



Economic
Contribution
Report 2025

Bringing people and
resources together to
build a better world



- Copper
- Iron ore
- Coal
- Potash





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Our Economic Contribution Report 2025 is available online at bhp.com/ECR2025

BHP Group Limited's registered office and global headquarters are at 171 Collins Street, Melbourne, Victoria 3000, Australia.

In this Report, the terms 'BHP', 'Group', 'BHP Group', 'we', 'us', 'our' and 'ourselves' are used to refer to BHP Group Limited and, except where the context otherwise requires, its subsidiaries.

Key terms used in this Report are defined in the Glossary section (page 30).



Cover photo
Jimblebar, Western Australia

1 Our contribution

Global Total economic contribution

Over last 10 years

~US\$98.1bn

Global income taxes, royalty-related income taxes, royalties and other payments to governments

In FY2025

US\$46.8bn

Total economic contribution



Suppliers¹

US\$24.8bn

Payments to suppliers



Shareholders and investors

US\$6.3bn

Dividend payments



Social investments^{2,3}

US\$128m

Community contributions



Employees²

US\$5.2bn

Employee wages and benefits

over
90,000

Employees and contractors

Total payments to governments



US\$10.4bn

Global income taxes, royalty-related income taxes, royalties and other payments to governments

37.2%

Global adjusted effective tax rate

44.6%

Once royalties are included

The data presented in this Report has been prepared in accordance with the 'Basis of Report preparation' section.

1. Includes payments to suppliers for operating costs on an accruals basis and payments to suppliers for capital expenditure on a cash basis.

2. Calculated on an accruals basis.

3. Direct community development and environmental projects and donations, including BHP's equity share in joint ventures.

Australia Total economic contribution

Over last 10 years

~A\$103.1bn

(US\$78.1bn) Australian income taxes, royalty-related income taxes, royalties and other payments to governments

In FY2025

A\$46.0bn

(US\$29.8bn) Total economic contribution in Australia



Suppliers¹

A\$20.3bn³

(US\$13.2bn)
Payments to suppliers



Shareholders
and investors

A\$8.9bn³

(US\$5.8bn)
Dividend payments



Social investments²

A\$102m³

(US\$66m)
Community contributions



Employees²

A\$6.2bn³

(US\$4.0bn)
Employee wages and benefits

around
46,000

Employees and contractors

Total payments to governments



A\$10.5bn⁴

(US\$6.8bn) Australian income taxes, royalties and other payments to governments

33.0%

Australian adjusted
effective tax rate

45.7%

Once royalties
are included

BHP remains one of the largest taxpayers in Australia.

The data presented in this Report has been prepared in accordance with the 'Basis of Report preparation' section.

1. Includes payments to suppliers for operating costs on an accruals basis and payments to suppliers for capital expenditure on a cash basis.

2. Calculated on an accruals basis.

3. FY2025 amounts for Australia are translated at the FY2025 average rate of AUD/USD 0.648.

4. Calculated based on A\$ denominated payments.

1 Our contribution continued

Chief Financial Officer’s review

I am pleased to provide BHP’s FY2025 Economic Contribution Report.

On 13 August 2025 we marked the 140th year in BHP’s storied history. It’s a remarkable story of evolution and reinvention, and one this company and all involved with it can be proud of. The world needs more of the materials we produce to develop, decarbonise and digitalise. We remain well positioned to sustainably meet this demand and create long-term value for our shareholders, local communities, customers, suppliers and partners.

BHP delivered another strong set of results in FY2025, enabled by our great people, disciplined execution of our strategy, world-class assets, operational excellence and through financial rigour underpinned by our Capital Allocation Framework. We achieved an underlying EBITDA of US\$26 billion and invested US\$9.8 billion in capital and exploration expenditure. As at 30 June 2025, our net debt was US\$12.9 billion.

We can be proud of BHP’s financial performance in FY2025 but there’s plenty more still to do. We have a significant pipeline of growth ahead of us and we are well positioned to fund it with the strength of our balance sheet and our confidence in our capabilities.

BHP’s economic contribution

BHP’s total direct economic contribution for FY2025 was US\$46.8 billion. This includes payments to suppliers, wages and benefits for over 90,000 employees and contractors, dividends, taxes, royalties and voluntary investment in social projects across the communities where we operate.

In FY2025, our tax, royalty and other payments to governments totalled US\$10.4 billion. Of this, 65 per cent or US\$6.8 billion (approximately A\$10.5 billion) was paid in Australia. BHP was one of the largest corporate taxpayers in Australia in FY2025. During the last decade, we paid US\$98.1 billion globally in taxes, royalties and other payments to governments, including US\$78.1 billion (approximately A\$103.1 billion) in Australia. Our global adjusted effective tax rate in FY2025 was 37.2 per cent. Once royalties are included, our FY2025 rate increases to 44.6 per cent.

This significant contribution of tax and royalty revenue to the countries where we operate is important. It gives governments the opportunity to provide essential services to their citizens and invest in their communities for the future. We also create value for our shareholders and investors through the returns we provide. In FY2025, we paid US\$6.3 billion in cash dividends to shareholders (FY2024 final dividend and FY2025 interim dividend), including many millions of Australians who hold BHP shares directly or via their superannuation.

In FY2025, we contributed US\$24.8 billion to our suppliers globally. BHP-operated projects spent over US\$3.2 billion with more than 2,500 small, local and Indigenous businesses in the communities where we operate. This contribution typically has a multiplier effect by creating new jobs within our operations and within the suppliers they rely on.



In FY2025, our tax, royalty and other payments to governments totalled US\$10.4 billion. During the last decade, we paid US\$98.1 billion globally in taxes, royalties and other payments to governments.”

Our commitment to transparency

BHP has a long-standing commitment to transparency. We have disclosed details of our tax and royalty payments for 25 years and continually updated and expanded our disclosures. We recognise taxes and royalties are important sources of government revenue and central to the fiscal policy and macroeconomic stability of countries. Paying the right amount of taxes and royalties enables governments to finance and deliver on their development plans for the benefit of the broader community to promote sustainable economic growth, full and productive employment, and reduce poverty and inequality within and among countries. The BHP Economic Contribution Report aims to provide a greater understanding of BHP’s global tax profile, tax contributions and the way we govern and manage our tax obligations.

BHP is subject to the different tax regimes and complies with applicable tax laws in all the countries where we operate. BHP also provides information to tax authorities (in accordance with the Organisation for Economic Co-operation and Development (OECD) Country-by-Country reporting requirements) that includes details of how we conduct our business and how BHP’s entities transact with each other. We also continue to voluntarily disclose additional information for the key countries where we operate, including

our total direct economic contribution, profit/(loss), number of employees and contractors, effective tax rates and tax reconciliation data. We have voluntarily published our Country-by-Country Report (in accordance with the Global Reporting Initiative (GRI 207-4 reporting requirements) with first disclosure made in relation to FY2020.

We believe companies should pay their fair share of tax and countries should have taxing rights commensurate with value created in those countries. We also believe it is important that a country’s tax policy settings remain stable to provide businesses with the certainty needed to invest and continue to operate and support the communities in the countries where they operate.

