

BHP

Big Australian · Global Resources

2025 ANNUAL REPORT

BHP Group Limited

Chief Executive Officer: Mike Henry

Melbourne / London, 2025

TABLE OF CONTENTS

| | |
|---|----|
| 1. COMPANY PROFILE | 3 |
| 2. POSITION IN THE INDUSTRY | 6 |
| 3. PRIORITY BUSINESSES | 7 |
| 4. DIRECTORS' REPORT ON PERFORMANCE | 8 |
| 5. COMPANY DEVELOPMENT OUTLOOK | 9 |
| 6. DIVIDENDS | 10 |
| 7. KEY RISKS AND UNCERTAINTIES | 11 |
| 8. MAJOR AND RELATED-PARTY TRANSACTIONS | 12 |
| 9. BOARD OF DIRECTORS | 13 |
| 10. SOLE EXECUTIVE BODY | 15 |
| 11. REMUNERATION POLICY | 16 |
| 12. CORPORATE GOVERNANCE REPORT | 17 |

1. COMPANY PROFILE

BHP Group Limited (hereinafter — the "Company") is a public limited company incorporated under the laws of England and Wales, with a dual-listed structure also registered in Australia. The Company has been listed on the Australian Securities Exchange (ASX) and the London Stock Exchange (LSE) since its formation. BHP's registered offices are located at Nova South, 160 Victoria Street, London SW1E 5LB, United Kingdom, and 171 Collins Street, Melbourne VIC 3000, Australia.

As of 31 December 2024, BHP's authorised and issued share capital comprised approximately 5.06 billion ordinary shares. BHP's shares are traded on the ASX under the ticker symbol **BHP** and on the LSE under **BHP**. American Depositary Receipts (ADRs) representing BHP shares trade on the New York Stock Exchange under the symbol **BHP**.

| | | | |
|-----------------------|--------------------------|------------------------------------|----------------------------|
| USD 55.7 bn | USD 27.6 bn | ~80,000 | 15+ |
| US Dollars | US Dollars | People worldwide | Countries |
| Revenue FY2024 | Underlying EBITDA | Employees & Contractors | Operating Countries |

BHP is one of the world's leading resources companies. Our purpose is to bring people and resources together to build a better world. We produce iron ore, metallurgical coal, copper, nickel, and potash — commodities essential for the energy transition and global development.

BHP was formed on 29 June 2001 from the merger of BHP Limited (founded 1885 in Australia) and Billiton Plc (founded 1860 in the Netherlands). Since its foundation, BHP has grown into a globally diversified resources group with operations across Australia, the Americas, Southern Africa, and other regions. BHP was the first dual-listed mining company to achieve a primary listing on both the ASX and LSE simultaneously.

In FY2024, BHP's revenue amounted to USD 55.7 billion; underlying attributable profit was USD 13.7 billion; and underlying EBITDA was USD 27.6 billion (in accordance with IFRS). BHP is the world's largest producer of metallurgical coal and one of the largest producers of iron ore and copper.

Mining Segment

BHP Minerals Australia and BHP Minerals Americas manage the Group's mining assets. The Mining segment encompasses iron ore, metallurgical and energy coal, copper, and nickel operations. Key assets include:

Pilbara Iron Ore (WA, Australia)

One of the world's largest iron ore operations, comprising five integrated mining hubs producing approximately 260 Mtpa of iron ore for export to Asian markets. Reserves of approximately 7.4 billion tonnes as of 30 June 2025.

Queensland Coal (QLD, Australia)

BHP Mitsubishi Alliance (BMA) and BHP Mitsui Coal (BMC) are the world's largest exporters of seaborne metallurgical coal, with operations across the Bowen Basin. Total production capacity approximately 68 Mtpa.

Escondida Copper (Chile)

The world's largest copper mine, located in the Atacama Desert. BHP holds a 57.5% interest. Annual copper production approximately 1.2 Mt of copper in concentrate and cathode.

