

Environment Global Standard

Purpose of Global Standard?

This Global Standard outlines the minimum requirements for managing our environmental risks and complying with our environmental obligations using effective environmental management systems.

We acknowledge the nature of our operations can impact the natural environment. We also depend on obtaining and maintaining access to natural resources such as land and water. The purpose of this Global Standard (together with our *Climate Change Global Standard*) is to demonstrate *Our Charter* value of Sustainability by helping to address the global environmental challenges of climate change and nature loss, while working to continuously improve our environmental performance and management of environmental impacts, meet our goals, targets and commitments and be environmentally responsible.

Who does this apply to?

This Global Standard applies to anyone involved in:

- Managing activities that may pose environmental-related risks or have actual or potential environmental impacts, across BHP-operated assets (including our legacy assets located in the Americas that are in the closure phase); or
- Planning or executing exploration, project, operational or closure activities with respect to a BHP-operated asset.

Please note: Internal approval thresholds are in line with the level of risk. This document has been prepared for external publication and may restate or omit elements of the internal version for clarity or brevity (including omission of internal process specification or guidance). Our *Global Standards* are reviewed at least each 12 months, and so this external version may be periodically updated.

Global Standard Requirements

BHP Environmental-related Commitments

- Do not explore, extract resources or operate within the boundaries of [World Heritage](#) listed properties.
- Do not explore, extract resources or operate where there is a risk of direct impacts to ecosystems which could result in the extinction of an [International Union for Conservation of Nature \(IUCN\) Red List Threatened Species](#) in the wild.
- Do not dispose of mined waste rock or tailings into a river, surface water body or marine environment.
- Do not use aqueous film forming foams (AFFF) containing per and poly-fluoroalkyl substances (PFAS) at operated assets, replace with fluorine free foam products.
- Unless approval is granted:
 - Do not explore, extract resources or operate adjacent to World Heritage listed properties. Approval may be granted only if the proposed activity is demonstrated to be compatible with the outstanding universal values for which the World Heritage property is listed.
 - Do not explore, extract resources or operate within or adjacent to the boundaries of IUCN Protected Areas Categories I to IV. If approval is granted, implement a plan that considers stakeholder and partner (including Indigenous peoples) expectations and contributes to the values for which the protected area is listed.

Environmental Management Systems (EMS)

- Each asset must:
 - Implement and maintain an EMS aligned to ISO 14001 standard for environmental management systems¹.
 - Undertake an annual EMS management review aligned with section 9 of ISO 14001.

Operational Context

- The operational context for the asset must be:
 - documented within the EMS or nominated environmental plan(s) and
 - used to inform planning activities defined in the ISO 14001 aligned EMS.
- When documenting the operational context:
 - Identify and map the key features and define the area of influence.
 - Identify any legacy environmental issues resulting from historical activities/events that require ongoing management and any associated management plans.
 - Identify environmental-related obligations under regulatory approvals.
 - Identify relevant outcomes of three-lines assurance model activities.
 - Identify potential impacts from:
 - regional and/or national emerging environmental risks.
 - changes in internal and external risk appetites.
 - environmental regulatory developments.
 - Identify rehabilitation status (quantity and quality of completed rehabilitation), regulatory compliance obligations relating to rehabilitation and the inventory of rehabilitation materials and activities.
- Within EMS you must:

¹ ISO standards are published by the International Organization for Standardization.

- Identify baseline or reference conditions and the type and extent of actual and reasonably foreseeable environmental impacts associated with asset activities.
- Ensure the assessment addresses actual and potential environmental impacts (including cumulative impacts) arising from climate change, and actual and potential environmental impacts (including cumulative impacts) to air, land, water and biodiversity.
- Identify the type and extent to which environmental performance is contingent on the delivery of environmental-related initiatives.

Environmental Obligations

- Each asset must have an up-to-date environmental obligations register(s) or system(s) of all legal, voluntary and other environmental obligations (including industry sustainability standards) that apply to the asset. This must include documented controls to ensure compliance is maintained and monitored.
- For each obligation:
 - Assign clear responsibility for controls nominated in an environmental obligations register.
 - Undertake an annual review of the status of compliance with environmental obligations and effectiveness of controls.
 - Where monitoring and/or inspections are required to comply with legal or other obligations, get advice from subject matter experts on the schedule and design of monitoring and inspection programs.

