

Independent Limited Assurance Report to the Directors of BHP Group Limited and BHP Group Plc, the Directors of Minera Spence SA and the Management of Spence

Our Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that suggests the disclosures made in Spence's International Council on Mining and Metals (ICMM) Performance Expectations Self Assessment completed in the year ended 30 June 2022 have not been prepared and fairly stated in accordance with the Criteria defined below.

What our review covered

Ernst & Young (EY) was engaged by BHP to undertake limited assurance as defined by International Audit standards, here after referred to as 'the Review' over the disclosures in Spence's ICMM Performance Expectations Self Assessment (referred to as 'the Self Assessment'). Please refer to *Appendix A* for details.

Criteria

In preparing the ICMM PE Self Assessment, BHP has applied the requirements of the ICMM Mining Principles Performance Expectations¹ and the Equivalency Benchmark².

Key responsibilities

EY's responsibility and independence

Our responsibility was to express a limited assurance conclusion on the disclosures made in the Self Assessment.

We were also responsible for maintaining our independence and confirm that we have met the requirements of the *APES 110 Code of Ethics for Professional Accountants* including independence, and have the required competencies and experience to conduct this assurance engagement.

BHP's responsibility

BHP's management was responsible for selecting the Criteria, and preparing and fairly presenting information presented in the Self Assessment in accordance with that Criteria. This responsibility includes establishing and maintaining internal controls, adequate records and making estimates that are reasonable in the circumstances.

Our approach to conducting the Review

We conducted the Review in accordance with the *International Federation of Accountants' International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* (ISAE 3000) and in accordance with the terms of reference for this engagement as agreed with BHP on 22 September 2021.

The procedures we performed were based on our professional judgement and included, but were not limited to, the following:

- ▶ Conducting interviews (in person and virtual) with Group and Spence personnel to understand the reporting process for the Self Assessment
- ▶ Checking accuracy and completeness of Criteria assessed
- ▶ Leveraging the work undertaken by EY Chile to perform limited assurance over Spence's Copper Mark Self Assessment, which included a physical site visit, interviews with workers and community members
- ▶ Checking whether the information disclosed in both the ICMM PE and the preceding Copper Mark Self Assessment is consistent where equivalent
- ▶ Assessing Spence's classification of whether they have met, partially met or not met the noted Criteria for reasonableness
- ▶ Inspecting referenced policies and documents to assess whether classification can be supported
- ▶ Performance of site-based inquiries of internal and external stakeholders to validate documentation and interviews and written evidence.

- ▶ Checking whether the information disclosed in the Self Assessment is consistent with our understanding and knowledge of Spence governance, accountability and sustainability management as reviewed in our assurance of BHP's FY21 sustainability disclosures in the Annual Report.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Other Matters

Our report does not extend to any disclosures or assertions made by BHP relating to future performance plans and/or strategies disclosed in the Self Assessment.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

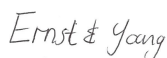
Limited Assurance

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Use of our Assurance Report

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of BHP, or for any purpose other than that for which it was prepared.

Our assurance included web-based information that was available via web links as of the date of this conclusion. We provide no assurance over changes to the content of this web-based information after the date of this assurance report.



Ernst & Young
Melbourne, Australia
15 December 2021



Meg Fricke
Partner

¹ <http://www.icmm.com/website/publications/pdfs/mining-principles/guidance-validation.pdf>

² https://www.icmm.com/website/publications/pdfs/mining-principles/equivalency/equivalency_icmm-rra.pdf