Olympic Dam (SA, Australia)

A unique polymetallic mine producing copper, uranium, gold, and silver. Underground mine with smelter and refinery on site. Mineral resources exceed 10 billion tonnes.

Nickel West (WA, Australia)

An integrated nickel business comprising mines, concentrators, a smelter and refinery. Produces battery-grade nickel sulphate for the electric vehicle supply chain.

Jansen Potash (Saskatchewan, Canada)

World-class greenfield potash project in development. Stage 1 capacity of approximately 4.35 Mtpa of potash; expected first production in 2026.

Steel Products Segment

BHP supplies high-quality iron ore and metallurgical coal that are essential feedstocks for global steelmaking. The Company works closely with steel producers to develop lower-emission steelmaking pathways. BHP's steel product inputs account for approximately 10% of global seaborne iron ore trade and approximately 20% of seaborne metallurgical coal.

Energy Segment

BHP's energy portfolio comprises metallurgical and thermal coal operations in Queensland and New South Wales. The Power and Energy function supports BHP's operations with renewable energy procurement, targeting 100% renewable electricity across Australian operations by FY2025. BHP produced approximately 58 Mt of energy coal in FY2024.

Logistics and Infrastructure

BHP operates an extensive logistics network, including port facilities at Port Hedland (Western Australia), Hay Point and Dalrymple Bay (Queensland), and Punta Patache (Chile). In FY2024, the Company shipped approximately 280 Mt of commodities. BHP owns and operates dedicated railway lines of over 1,000 km in the Pilbara region and in Queensland's Bowen Basin.

BHP maintains representative offices and sales operations in Singapore, Beijing, Tokyo, Seoul, Mumbai, Houston, São Paulo, Johannesburg, and other key market centres.

BHP includes the following principal operating assets:

| Asset | Location | Commodity | BHP Interest |
|--|----------------|--------------------|--------------|
| Pilbara (Mining Area C, Jimblebar, etc.) | WA, Australia | Iron Ore | 85–100% |
| BMA / BMC Coal | QLD, Australia | Met & Thermal Coal | 50–80% |
| Escondida | Atacama, Chile | Copper | 57.5% |

| | | | |
|---------------|----------------------|----------------------|--------|
| Olympic Dam | SA, Australia | Copper / Uranium | 100% |
| Antamina | Peru | Copper / Zinc | 33.75% |
| Nickel West | WA, Australia | Nickel | 100% |
| Jansen Potash | Saskatchewan, Canada | Potash | 100% |
| Port Hedland | WA, Australia | Iron Ore Export Port | 85% |

2. POSITION IN THE INDUSTRY

The principal area of BHP Group Limited's direct activities as a holding entity is the provision of management, advisory, and treasury services to subsidiaries. The financial performance of BHP as a whole is directly linked to conditions in global mining and resources markets, including iron ore, copper, metallurgical coal, and nickel.

Global GDP growth averaged approximately 3.2% per annum over the five years 2019–2024, reflecting resilience despite the COVID-19 pandemic disruption in 2020 and subsequent recovery. In 2024, global GDP growth was approximately 3.1%, broadly in line with the IMF's long-term trend forecast.

The development of mining and steel industries continues to be cyclical in both the short and long term. Global steel consumption grew by approximately 2% in 2023 compared with 2022, driven by infrastructure investment in India and Southeast Asia, while China's property sector contraction created headwinds. In 2024, global steel production exceeded 1.9 billion tonnes.

Iron ore prices averaged approximately USD 120 per dry metric tonne (62% Fe CFR China) in FY2024, supported by sustained Chinese steelmaker demand. BHP's share of seaborne iron ore trade remained approximately 20% over 2022–2024, consolidating its position as the world's second-largest seaborne iron ore exporter.