We make long-term investment decisions. Therefore, economic, political and fiscal factors impact investment decisions and long-term operational strategies that span multiple years. Stable and competitive tax systems are critical factors in determining whether the long-term returns associated with an investment are commensurate with the various risks associated with that investment. The right tax policy settings are critical to incentivise new mining investment.

We believe we are successful when we work in partnership with communities to achieve long-term social, environmental and economic outcomes, and we are proud of our efforts to support the communities where we operate.

Vandita Pant
Chief Financial Officer

Our total economic contribution for FY2025

US\$46.8bn

Our tax, royalty and other payments to governments

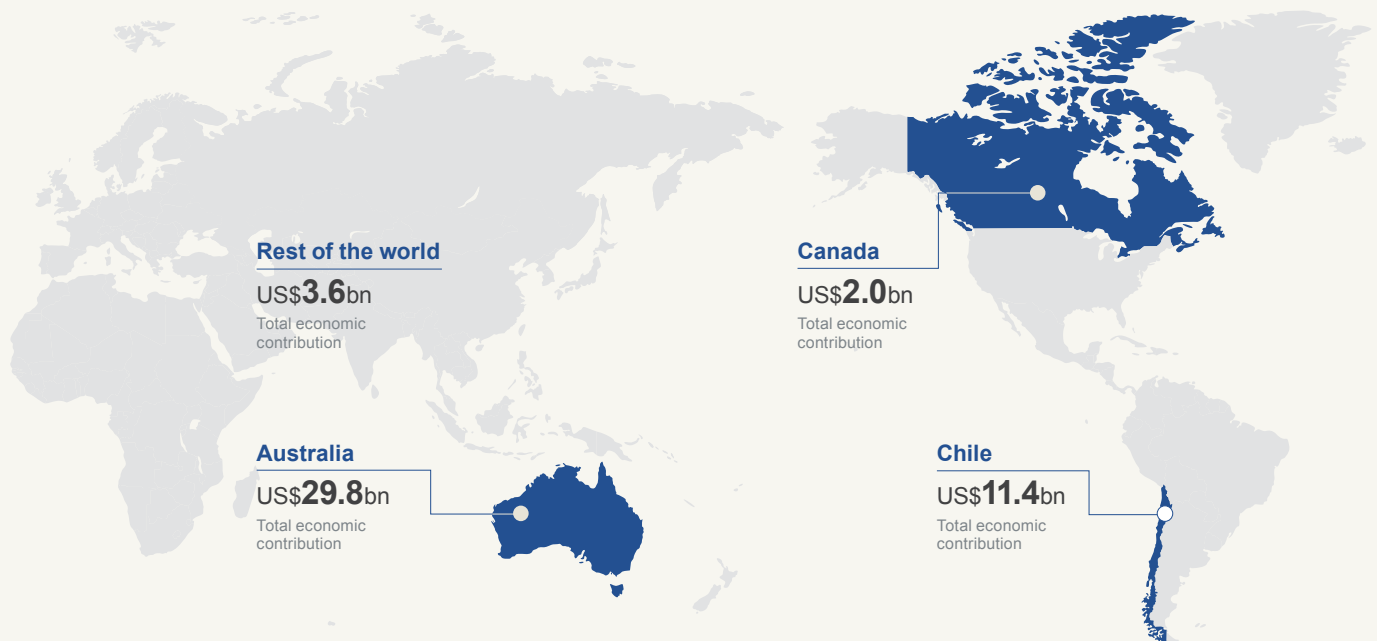
US\$10.4bn

Employees and contractors

over 90,000

FY2025 total economic contribution

US\$46.8bn



Country	Payments to governments US\$M	Payments to suppliers ¹ US\$M	Payments to employees ² US\$M	Payments to shareholders and investors US\$M	Social investment ² US\$M	Total economic contribution US\$M	Profit/(loss) before tax ³ US\$M	Number of employees/contractors
Australia	6,812	13,163	3,994	5,760	66	29,794	10,164	46,822
Chile	3,212	7,331	879	1	23	11,446	7,974	35,911
Canada	49	1,849	86	1	4	1,989	(441)	2,696
Rest of the world	290	2,470	280	529	15	3,585	503	5,875
Total	10,363	24,813	5,239	6,291	108	46,814	18,200	91,304

Equity accounted investments

Argentina/Canada/Chile (Vicuña Corp)	5	–	–	–	–	5	1	–
Brazil (Samarco)	40	–	–	–	2	42	(245)	–
Peru (Antamina)	183	–	–	–	15	198	538	–
Other	–	–	–	–	3	–	(141)	–

Total including equity accounted investments	10,591	24,813	5,239	6,291	128	47,062	18,353	91,304
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1. Includes payments to suppliers for operating costs on an accruals basis and payments to suppliers for capital expenditure on a cash basis.

2. Calculated on an accruals basis.

3. Rest of the world includes consolidation adjustments.

1 Our contribution continued

Our Purpose

To bring **people** and resources together to build a better world

Our Values

Set the tone for our culture, a unique part of our competitive advantage. They are a declaration of what we stand for. They guide our decision-making, reinforce our culture and ensure our people deliver on our purpose.

Do **what's right**

A sustainable future starts with safety and integrity, building trust with those around us.

Seek **better ways**

Listening to learn and inspiring challenge is how we drive progress.

Make **a difference**

The accountability to act, create value and have impact is on each of us, every day.

Our strategy

We will responsibly manage the most resilient long-term portfolio of assets, in highly attractive commodities and will grow value through being excellent at operations, discovering and developing resources, acquiring the right assets and options, and capital allocation.

Through our differentiated approach to social value, we will be a trusted partner who creates value for all stakeholders.

Our business model



Exploration and acquisition

We seek to add high-quality interests through our exploration activities and early-stage entry and acquisition options.



Development and mining

We strive to achieve the industry's best performance in safety, operational excellence, project management and allocation of capital.



Process and logistics

We process and refine ore and seek to safely manage waste. Our objective is to efficiently and sustainably transport our products to customers.



Sales, marketing and procurement

We maximise value through our centralised marketing and procurement organisations, commercial expertise, understanding of markets and customer and supplier relationships.



Closure and rehabilitation

We consider closure and rehabilitation throughout the asset lifecycle to help minimise our impact and optimise post-closure value for all stakeholders and partners.

How we create and deliver value

We aim to grow value for our shareholders, partners and stakeholders through our portfolio of large, long-life, low-cost assets in attractive commodities, and through our focus on social value. BHP is positioned to benefit from the economic and social megatrends that will drive demand for our commodities in the coming decades.

We are committed to social value: our positive contribution to society. It is vital for our future and a consideration in the strategic decisions we make.

BHP has a track record of doing what we say we will do. We continue to plan strategically, responsibly, consistently, with a clear focus on being the best operator, being disciplined in the application of our Capital Allocation Framework, and continuing to generate value and returns for all stakeholders. We work in partnership with communities. We provide employment, purchase goods and services, pay taxes, royalties and other payments to governments and make contributions (such as donations) to the communities where we operate.