Appendix A: ICMM PE Self-Assessment Assurance Results

Mining Principle	Performance Expectation	Rating
1. Apply ethical business practices and sound systems of corporate governance and transparency to support sustainable development	1.1 Establish systems to maintain compliance with applicable law.	Meets
	1.2 Implement policies and practices to prevent bribery, corruption and to publicly disclose facilitation payments.	Meets
	1.3 Implement policies and standards consistent with the ICMM policy framework.	N/A
	1.4 Assign accountability for sustainability performance at the Board and/or Executive Committee level.	N/A
	1.5 Disclose the value and beneficiaries of financial and in-kind political contributions whether directly or through an intermediary.	N/A
2. Integrate sustainable development in corporate strategy and decision-making processes	2.1 Integrate sustainable development principles into corporate strategy and decision-making processes relating to investments and in the design, operation and closure of facilities.	N/A
	2.2 Support the adoption of responsible health and safety, environmental, human rights and labour policies and practices by joint venture partners, suppliers and contractors, based on risk.	Meets
3. Respect human rights and the interests, cultures, customs and values of employees and communities affected by our activities	3.1 Support the UN Guiding Principles on Business and Human Rights by developing a policy commitment to respect human rights, undertaking human rights due diligence and providing for or cooperating in processes to enable the remediation of adverse human rights impacts that members have caused or contributed to.	Meets
	3.2 Avoid the involuntary physical or economic displacement of families and communities. Where this is not possible apply the mitigation hierarchy and implement actions or remedies that address residual adverse effects to restore or improve livelihoods and standards of living of displaced people.	N/A
	3.3 Implement, based on risk, a human rights and security approach consistent with the Voluntary Principles on Security and Human Rights.	Meets
	3.4 Respect the rights of workers by: not employing child or forced labour; avoiding human trafficking; not assigning hazardous/dangerous work to those under 18; eliminating harassment and discrimination; respecting freedom of association and collective bargaining and; providing a mechanism to address workers grievances.	Meets
	3.5 Remunerate employees with wages that equal or exceed legal requirements or represent a competitive wage within that job market (whichever is higher) and assign regular and overtime working hours within legally required limits.	Meets
	3.6 Respect the rights, interests, aspirations, culture and natural resource based livelihoods of Indigenous Peoples in project design, development and operation; apply the mitigation hierarchy to address adverse impacts and; deliver sustainable benefits for Indigenous Peoples.	Meets
	3.7 Work to obtain the free, prior and informed consent of Indigenous Peoples where significant adverse impacts are likely to occur, as a result of relocation, disturbance of lands and territories or of critical cultural heritage, and capture the outcomes of engagement and consent processes in agreements.	N/A
	3.8 Implement policies and practices to respect the rights and interests of women and support diversity in the workplace.	Meets
4. Implement effective risk-management strategies and systems based on sound science and which account for stakeholder perceptions of risks	4.1 Assess environmental and social risks and opportunities of new projects and of significant changes to existing operations in consultation with interested and affected stakeholders, and publicly disclose assessment results.	Meets
	4.2 Undertake risk-based due diligence on conflict and human rights that aligns with the OECD Due Diligence Guidance on Conflict-Affected and High-Risk Areas, when operating in, or sourcing from, a conflict-affected or high-risk area.	Partially meets
	4.3 Implement risk-based controls to avoid/prevent, minimise, mitigate and/or remedy health, safety and environmental impacts to workers, local communities, cultural heritage and the natural environment, based upon a recognised international standard or management system.	Meets
	4.4 Develop, maintain and test emergency response plans. Where risks to external stakeholders are significant, this should be in collaboration with potentially affected stakeholders and consistent with established industry good practice.	Meets
5. Pursue continual improvement in health and safety performance with the ultimate goal of zero harm	5.1 Implement practices aimed at continually improving workplace health and safety, and monitor performance for the elimination of workplace fatalities, serious injuries and prevention of occupational diseases, based upon a recognised international standard or management system.	Meets
	5.2 Provide workers with training in accordance with their responsibilities for health and safety, and implement health surveillance and risk-based monitoring programmes based on occupational exposures.	Meets
6. Pursue continual improvement in environmental performance issues, such as water stewardship, energy	6.1 Plan and design for closure in consultation with relevant authorities and stakeholders, implement measures to address closure-related environmental and social aspects, and make financial provision to enable agreed closure and post-closure commitments to be realised.	Partially meets
	6.2 Implement water stewardship practices that provide for strong and transparent water governance, effective and efficient management of water at operations, and collaboration with stakeholders at a catchment level to achieve responsible and sustainable water use.	Partially meets

use and climate change	6.3 Design, construct, operate, monitor and decommission tailings disposal/ storage facilities using comprehensive, risk-based management and governance practices in line with internationally recognised good practice, to minimise the risk of catastrophic failure	Partially meets
	6.4 Apply the mitigation hierarchy to prevent pollution, manage releases and waste, and address potential impacts on human health and the environment.	Meets
	6.5 Implement measures to improve energy efficiency and contribute to a low-carbon future, and report the outcomes based on internationally recognised protocols for measuring CO2 equivalent (GHG) emissions.	Meets
7. Contribute to the conservation of biodiversity and integrated approaches to land-use planning	7.1 Neither explore nor develop new mines in World Heritage sites, respect legally designated protected areas, and design and operate any new operations or changes to existing operations to be compatible with the value for which such areas were designated.	Meets
	7.2 Assess and address risks and impacts to biodiversity and ecosystem services by implementing the mitigation hierarchy, with the ambition of achieving no net loss of biodiversity	Partially meets
8. Facilitate and support the knowledge-base and systems for responsible design, use, re-use, recycling and disposal of products containing metals and minerals	8.1 In project design, operation and de-commissioning, implement cost-effective measures for the recovery, re-use or recycling of energy, natural resources, and materials.	Partially meets
	8.2 Assess the hazards of the products of mining according to UN Globally Harmonised System of Hazard Classification and Labelling or equivalent relevant regulatory systems and communicate through safety data sheets and labelling as appropriate.	Meets
9. Pursue continual improvement in social performance and contribute to the social, economic and institutional development of host countries and communities	9.1 Implement inclusive approaches with local communities to identify their development priorities and support activities that contribute to their lasting social and economic wellbeing, in partnership with government, civil society and development agencies, as appropriate.	Meets
	9.2 Enable access by local enterprises to procurement and contracting opportunities across the project life-cycle, both directly and by encouraging larger contractors and suppliers, and also by supporting initiatives to enhance economic opportunities for local communities.	Meets
	9.3 Conduct stakeholder engagement based upon an analysis of the local context and provide local stakeholders with access to effective mechanisms for seeking resolution of grievances related to the company and its activities.	Meets
	9.4 Collaborate with government, where appropriate, to support improvements in environmental and social practices of local Artisanal and Small-scale Mining (ASM).	N/A
10. Proactively engage key stakeholders on sustainable development challenges and opportunities in an open and transparent manner. Effectively report and independently verify progress and performance	10.1 Identify and engage with key corporate-level external stakeholders on sustainable development issues in an open and transparent manner.	N/A
	10.2 Publicly support the implementation of the Extractive Industries Transparency Initiative (EITI) and compile information on all material payments, at the appropriate levels of government, by country and by project.	Meets
	10.3 Report annually on economic, social and environmental performance at the corporate level using the GRI Sustainability Reporting Standards.	Meets
	10.4 Each year, conduct independent assurance of sustainability performance following the ICMM guidance on assuring and verifying membership requirements.	N/A