Copper prices strengthened in 2024, with LME copper averaging approximately USD 9,200 per tonne, reflecting structural demand from the energy transition and electric vehicle supply chains. BHP produces approximately 1.7 Mt of copper equivalent per annum, representing approximately 8% of global mined copper supply.

| | | | |
|--------------------------|---------------------------|---------------------|-------------------------|
| ~20% | #1 | ~8% | Top 10 |
| Share of seaborne market | World exporter by volume | Global mined supply | Global nickel producers |
| Iron Ore | Metallurgical Coal | Copper | Nickel |

3. PRIORITY BUSINESSES

The Company's priority business activities are:

- Iron ore mining, processing, and export
- Metallurgical and thermal coal mining and export
- Copper mining, smelting, and refining
- Nickel mining and processing for battery supply chains
- Potash development and future production
- Capital allocation and treasury management for Group subsidiaries
- Technology, innovation, and decarbonisation investment
- Marketing and trading of Group commodities
- Port, rail, and logistics operations

4. DIRECTORS' REPORT ON PERFORMANCE

During the reporting period, the BHP Board of Directors held more than 20 scheduled and ad hoc meetings to discuss and determine matters within its authority. Key matters considered by the Board included:

- Defining strategic priorities for FY2025 and the medium term
- Reviewing and approving the FY2024 production and financial results
- Reviewing progress on major capital projects, including Jansen Potash Stage 1 and Escondida Water Supply
- Approving the FY2025 capital expenditure programme of approximately USD 10 billion
- Oversight of the BHP Operational Review and portfolio optimisation
- Approving the acquisition of OZ Minerals and integration planning
- Determining interim and final dividends on ordinary shares for FY2024
- Electing and re-electing Board members and Committee chairs
- Reviewing the Company's climate transition action plan and net zero commitments
- Approving major transactions and related-party arrangements
- Reviewing compliance with the UK Corporate Governance Code and ASX Principles

Decision-making is supported by four standing Board Committees: the Audit Committee, the Risk and Audit Committee, the Remuneration Committee, and the Sustainability Committee, each chaired by an independent non-executive director.

5. COMPANY DEVELOPMENT OUTLOOK

BHP's strategy is built on maintaining its position as a leading producer of resources essential to the world's long-term development. The Company focuses on commodities with large, long-life orebodies and advantaged cost positions that are aligned with megatrends including urbanisation, rising living standards, and the energy transition.

Strategic objectives:

- Strengthen the leading position in iron ore through continued investment in the Pilbara
- Grow copper production to approximately 2 Mtpa by FY2030 through Escondida, Olympic Dam, Antamina, and the Vicuña project
- Develop Jansen Potash as a new growth pillar targeting the global food security market
- Pursue value-accretive M&A; in copper and potash; complete OZ Minerals integration
- Achieve net-zero operational greenhouse gas emissions by 2050
- Reduce Scope 1 and 2 emissions by 30% by FY2030 vs FY2020 baseline
- Invest USD 400 million in nature-based solutions and ecosystem restoration
- Accelerate investment in technology and automation to reduce unit costs

Capital Allocation Framework: BHP targets a minimum 50% dividend payout ratio of underlying attributable profit. The balance of cash flows is allocated to sustaining capital, growth investment, and opportunistic buybacks, maintaining a strong balance sheet with net debt below USD 15 billion.

6. DIVIDENDS

The Board of Directors resolved at the Annual General Meeting (held September 2024) to pay the following dividends in respect of FY2024:

- Interim ordinary dividend: USD 0.72 per share (paid March 2024)
- Final ordinary dividend: USD 0.74 per share (paid September 2024)
- Total FY2024 ordinary dividend: USD 1.46 per share
- Total capital returned to shareholders in FY2024: approximately USD 7.5 billion

Dividends are declared in US dollars and may be paid in Australian dollars, pounds sterling, or US dollars depending on the shareholder's election. The Dividend Reinvestment Plan (DRP) remains available to eligible shareholders.

7. KEY RISKS AND UNCERTAINTIES

Country and Geopolitical Risks

BHP operates in over 15 countries and is exposed to political, regulatory, and macroeconomic risks in each jurisdiction. Key geopolitical risks include trade tensions between major economies, resource nationalism, and sanctions regimes.