The way we work provides a competitive advantage for BHP and is vital to delivering long-term enduring value. Value is created for our shareholders and investors, including pension and superannuation funds, through paying dividends and making other financial returns. We contribute to society more generally as we provide the building blocks essential to modern life for millions of people around the world. In this way, we strive to align with the interests of the communities where we operate and to society more broadly.

1. Exploration and acquisition

How we contribute

- Payments to suppliers and contractors
- Wages paid to employees
- Permits, licence fees and employment taxes

We aim to create and protect the value of our portfolio through the exploration and early-stage entry and acquisition of new resources. Payments to governments during the exploration phase are usually relatively low, reflecting the high levels of investment and risk of this work. Permits, licence fees and employment taxes make up most of our payments to governments.

Contributions to communities include payments to suppliers and contractors for any construction or excavation work and wages to employees (often for highly skilled and specialist roles, such as geologists, metallurgists and environmental scientists). Where acquisitions occur, our contribution can also include payments to governments, suppliers and contractors and the payment of licence fees.

2. Development and mining

How we contribute

- Capital expenditure
- Payments to suppliers and contractors
- Wages paid to employees
- Permits and licence fees
- Employment and sales taxes, import duties, property and land taxes
- Contributions to communities where we operate

Development involves construction of facilities, excavation and any supporting infrastructure required. This can extend to the construction of whole towns, including schools, medical facilities and recreation areas. More jobs are created, directly in construction and more broadly through the provision of goods and services to the sites and workforce. Contributions to local communities begin to be made. Payments to governments are largely through indirect taxes (such as sales tax, value added tax, goods and services taxes or excise fees) on equipment and materials, employment, property and land taxes.

3. Process and logistics

How we contribute

- Net profits – corporate taxes paid
- Royalties paid from extraction
- Payments to suppliers and contractors
- Wages paid to employees
- Employment and sales taxes, import duties
- Contributions to communities where we operate
- Payments to shareholders and investors

Once extraction begins, royalties and resource taxes begin to be paid. Employment taxes increase as the operating workforce commences. Corporate income tax may also begin to be paid, however this is often lower in the early years of an operation as tax losses from upfront investment in earlier phases are offset against income. Over the life of an operation, payments to governments are significant. Community contributions continue through the operating life. Payments to shareholders and investors also increase as income from operations is generated. As we invest in long-term assets, we also strive to create high-value, long-term job opportunities and build strong relationships with communities, suppliers and contractors.

4. Sales, marketing and procurement

How we contribute

- Payments to suppliers and contractors
- Wages paid to employees
- Corporate, employment and sales taxes, import duties

Sales and Marketing, and Procurement form part of our Commercial function, which seeks to maximise commercial and social value while minimising costs across our supply chain. The function is organised around core activities in our value chain, supported by credit and market risk management and strategy, planning and integrity activities.

We sell and transport our products and obtain the goods and services that flow into our supply chain. Contributions include payments to suppliers, with a significant amount of spending directed to businesses in the communities where we operate. Sales and Marketing presents a single face to markets across multiple assets, with a view to realising maximum value for our products and supporting sustainability initiatives in our downstream supply chain.

5. Closure and rehabilitation

How we contribute

- Payments to suppliers and contractors
- Corporate taxes paid if alternative revenue streams from post-mining land use are found
- Lower employment and sales taxes

Land no longer required for operations is rehabilitated. Rehabilitation activities are often interwoven with the continuing development of nearby operations. Payments to governments will be lower, as will employment and payments to suppliers and contractors, but long-term investment throughout the operating life of a mine provides lasting benefits for communities well after closure, for example through an upskilled workforce population and improved infrastructure facilities (e.g. roads, housing). Post-mining land use may generate new revenue streams for BHP and the local community.

1 Our contribution continued

Social value

We are committed to social value, our positive contribution to society. We believe social value and sustainability are vital to our future as they support stable operations, reduce risk and open doors to opportunities, partnerships, capital and talent. We believe this commitment can help us become a partner of choice with communities, governments, suppliers and our customers. We seek to be a valued partner with the communities where we operate and the Indigenous people we interact with.

We aim to source and promote locally available goods and services as an important part of our external expenditure to help local communities thrive. We believe we are successful when we work in partnership with regional communities and where we can, we seek to employ local people and purchase local goods and services through our supply chains.

In addition, we have continued to make voluntary social investment in local communities to projects that deliver positive economic, social and environmental outcomes. In FY2025, our voluntary social investment totalled US\$128 million. This investment consisted of direct community development, environmental projects, donations and BHP's equity share to joint venture social investment programs. Over the past 10 years, our voluntary social investment has amounted to US\$1.4 billion.

The BHP FutureFit Academy continues to help bolster Australia's skills base and create new career pathways into the mining sector through an accredited maintenance and production traineeship or a trade apprenticeship. In FY2025, the FutureFit Academy trained more than 525 apprentices, trainees and employees, with 376 graduating. Since the FutureFit Academy was launched in May 2020, it has welcomed more than 1,625 students and graduated 1,153 apprentices at its facilities in Perth in Western Australia and Mackay in Queensland. The BHP FutureFit Academy's continuing success in Australia has seen it expand with the launch of the Potash Academy in Saskatchewan in Canada in FY2025. For more information refer to our case study: Jansen potash project and to Operating and Financial Review 9.5 in our Annual Report 2025.

We believe we provide significant social value as part of our economic contribution to the communities and countries where we operate. Transparency about our contributions helps build trust with our stakeholders.

 More information on social investment, including case studies and other initiatives to support communities where we operate, is available at bhp.com/sustainability/approach/social-investment



Case study: Local procurement

Local businesses are vitally important to BHP's success and to the capacity and sustainability of regional communities.

BHP is committed to contributing to the economic empowerment of the local and Indigenous communities where we operate. In the past five years, BHP-operated projects spent over US\$15 billion with small, local and Indigenous businesses, including over US\$3.2 billion with more than 2,500 small, local and Indigenous businesses in FY2025.

A new initiative in Australia will, for the first time, help us measure how our local procurement activity makes a difference within regional communities. We believe we can use this insight to achieve greater impact from our procurement spend.

The challenge

In November 2024, BHP's Indigenous and Local Procurement team, together with our Think & Act Differently (TAD) innovation team, initiated The Ripple Effect Innovation Challenge. The challenge invites ideas aimed at improving the measurement and understanding of how local procurement spending affects the communities in which BHP operates.

The challenge was open globally through TAD's Open House platform, with universities, Indigenous consultancies and impact specialists invited to apply.

Submissions were reviewed based on innovation, feasibility and alignment with community values. Following final presentations in December 2024, Yamagigu Consulting (yamagigu), an Indigenous business collaborating with a Big Four consulting firm in Australia, was selected to lead the first phase of the work.

The RIVER Dashboard

Through the RIVER (Regional Impact of Value and Economic Resources) project, we have collaborated with yamagigu to develop an innovative impact measurement tool aimed at providing greater insight into the results of our local and Indigenous procurement expenditures.

