lb)	1.30 – 1.80		Based on an exchange rate of AUD/USD 0.66. Calculated using the following assumptions for by-products: gold US\$2,000/oz, and uranium US\$80/lb.
Iron Ore	FY25e	Medium-term	
Iron ore production (Mt)	255 – 265.5		Western Australia Iron Ore: 250 – 260 Mt; Samarco: 5 – 5.5 Mt.
<b>Western Australia Iron Ore</b>			
Iron ore production (Mt, 100% basis)	282 – 294	>305	
Unit cash costs (US\$/t)	18.00 – 19.50	<17.50	Excludes freight and government royalties; based on an exchange rate of AUD/USD 0.66.
Sustaining capital expenditure (US\$/t)		~6.5	Medium-term average; +/- 50% in any given year. Excludes costs associated with operational decarbonisation and automation programs.
Coal	FY25e	Medium-term	
<b>BMA</b>			
Production (Mt, 100% basis)	33 – 38	43 – 45	
Unit cash costs (US\$/t)	112 – 124	<110	Excludes freight and royalties; based on an exchange rate of AUD/USD 0.66.
<b>NSWEC</b>			
Production (Mt)	13 – 15		

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

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# Key Underlying EBITDA sensitivities

## Approximate impact<sup>1</sup> on HY25 Underlying EBITDA of changes of:

US\$ m

US\$1/t on iron ore price <sup>2</sup>	116
US\$1/t on steelmaking coal price	5
US¢1/lb on copper price <sup>2</sup>	20
US\$1/t on energy coal price <sup>2,3</sup>	7
AUD (US¢1/A\$) operations <sup>4</sup>	83
CLP (US¢0.10/CLP) operations <sup>4</sup>	15

1. EBITDA sensitivities: assumes total volume exposed to price; determined on the basis of BHP's existing portfolio.

2. EBITDA sensitivities: excludes impact of equity accounted investments.

3. EBITDA sensitivities: includes domestic sales.

4. EBITDA sensitivities: based on average exchange rate for the period applied to exposed revenue and operating costs.

**BHP**