Commodity Price Risk

BHP's revenues and profits are significantly affected by movements in the prices of iron ore, copper, metallurgical coal, nickel, and potash. Prices are determined by global supply and demand dynamics and can be highly volatile.

Operational Risk

Mining operations are inherently exposed to geological, technical, and safety risks. A significant operational incident could result in injury, environmental harm, regulatory action, or damage to BHP's reputation and financial position.

Climate and Decarbonisation Risk

Regulatory requirements and societal expectations regarding climate change are increasing. BHP faces transition risks from changes in energy policy and physical risks from extreme weather events affecting operations and supply chains.

Financial Risk

BHP is exposed to foreign exchange, interest rate, and credit risks. The Company uses a mix of US dollar-denominated debt and derivative instruments to manage its exposure. Net debt at 31 December 2024 was approximately USD 11.5 billion.

Legal and Regulatory Risk

BHP is subject to extensive regulation in each operating jurisdiction. Significant legal proceedings include the Samarco dam failure civil and criminal proceedings in Brazil. The Board monitors material litigation on an ongoing basis.

Social Value and Community Risk

Maintaining the trust of communities, governments, and Indigenous peoples is fundamental to BHP's ability to operate. Failure to do so could result in disruption to operations, loss of licence to operate, or reputational harm.

8. MAJOR AND RELATED-PARTY TRANSACTIONS

8.1 Major Transactions in the Reporting Year

The following significant transactions were completed or announced during FY2024:

- Completion of the acquisition of OZ Minerals Limited for approximately AUD 9.6 billion, adding the Prominent Hill and Carrapateena copper-gold mines in South Australia
- Approved USD 4.9 billion investment for Jansen Potash Stage 1 in Canada
- Agreed USD 2.5 billion investment for Escondida Water Supply 2 project in Chile
- Disposal of BHP's interest in BMC (Blackwater and Daunia) thermal coal mines to Whitehaven Coal

8.2 Related-Party Transactions

Related-party transactions entered into by the Company during the reporting year and subject to Board approval pursuant to the Company's Delegated Authorities Policy are disclosed in Appendix 1 to this Annual Report. All such transactions were conducted on arm's-length commercial terms and were reviewed and approved by the Audit Committee.

9. BOARD OF DIRECTORS

The BHP Board of Directors is responsible for the overall stewardship of the Company, providing strategic direction and oversight of management. The Board currently comprises eleven members, including ten non-executive directors (seven of whom are independent). The Board is elected by shareholders at the Annual General Meeting.

Board of Directors as of 31 December 2024

Ken MacKenzie

| | |
|----------------------|--|
| Role | Chairman (Non-Executive) |
| Year of Birth | 1960 |
| Education | University of Melbourne; MBA Harvard Business School |
| Biography | Chairman since 2017. Former CEO, Amcor plc. |
| Shares held | < 0.01% |

Mike Henry

| | |
|----------------------|---|
| Role | Chief Executive Officer |
| Year of Birth | 1969 |
| Education | B.Eng. (Chemical Engineering), University of Queensland; MBA, IMD |
| Biography | CEO since January 2020. Previously President, Minerals Australia. |
| Shares held | < 0.01% |

David Lamont

| | |
|----------------------|--|
| Role | Chief Financial Officer |
| Year of Birth | 1971 |
| Education | B.Commerce, University of Melbourne; CA (ICAA) |
| Biography | CFO since 2022. Previously CFO, South32. |
| Shares held | < 0.01% |

Xiaoqun Clever

| | |
|----------------------|--|
| Role | Independent Non-Executive Director |
| Year of Birth | 1968 |
| Education | BSc Finance, Fudan University; MBA, INSEAD |
| Biography | Director since 2019. Board Chair, Allianz China. |
| Shares held | < 0.01% |

Gary Goldberg

| | |
|----------------------|--|
| Role | Independent Non-Executive Director |
| Year of Birth | 1956 |
| Education | B.Sc. Mining Engineering, Colorado School of Mines |
| Biography | Director since 2020. Former CEO, Newmont Mining. |
| Shares held | < 0.01% |