The RIVER Dashboard was developed through a collaborative design process involving 33 local, Traditional Owner, and Indigenous businesses, guided by survey feedback from 164 local and Indigenous suppliers supporting operations across Western Australia Iron Ore (WAIIO), Copper South Australia (Copper SA) and BHP Mitsubishi Alliance (BMA). This dashboard reflects the dimensions of impact most highly valued by our supplier communities. These include regional economic activity and community wellbeing. Community sentiment and lived experiences are incorporated into Computable General Equilibrium modelling to deliver a place-based perspective on the resulting economic ripple effects.

The modelling showed increased employment and Gross Regional Product in each region, alongside a broadly positive sentiment from our supplier community. It also highlighted areas where more work remains to be done.

The outcome is a scalable, data-driven platform that facilitates informed decision-making through inclusive processes and helps us to ensure our procurement strategies are aligned with the priorities of the communities in which we operate.



BHP is leading the development of research and technology that contributes to a globally scalable methodology to estimate their multiplier impact from direct procurement. This will help inform BHP and its community stakeholders in their strategic partnership decisions."

Jay Edmonson
Yamagigu Consulting Partner



Case study: Jansen potash project

Our Jansen potash project in Saskatchewan, Canada is expected to become one of the world's largest potash mines.

We are developing one of the world's largest potash mines in Canada. Jansen will increase our product diversification, customer base and operating footprint, and expand our business into a future growth market. As BHP's newest commodity, potash is used in fertilisers to assist with food security for a growing population and more sustainable land use.

Construction of Jansen Stage 1 is underway. Together with construction of Stage 2, Jansen is expected to have a production capacity of approximately 8.5 million tonnes (Mt) a year of potash.

As the largest private investment in Saskatchewan's history, Jansen's economic contribution is significant. The project is expected to generate more than 5,500 workforce opportunities during construction and approximately 900 permanent jobs once fully operational. This year, we celebrated a milestone of more than C\$1 billion spent with local and Indigenous businesses in Canada with over C\$500 million spent locally in FY2025.

Partnering with communities to deliver social value

We seek to build strong community partnerships in Saskatchewan. This is central to how we are building Jansen. Core to our success are partnerships with local and Indigenous communities and all levels of government. Since CY2016, we have contributed over C\$56 million in community health and wellness, education and environmental conservation with approximately C\$6 million in FY2025, including:

- more than C\$3.5 million provided to Indigenous partners and Indigenous-led organisations to support cultural preservation, community development, local events and more
- C\$500,000 invested in partnerships that advance outcomes in housing, childcare, emergency services and inclusive community relationships in our host communities
- ongoing support for provincial emergency response efforts, including employee volunteering and contributions to STARS (Shock Trauma Air Rescue Service)
- continued long-term partnerships to support educational organisations such as Foundations Learning, which provides critical resources to address literacy challenges

Jansen's contribution at a glance in FY2025



C\$2.5bn¹
(US\$1.8bn) suppliers



over 2,300
employees and contractors

Spotlight story

To support the long-term success of our Jansen potash mine, we launched the BHP Potash Academy in partnership with Carlton Trail College in January 2025.

Through the Academy, new-to-mining candidates complete an eight-month paid traineeship that provides them with skills and qualifications to transition into full-time, permanent production or maintenance roles at Jansen. It also immerses them in our safety-first culture and trains them in the BHP Operating System.

By helping to remove entry barriers and offering paid, practical training, the Academy is helping to attract and retain skilled and diverse local workers for Jansen, building a talent pipeline for the future. There are up to 22 trainees in each cohort at the Academy.

The program was co-developed with local communities, Indigenous stakeholders and post-secondary institutions, and is designed to evolve with industry needs and our workforce representation goals. Through this collaborative approach, we seek to strengthen our relationships with co-developers, address employment disparities and foster inclusivity by recruiting individuals from local communities, including our six partnering Indigenous communities.



I didn't have the skills coming in, I have them now. I'm confident to go out there and be safe doing my job. Just take the commitment and take the leap. BHP is where you want to be."

Michelle Tolofson
Ahtahkakoop Cree Nation
BHP Potash Academy cohort one

1. Amount is translated at the FY2025 average rate of CAD/USD 0.717.

1 Our contribution continued



Case study: Western Australia Iron Ore

Western Australia Iron Ore (WAIO) is an integrated system of four processing hubs and five mining hubs, connected by more than 1,000 kilometres of rail infrastructure and port facilities in the Pilbara region.

WAIO continues to deliver significant community and social benefits year-on-year through our ongoing investments in infrastructure and services, many of which are developed and delivered in partnership with the communities where we operate and where our employees live and contribute to local economies.

In FY2025, we spent more than A\$600 million with local suppliers in Western Australia with over A\$450 million spent with 121 Indigenous businesses, including more than A\$250 million spent with 67 Traditional Owner businesses.

Partnering with communities to deliver social value

Over the past 12 months, WAIO voluntarily invested more than A\$48 million in community initiatives across education and training, environment, Indigenous wellbeing, economic development, health, community safety and liveability across Western Australia, including:

- a long-running partnership with Royal Life Saving WA to deliver vital water safety skills and employment opportunities to Indigenous youth across regional Western Australia
- an ongoing investment in improving school readiness, education and employment outcomes for children and youth in the Pilbara through our annual Pilbara Education Partnership, the biggest private-public partnership in regional Western Australia
- extending our annual A\$5.5 million partnership with Telethon to support the delivery of locally led youth health initiatives and programs in the Pilbara
- supporting more than 45 local organisations, sporting and community groups to deliver grassroots initiatives across the Pilbara through our Community Grants program

In FY2025, WAIO contributed 9 per cent of all government revenue in Western Australia.¹ In the past decade, BHP has contributed around A\$22.2 billion in iron ore royalties to the Western Australian Government with over A\$2.5 billion paid in FY2025.



For more information about WAIO's contribution refer to the **WAIO Community Development Report** available at bhp.com/news/media-centre/reports-presentations



BHP's WAIO contribution at a glance in FY2025



A\$6.1bn

(US\$3.9bn) corporate income tax²



A\$12.0bn³

(US\$7.7bn) suppliers



A\$2.8bn

(US\$1.8bn) state royalties and other payments to the governments



over 16,000

employees and contractors

Spotlight story

Baidam Solutions is a wholly Australian-owned and operated First Nations cybersecurity business that delivers industry-leading network security and application security expertise.

In FY2025, Baidam Solutions entered into a five-year contract with BHP to provide network and application security services to WAIO and other Australian assets. It will also assist with BHP's software procurement process, enhancing efficiency and decision-making.

This is BHP's first contract with an Indigenous information technology provider and aims to ensure greater performance, productivity and protection across our information systems. The contract underscores BHP's commitment to supporting expanding Indigenous businesses around the world across our supply chain.



Being awarded this contract is a very proud moment for Baidam. BHP has rigorous ethical, social and business engagement criteria – and their process of quietly assessing us as a potential partner started several years ago. This contract will enable us to give back even more through the initiatives we have in place to drive measurable improvement in Indigenous career opportunities and education in Australia's ICT security sector.”