Managing Environmental Risks and Environmental Impacts

Identifying and assessing environmental risks

- Identify and assess environment-related risks (threats and opportunities), including those in BHP's supply chain, by considering:
 - risks that could impact compliance with environmental obligations and cumulative risks which may result in loss of licence to operate.
 - catchment-scale water-related risks.
 - direct, indirect and cumulative impacts of noise, vibration, light, erosion, amenity, acid rock drainage, salinity, radioactivity, metal leaching and waste disposal.
 - risks to important biodiversity and/or ecosystems.
 - risks that could prevent achievement of our environmental aspirations and targets.
 - environmental risks which could require an emergency response.
 - environmental risks which may impact community health and human rights.
 - nature-related impacts and dependencies, nature-related physical risks, nature-related systemic risks and nature-related transition risks.
 - the operational context including changes to this, and outcomes from EMS effectiveness assessments and EMS management review.
- For each of our environment-related risks that have been determined to have the potential to result in a severe (as defined by BHP's Risk Framework) environmental impact:
 - Baseline and reference monitoring must be undertaken by a third party, scoped in consultation with key stakeholders and partners (including Indigenous peoples).
 - Monitoring records must be kept until the risk no longer exists.

Treating environmental risks

- Apply the mitigation hierarchy in the following preferential order when identifying, assessing (including for relative cost and benefit) and implementing environmental controls:
 1. Eliminate or avoid impacts to biodiversity and ecosystems (especially those that cannot easily recover if disturbed).

2. Minimise impacts to biodiversity and ecosystems.
 3. Rehabilitate or restore by effective rehabilitation planning to ensure that biodiversity and ecosystems regenerate.
 4. Identify and implement compensatory actions or biodiversity offsets by seeking conservation gains of the same value to achieve no-net-loss of biodiversity overall.
- The mitigation hierarchy must also be applied through our planning and decision processes and during execution of closure activities.
 - If actual or reasonably foreseeable residual impacts remain to high conservation value biodiversity and / or ecosystems after application of the first three priorities of the mitigation hierarchy, assets must:
 - identify the preferred compensatory action.
 - develop a compensatory action implementation plan, including activities to verify continuous application of the compensatory action principles.
 - Integrity of compensatory actions or biodiversity offsets must be verified by the designated BHP global function team with relevant subject matter expertise.
 - Integrate relevant controls into life of asset planning, and capital project and closure phases.
 - Implement a land disturbance approval process that minimises the potential for land disturbance to impact environmental values and cultural heritage.
 - Implement an air quality plan that includes a stakeholder/partner engagement strategy, predictive (dispersion or noise) modelling, consideration of potential health risk, targets and objectives where there is the risk of a material (as defined by BHP's Risk Framework) air-related impact on community wellbeing or a sensitive environmental receptor.

Environmental Aspirations and Targets

- Asset-level environmental aspirations and targets must:
 - consider the operational context, outcomes from EMS effectiveness assessments and EMS management review and plans for managing strategic environmental aspects
 - be reviewed annually
 - be approved
 - have roles and responsibilities for specific actions within the approved environmental aspirations and targets communicated.

Managing Strategic Environmental Aspects

- Undertake an asset-level water resource situational analysis. Review the asset-level water resource situational analysis when there is a significant change to a water source (e.g. from groundwater to desalinated water), demand or supply or relevant asset characteristics (e.g. major production increase).
- Develop, get approval for and implement, asset-level context-based water targets. Review and get approval for the context-based water targets when there is a significant change to a water source (e.g. from groundwater to desalinated water), demand or supply or relevant asset characteristics (e.g. major production increase).
- Develop, get approval for and implement an asset-level catchment plan that includes:
 - The outcomes from the asset-level [water resource situational analysis](#).
 - The approved [context-based water targets](#).
 - A program of works to achieve the context-based water targets and to manage catchment-scale water-related risks (including any potential material (as defined by BHP's Risk Framework) impacts on community wellbeing or sensitive environmental receptors). Integrate the program of works within the relevant plan.
- Processes for ongoing stakeholder and partner engagement relating to water.
 - Monitoring, reporting and review processes for context-based water targets, catchment-scale water-related risks and the catchment plan.

- Develop and record an asset-level water forecast.
- Develop, get approval for and implement approved asset-level nature-positive projects identified in the BHP Group-level nature-positive plan.
- Collate an asset-level rehabilitation material inventory that identifies sources (location and characteristics) and volumes of materials. Integrate the inventory into mine (short-term) and closure (long-term) management planning processes so progressive land rehabilitation can be planned and executed to achieve acceptable rehabilitation outcomes.

Managing environmental performance reporting and disclosures

- Assets must manage environmental performance inputs (including accurate data and trend analysis) for internal and asset-level external reporting and disclosures.