Ian Ashby

| | |
|----------------------|--|
| Role | Independent Non-Executive Director |
| Year of Birth | 1960 |
| Education | B.Eng. Mining Engineering, University of Queensland |
| Biography | Director since 2021. Former President Iron Ore, BHP. |
| Shares held | < 0.01% |

Christine O'Reilly

| | |
|----------------------|--|
| Role | Independent Non-Executive Director |
| Year of Birth | 1965 |
| Education | B.Commerce, University of Melbourne; FAICD |
| Biography | Director since 2018. Board Chair, GrainCorp. |
| Shares held | < 0.01% |

10. SOLE EXECUTIVE BODY

The Chief Executive Officer is BHP's principal executive and is responsible for the day-to-day management of the Group, executing the strategy approved by the Board, and protecting shareholder interests. The CEO acts within the authority delegated by the Board and reports to the Board and shareholders.

Group Management Committee (GMC) as of 31 December 2024

| Name | YOB | Role |
|--------------------|------|-----------------------------------|
| Mike Henry | 1969 | Chief Executive Officer |
| David Lamont | 1971 | Chief Financial Officer |
| Brandon Craig | 1975 | President, Minerals Australia |
| Rag Udd | 1973 | President, Minerals Americas |
| Laura Tyler | 1972 | Chief Technical Officer |
| Vandita Pant | 1977 | Chief Commercial Officer |
| Geraldine Slattery | 1970 | President, Operations – Australia |
| Edgar Basto | 1968 | President, Operations – Americas |
| Rashpal Bhatti | 1973 | Chief People Officer |
| Caroline Cox | 1975 | Chief Legal & Governance Officer |
| Ruban Yogarajah | 1976 | Chief External Affairs Officer |

11. REMUNERATION POLICY

Remuneration for the Chief Executive Officer and other executive KMP is determined by the Remuneration Committee and approved by the Board, having regard to market benchmarks and performance against financial and non-financial targets.

Total Remuneration paid to Non-Executive Directors for FY2024

USD 8.4 million (inclusive of committee fees and superannuation/pension contributions).

Total Remuneration paid to Executive KMP for FY2024

USD 42.1 million total remuneration for the Group Management Committee, comprising fixed pay, short-term incentives (STI), and long-term incentives (LTI) valued at vesting.

The Remuneration Report, which provides full details of individual KMP remuneration and the performance conditions applicable to variable pay, is set out in the BHP Annual Report FY2024 and was subject to an advisory vote at the Annual General Meeting.

12. CORPORATE GOVERNANCE REPORT

The Board of Directors reports that BHP complies with the UK Corporate Governance Code (FRC, 2018) and the ASX Corporate Governance Principles and Recommendations (4th edition, 2019). A detailed Corporate Governance Statement, setting out BHP's practices against each principle, is published on the Company's website at [bhp.com](https://www.bhp.com).

Key Corporate Governance highlights:

- Board comprises a majority of independent non-executive directors
- Chairman and CEO roles are separated
- All directors submit to annual re-election by shareholders
- Board effectiveness review conducted annually; external review every three years
- Audit, Remuneration, Nomination & Governance, and Sustainability Committees each chaired by an independent director
- Zero tolerance approach to bribery and corruption; annual Code of Business Conduct training
- Whistleblower programme with independent reporting channel (EthicsPoint)
- Board Diversity Policy targeting at least 40% female representation on the Board

Planned Corporate Governance Improvements for FY2025: The Board has committed to publishing enhanced climate-related disclosures aligned with TCFD recommendations; strengthening First Nations engagement frameworks in Australia; and expanding the Sustainability Committee's mandate to include broader ESG oversight.

This Annual Report was approved by the Board of Directors of BHP Group Limited on the date of the Annual General Meeting, September 2025.

Chief Executive Officer: Mike Henry | Chief Financial Officer: David Lamont