Jack Reis

Board Chair, Baidam Solutions

1. Based on the actual cash contribution paid to government in FY2025 by BHP-operated projects and by comparison to forecasted revenue 2024/2025 data per the 2025/2026 Western Australia Budget.

2. This includes amounts allocated under the tax funding agreement of the Australian tax consolidated group. Refer to the table in Payments made by project.

3. Amount is translated at the FY2025 average rate of AUD/USD 0.648.



Case study: BHP Mitsubishi Alliance

The BHP Mitsubishi Alliance (BMA) is a 50:50 joint venture between BHP and Mitsubishi Development and was formed in 2001.

BMA operates five steelmaking coal mines in Queensland's Bowen Basin – Goonyella Riverside, Broadmeadow, Peak Downs, Saraji and Caval Ridge. BMA also operates the Hay Point Coal Terminal near Mackay.

BMA makes a significant contribution to the Queensland and the Australian economy with some sites operating for more than half a century. The mining sector is the largest contributor to Queensland's economy and the largest export industry in the state.

In the past decade, BMA's mining operations have been a major contributor of royalties, paying more than A\$21 billion to the Queensland Government, with over A\$1.5 billion paid in FY2025.

In FY2025, BMA spent over A\$1.4 billion with more than 820 local suppliers, with over A\$100 million spent with more than 50 Indigenous businesses, including more than A\$50 million spent with Traditional Owner businesses.

Partnering with communities to deliver social value

BMA voluntarily invested more than A\$9 million in education, skills and training, Indigenous partnerships, economic development, health, wellbeing and environmental projects in Queensland in FY2025, including:

- becoming the new naming rights partner of BMA CQ Rescue, a service BMA has been supporting for almost three decades, which provides critical medical recovery for the Greater Whitsunday region. During FY2025, the BMA CQ Rescue team completed 735 missions
- continuing to support the Childcare Leadership Alliance (CLA), to enable and support high-quality, early childhood and school-aged care in the Isaac Region
- celebrating the outcomes of the six-year Queensland Indigenous Land Conservation Project (QILCP), a collaborative partnership between Greening Australia, BMA, Traditional Owners and First Nations communities focused on co-designing pathways for First Nations-led employment and enterprise by healing Country and improving water quality into the Great Barrier Reef
- renewing our partnership with the Queensland Department of Education to implement the new Future Ready program, a A\$4.7 million five-year partnership to provide STEM support for an initial 18 schools in the Bowen Basin. The new program will also help provide a stronger connection to country and Traditional Owners for Indigenous students
- providing over A\$578,000 to 58 local organisations and community groups through its Benefiting My Community small grants program to support grassroots initiatives across the Bowen Basin and Mackay regions



For more information about BMA's contribution to Queensland refer to the BHP and BMA's **Community Contribution Report** available at bhp.com/news/media-centre/reports-presentations

Spotlight story

In March 2025, BMA partnered with the Barada Barna Aboriginal Corporation to host a two-day trade show and tendering workshop for Barada Barna Traditional Owner businesses.

The purpose of the trade show and tendering workshop was to create lasting partnerships. The event was held on Country and focused on connecting and harnessing opportunities for working together while the Traditional Owner businesses developed a greater understanding of BHP's processes, systems and supply chain.

On the first day, BMA and the Indigenous procurement teams conducted a tendering workshop to explain processes and systems and support the development of tender submission skills.

On the second day, the potential buyers from BMA and the nine Barada Barna businesses in attendance came together to discuss opportunities. The businesses gave an overview of their purpose, capabilities and offerings, which included supply chain, equipment, labour hire, facilities, environment and cultural heritage services.

BMA's contribution at a glance in FY2025



A\$6.4bn¹
(US\$4.2bn) suppliers



A\$1.7bn
(US\$1.1bn) state royalties and other payments to the governments



over 9,000
employees and contractors

The workshop resulted in the registration of a new Barada Barna Traditional Owner business with BMA through the Local Buying Program (LBP). Savage Munday Printing and Signs, a Barada Barna endorsed member business, is now collaborating with the Queensland Trading Tracks (QTT) program and has started receiving quote requests through the LBP portal. Relationships developed during the two-day event have allowed LBP and QTT to work with all nine businesses to help build their capabilities and capacity to deliver to BMA.

The event enabled knowledge sharing and collaboration, and resulted in a better understanding of how BMA and the Barada Barna Aboriginal Corporation could work together to build a sustainable long-term partnership.



The BBAC Tendering Workshop was a wonderful opportunity for Barada Barna Endorsed Member Businesses to come along and showcase their capabilities, products and services. It also created a space for these businesses to network not only with BMA but also with mob to help create pathways for future growth, development and potential partnerships.”

Stacey Kreys

General Manager, Barada Barna Aboriginal Corporation



1. Amount is translated at the FY2025 average rate of AUD/USD 0.648.

1 Our contribution continued



Case study: Copper South Australia

Copper South Australia (Copper SA) comprises three underground mines and surface processing operations in one of the world's most significant copper, gold, silver and uranium basins.

Copper SA was formed following our acquisition of OZ Minerals in May 2023. It refers to the Olympic Dam copper mine (the largest copper mine in Australia and the fourth-largest copper mine in the world), the Carrapateena and Prominent Hill copper mines, and the Oak Dam exploration project. The underground mining and conventional crushing operations of Carrapateena and Prominent Hill produce copper concentrate. These operations are each located around 180 kilometres by road from the mining and integrated crushing, grinding, concentrating, smelting and refining operations of Olympic Dam, which produces copper cathode, gold and silver bullion, and uranium oxide concentrate. The commodities produced by Copper SA are transported by road and rail to our domestic customers and via the Adelaide and Whyalla ports to our global customers.

In FY2025, Copper SA spent over A\$250 million with more than 140 local suppliers, with over A\$100 million of this spent with 50 Indigenous businesses.

Partnering with communities to deliver social value

In FY2025, we invested A\$7 million in community projects that benefit South Australia, including:

- providing over A\$350,000 to more than 35 local organisations and community groups through our Copper SA Community Donations program supporting grassroots initiatives across the Copper SA communities (Roxby Downs and surrounds, Upper Spencer Gulf, Coober Pedy and Far North regions). This includes funding the Connections in Culture Playgroup, the Roxby Downs Community Board's various community initiatives and the P.A.R.T.Y Program in Port Augusta Area School, which aims to prevent alcohol and risk-related trauma in youth
- continuing to support childcare in Roxby Downs through various initiatives, including governance, mentoring and professional development support for the Roxby Downs Children's Centre (in partnership with Child Australia), support for the establishment of the Family Day Care service and upskilling/training of residents in Early Childhood Education and Care (in partnership with Uni Hub Spencer Gulf), and funding to support resource upgrades for childcare services
- renewal and delivery of our partnership with the Tjindu Foundation, providing 50 First Nations secondary school students access to an alternative mode of study to drive educational success and close the gap target of year 12 attainment

Copper SA's contribution at a glance in FY2025



A\$4.5bn¹
(US\$2.9bn) suppliers



over 9,500
employees and contractors

Spotlight story

BHP is collaborating with Traditional Owner rangers to look after our environment. The Arabana Ranger team, part of the Arabana Aboriginal Corporation, secured a fee-for-service contract with BHP in FY2025 to monitor feral animal activity at Jackboot Paddock at Stuart Creek Station on Arabana Country in South Australia. This land is managed by our Copper SA asset.

The contract involves monitoring the density and activity of feral wildlife, such as cats and foxes, across a region covering 15,834 square kilometres, using 50 camera traps. The work will feed into the development of a management plan that includes conservation, restoration or regenerative practices at Jackboot in line with BHP's 2030 Healthy Environment goal.

The Arabana Ranger team operates across their Native Title Determination Area, which covers 69,000 square kilometres of South Australia, including Kati Thanda (Lake Eyre). They are working closely with a team from Arid Recovery, a long-standing conservation organisation supported by BHP. Arid Recovery is providing training, scientific and technical expertise, and ongoing support to the Arabana Ranger team throughout 2025 to deliver the Jackboot monitoring project. The findings will be used to help decide the best next steps to manage feral species and enhance native biodiversity.

The contract is a great step towards strengthening BHP and Arabana Aboriginal Corporation's partnering capability. Opportunities like this help Indigenous ranger programs to provide meaningful employment, skills development and cultural empowerment. Indigenous rangers in Australia play a vital role in conserving the environment and protecting cultural heritage across the country.



The rangers are looking forward to continuing to work with Arid Recovery to gain further skills and knowledge in this type of work, and what outcomes this project may produce for the protection and preservation of the Jackboot paddock."

Zaaheer McKenzie
Arabana Head Ranger



1. Amount is translated at the FY2025 average rate of AUD/USD 0.648.



Case study: Chile

We've been contributing to the Chilean economy for more than three decades.

BHP operates two copper mines in Chile: Escondida¹ and Spence located in the northern regions of Antofagasta and Tarapacá. Cerro Colorado mine has remained in temporary care and maintenance since December 2023. BHP's corporate headquarters in Chile are located in Santiago.

BHP-operated mines have produced 24 per cent of all Chilean copper since Escondida commenced production in 1990. This has been enabled by capital expenditure, including more than US\$20 billion in the past decade.

Escondida has produced more than 33 Mt of copper since operations began. The mine is currently the largest copper producing mine in the world, producing over 1 Mt of copper a year and operating with more than 24,000 employees and contractors.

Spence has produced around 3.5 Mt of copper since beginning operation in 2006. It operates with around 9,200 employees and contractors.

In Chile, BHP pioneered the use of desalinated water in mining. Investments in Escondida include more than US\$4 billion towards the construction of two desalination plants, which have enabled Escondida to become 100 per cent supplied by desalinated water. At Spence, a concentrator is supplied entirely by a desalination plant owned and operated by a third party. Both Escondida and Spence's electricity needs are supplied entirely by renewable energy contracts.

Escondida continued the construction of a boiler diesel displacement solution in FY2025. It is planned to commence operating in FY2026. This solution will replace diesel-fired boilers with a heat source (combining a thermo-solar and electric boiler solution) that does not generate any greenhouse gas emissions from operation of the boiler or generation of its electricity supply due to Escondida's 100 per cent renewable energy Power Purchase Agreements. We also expect to commence construction of the same type of solution at Spence during FY2026.

BHP-operated mines spent over US\$1.1 billion in Chile with local suppliers in FY2025. Since CY2019, we have actively promoted the development of local small suppliers in the regions of Antofagasta and Tarapacá. BHP's Local Buying Program has created long-term business relationships with local small-to-medium enterprises with over US\$55 million spent with 420 suppliers through the program during FY2025.

In the past decade, BHP-operated mines in Chile have contributed more than US\$10.7 billion² in first category income tax (corporate income tax) and mining tax to the country's government. During the same period, BHP contributed approximately US\$2.4 billion in withholding tax on our share of dividends from operations in Chile.

Contribution by BHP-operated mines in Chile at a glance in FY2025



US\$3.2bn

taxes and other payments to Government



US\$7.3bn

suppliers



over 35,000

employees and contractors



29%

of Chilean copper production

Spotlight story

In May 2025, we launched the Suppliers and Future plan ('Proveedores & Futuro') to strengthen the development of local suppliers and innovation in the Antofagasta region. The plan consists of five initiatives: Compra Local, BHP's program that supports small and medium enterprise in the region; Aster, the mining startup accelerator; AntofaEmprende, the triple-impact entrepreneurship contest; USQAI, the University innovation and entrepreneurship laboratory; and Balloon International Lickan Antai, an Indigenous entrepreneurship program.

At the launch event, we awarded outstanding suppliers of the BHP Local Buying Program for their commitment and compliance with BHP's values and culture. These were World Class Mining Services (Safety category), Berliam SPA (Inclusion and Diversity category), Construcciones y Servicios LyG (Exceptional Performance category) and AGS Solutions (Innovation category).

This event supports our commitment to improve engagement with local and Indigenous businesses across all our operating regions.



Entrepreneurs are the engine of the local economy. In the particular case of Antofagasta, they could potentially be key players in the development of mining and energy-related industries, but to achieve this, it is imperative that large companies give space to these suppliers in their purchasing processes and thus generate a productive chain. In this city, there are the solutions and services that large mining demands, it is not necessary to look at Santiago. The natural laboratory and headquarters of local suppliers is here to scale solutions not only for regional mining, but also for national and even international markets."

Sacha Razmilic
Mayor of Antofagasta



1. BHP operates and owns 57.5 per cent of the Escondida mine, a joint venture with Rio Tinto (30 per cent) and Japan-based JECO Corp (12.5 per cent).
2. The figure includes 100 per cent of Escondida.

2 Our approach to tax

Our Tax Principles

Our Charter and *Our Code of Conduct (Our Code)* define how we work at BHP. *Our Charter* describes our purpose, our strategy and Our Values. It is the single most important means by which we communicate who we are, what we do and what we stand for, and is the basis for our decision-making. Supporting *Our Charter* is *Our Code*, which brings Our Values to life so we can make the right choices every day.

Our approach to tax is underpinned by *Our Charter* and *Our Code*, and is embodied in our Tax Principles. The Risk and Audit Committee of the BHP Board endorsed these principles and in FY2025, we conducted annual assurance that we have adhered to our Tax Principles.

The six principles that govern our global approach to tax:

1

Transparency

We are transparent about the taxes and royalties we pay to governments because we believe openness allows our shareholders, employees, contractors, partners, customers and communities to understand the contribution we make and have a greater ability to assess the integrity of the tax systems in the countries where we operate.

2

Corporate citizenship

We act with integrity when engaging with revenue authorities to support positive and constructive relationships. Where possible, for the purposes of obtaining certainty of our tax positions, we engage with revenue authorities on a real-time basis regarding the application of the tax law and to identify and resolve any disagreements on a timely basis.

3

Risk management and governance

We are committed to strong governance. We identify, assess and manage tax risks in accordance with our global Risk Framework. Material risks are reported to the Risk and Audit Committee. For more information refer to page 17.

4

Business rationale

Our transactions have proper commercial purposes and economic rationale. We locate business activities where value is optimally created. We seek to have a tax charge that contributes to superior business performance and delivers long-term shareholder value. Accordingly, we do not engage in aggressive tax planning.

5

Compliance

We respect and comply with the laws of the countries where we operate. We meet all of our tax compliance obligations on time. Our tax obligations include pricing transactions in our global value chain according to where value is created and economic activity occurs, in compliance with the OECD guidelines, and based on the arm's length principle.

6

Advocating reform

We support simple, stable and competitive tax rules and the principle that the taxing rights of countries should be commensurate with where the economic activity occurs. We engage in the reform process of international tax rules (including transfer pricing) and local tax rules in countries where we operate. We do this because we believe tax systems should be effective, efficient and competitive, in order to support economic growth, job creation and viable long-term tax contributions.



Our approach to transparency

BHP has a strong commitment to the highest standards of corporate governance and transparency. Being open about taxes and royalties we pay to governments helps build trust with our shareholders, employees, customers, the communities where we operate and other stakeholders. Transparency allows an informed debate on the integrity of tax regimes and the contribution we do and should make in the countries where we operate.

This commitment is reflected in our support of global transparency initiatives. For example, we are a supporting company and represented on the Board of the Extractive Industries Transparency Initiative (EITI), whose 2023 Standard requires the EITI implementing countries to publicly disclose beneficial owners. We continue to support public disclosure requirements relating to beneficial ownership (that is, the ultimate holder of the benefits of ownership of a company), because disclosure of beneficial ownership is an important element in making sure assets and income are fully disclosed to relevant regulatory bodies, including revenue authorities to promote compliance with tax laws. We commend the efforts of other organisations that support beneficial ownership transparency and companies, including our joint venture partners, contractors and suppliers that publicly disclose their beneficial owners. We support ongoing efforts by governments and multilateral organisations to promote and implement beneficial ownership transparency measures globally.

BHP continues to make the disclosures on shareholders and entities in which we have an interest, in line with laws and regulations and voluntary commitments, including the beneficial owners of our mining joint ventures that generate material revenue for BHP.



For more information on our approach to beneficial ownership transparency, including our disclosures, refer to the **Operating and Financial Review 9.7** in our **Annual Report 2025** and Ethics and Business Conduct page at bhp.com/sustainability/ethics-business-conduct

We support mandatory payment disclosure legislation, such as the Reports on Payments to Governments Regulations 2014 (as amended) and DTR 4.3A of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules in the United Kingdom, the European Union's Accounting and Transparency Directives (including as they apply in the United Kingdom following the UK's exit from the European Union), where applicable, and Section 13(q) Disclosure of Payments By Resource Extraction Issuers of the US Securities Exchange Act of 1934 (Exchange Act). We also support the public disclosure of country-by-country reports containing detailed quantitative data, such as revenue from related and unrelated parties, profit/(loss) before tax, effective tax rate and number of employees for each country in which a subsidiary entity is a tax resident.

This Report and global tax transparency requirements

We began our journey of voluntarily disclosing our payments of taxes and royalties in 2000 when we first disclosed these payments in our Environment and Community Report. Since then, we have progressively increased the detail of these annual disclosures meeting global and local tax transparency requirements but also voluntarily disclosing additional information above these requirements.

This Report complies with a number of tax transparency frameworks:

- UK regulatory obligations: The information on our payments to governments on pages 20 to 25 addresses our reporting obligations under DTR 4.3A of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules, which were introduced to implement the payments to governments requirements provided for in the EU Transparency Directive.
- Australian Voluntary Tax Transparency Code: We have adhered to all of the Best Practice Recommendations and minimum standards for 'large businesses' contained in the Post-Implementation Review of the Tax Transparency Code Consultation Paper released by the Australian Board of Taxation in February 2019.
- B Team Responsible Tax Principles: As a founding member of the B Team Responsible Tax Principles, we disclose details of our approach to tax management, including our relationships with tax authorities, entities located in low-tax jurisdictions, primarily established for historical reasons, jurisdictions where we have accepted tax incentives and our approach to advocacy on tax issues.
- GRI 207: Our Economic Contribution Report 2025 meets the requirements of GRI 207-1 to 3 issued by the Global Sustainability Standards Board.

We disclose payments to governments connected with our extractive activity to meet the Extractive Sector Transparency Measures Act (ESTMA) requirements in Canada and the US Securities and Exchange Commission (SEC) in accordance with Section 13(q) Disclosure of payments by resource extraction issuers under the Exchange Act. In addition, in accordance with the UK Requirements under paragraphs 19 and 22 of Schedule 19 of the UK Finance Act 2016, we publish Our Tax Strategy on an annual basis.



Our Tax Strategy for the year ended 30 June 2025 is available at bhp.com/about/operating-ethically/tax-transparency

We voluntarily disclose additional information, including our total direct economic contribution, profit/(loss), number of employees and contractors, effective tax rates in the key countries where we operate and reconciliation data.

GRI 207

The GRI is the independent, international organisation that sets the standards that represent global best practice for publicly reporting on a range of economic, environmental and social impacts. GRI 207 sets out disclosures related to tax and payments to governments aimed to help promote greater transparency on an organisation's approach to taxes.

Key elements of GRI 207 have been integral to our economic and tax transparency disclosures since 2000. It comprises the following standards:

- GRI 207-1: Approach to tax
- GRI 207-2: Tax governance, control and risk management
- GRI 207-3: Stakeholder engagement and management of concerns related to tax
- GRI 207-4: Country-by-country reporting

The requirements of GRI 207-1 to 3 are addressed in this Report.

In addition to the payments to government data presented in this Report, BHP has been publishing our Country-by-Country Reports (available at bhp.com/about/operating-ethically/tax-transparency). The Country-by-Country Reports for FY2024 and FY2025 will be published in accordance with the requirements of GRI 207-4.

The future of global tax transparency

To be meaningful, information and data should be disclosed that is useful to stakeholders and in a format that is accessible, machine readable and easy to understand and utilise. Therefore, we support the establishment of a globally consistent regulatory disclosure framework, including equivalency provisions between jurisdictions. In addition, we support alignment between the quantitative data provided to tax authorities to comply with country-by-country reporting obligations and the data to be disclosed pursuant to any global standards advocating public country-by-country reporting. The alignment of reporting under these initiatives would create a consistent basis for companies to disclose data, such as payments to governments, minimise compliance costs and make it easier for stakeholders to compare information between jurisdictions, sectors and companies. We will continue to engage with governments, regulators and civil society organisations to move towards global consistency.

We understand the connection between the disclosures we make about the taxes and royalties we pay to governments, which enable the public to see what we have paid and transparency of the contracts we have with governments, allowing comparison of our actual payments against what is required to be paid.

2 Our approach to tax continued

Our contribution to the development of tax policy

Tax policy

We actively participate in public consultation processes and provide our perspective on how best to balance the need for government revenues from tax against the need to incentivise ongoing, sustainable investment, which in turn benefits communities.

In order to attract investment, tax systems should be internationally competitive and stable.

One of the key factors that impacts the international competitiveness of a country's tax regime is the total effective tax and royalty rate on profits. After returning excess cash to our shareholders (e.g. in the form of dividends) and ensuring our balance sheet is strong, we invest back into our business and community. We have global competition for limited capital across our many investment opportunities around the world. When we assess which projects we will invest our capital in, tax competitiveness is an important consideration.

We make long-term investment decisions. Therefore, economic, political and fiscal factors impact investment decisions and long-term operational strategies that span multiple years. Stable and competitive tax systems are critical factors in determining whether the long-term returns associated with an investment are commensurate with the various risks associated with that investment.

Our assessment of the stability of tax regimes is a critical factor in assessing the risks associated with particular projects.

We support the work undertaken by the OECD to achieve a global solution to address the tax challenges of the digitalisation of the economy. For the extractives industry, as the right to extract commodities is inherently and substantially connected with the country where the commodities are located, such countries should continue to have the right to tax profits associated with those commodities. We continue to contribute to the development and implementation of a solution that provides for a globally competitive tax system that supports economic growth and viable long-term tax contributions.

We engage on tax policy and reform matters in the countries where we operate. We work with governments directly or through industry associations to share our views on the wider ramifications that tax proposals will have on the industry, the regulatory and commercial environments, our customers and the broader community. We primarily do this through a number of global industry and local associations, including the Business Council of Australia, Minerals Council of Australia, Consejo Minero, Mining Association of Canada and the International Council on Mining and Metals.



For more information on our approach to industry associations refer to Operating Ethically page at bhp.com/about/operating-ethically



Our approach to tax governance and risk management

Given the size, geographic scope and complexity of our operations and, at times, uncertainty regarding the application of tax laws, risk may arise in the determination of our tax liabilities. The identification and management of risks are central to achieving our strategic objectives. Risk management, including for tax, is embedded in all our critical business activities, functions, processes and systems through the application of BHP's Risk Framework. Under our Risk Framework, the Board and senior management, including the Executive Leadership Team, oversee and monitor risk management outcomes. The Risk and Audit Committee assists the Board with the oversight of risk management, including tax and royalty matters. The Chief Financial Officer, supported by the Group Tax Officer, is accountable for managing tax risk.

In addition to BHP's Risk Framework, Tax Principles and Our Tax Strategy, we have internal governance standards that set out our approach to tax risk management, the level of risk the Group seeks to take and escalation points and procedures. Matters are considered for escalation based on a number of elements, including the quantum at risk, level of technical uncertainty and change of law risk. BHP's Tax function is also subject to regular internal reviews and audits to provide assurance over compliance with these standards.

Our Tax function is responsible for the execution of BHP's Tax Principles, Our Tax Strategy and management of tax risk in accordance with the Risk Framework.

It advises management on the tax implications of business decisions, transactions and compliance with tax laws, in accordance with the internal governance standards.

Our external auditor provides assurance on our financial report (which includes tax disclosures set out in Financial Statements note 6 'Income tax expense' and note 14 'Deferred tax balances' in our Annual Report 2025).



For more information refer to the Independent Auditor's Reports in the **Annual Report 2025** and this **Economic Contribution Report 2025**



For information on our Risk Framework refer to the **Operating and Financial Review 7** in our **Annual Report 2025**

Low-tax jurisdictions

In classifying which of our subsidiaries are located in low-tax jurisdictions, we have applied the EU list of non-cooperative jurisdictions for tax purposes as at February 2025. Countries were assessed against agreed criteria for good governance, consistent with the standards of the EU member states. These criteria relate to global tax transparency, fair taxation and implementation of OECD base erosion and profit shifting measures.

The EU has published a list of 'non-cooperative' jurisdictions and a 'watch list' of jurisdictions that have committed to address deficiencies in their tax governance and reviews the lists at least yearly.

We have one subsidiary in a country on the EU's non-cooperative list and two subsidiaries on the 'watch list'. All of these subsidiaries are subject to the controlled foreign company tax rules of Australia. Details of each of these subsidiaries, including FY2025 profits/(losses), are included in the tables below.

Companies in 'non-cooperative' jurisdictions

Name	Incorporation		Profit/(loss) before tax US\$M	Income subject to tax in another country	Nature of activities
	Jurisdiction	Year			
Marcona International, S.A. ¹	Panama	1953	–	–	Holding company (legacy)

Companies in 'watch list' jurisdictions

Name	Incorporation		Profit/(loss) before tax US\$M	Income subject to tax in another country	Nature of activities
	Jurisdiction	Year			
BHP Billiton UK Holdings Limited ²	British Virgin Islands	2004	258	UK ³	Holding company
BHP Billiton UK Investments Limited ²	British Virgin Islands	2004	258	UK ³	Holding company

1. Legacy holding company that joined the Group through historical acquisition.

2. The incorporation of these holding companies in the British Virgin Islands at that time provided greater flexibility in relation to the payment of distributions for corporation law purposes.

3. These companies are tax residents in the United Kingdom. All their worldwide income is subject to tax in the United Kingdom at the normal corporate tax rate as the income is earned (not when it is repatriated).

Tax incentives

We have been granted tax incentives in some countries where we operate. Where tax incentives are legislated and open to all qualifying taxpayers, we will accept them.

The criteria that apply to such incentives generally include a significant contribution to the local economy through a range of qualitative and quantitative measures, such as local employment, investment and ongoing expenditures.

In Singapore, we were granted an incentive exempting us from paying income tax on profit from qualifying shipping operations (total qualifying profits from our shipping business were approximately US\$132 million in FY2025) under the Maritime Sector Incentive – Approved International Shipping Enterprise status.

Also, we were awarded a development and expansion incentive under the International Headquarters Award under the Economic Expansion Incentives (Relief from Income Tax) Act (Chapter 86), for our activities relating to sales and marketing in Singapore. During the incentive period and subject to compliance with the terms and conditions of the incentive, qualifying income earned will be subject to a concessionary rate of 5 per cent. Our profits from the sales and marketing activities in Singapore were approximately US\$383 million in FY2025. All FY2025 profits made in Singapore from the sale of our Australian commodities are subject to tax in Australia at the normal corporate tax rate of 30 per cent under the Australian controlled foreign company rules.

In the Philippines, we maintain a registration with the Board of Investment and the Philippine Economic Zone Authority, that grants certain fiscal and non-fiscal incentives, including a concessional income tax rate of 5 per cent. In FY2025, our qualifying profits from the operation of our Global Business Services function in the Philippines were approximately US\$0.6 million. All FY2025 profits made in the Philippines from services provided to Australian companies are subject to tax in Australia at the normal corporate tax rate of 30 per cent under the Australian controlled foreign company rules.

We have entered into a foreign investment agreement offered by the Chilean Government, which has been in place for a number of years. This agreement provides foreign investors with various rights over their capital investments that give them certainty on project investments in Chile for a period of time, including certainty on the level of taxes levied and access to local exchange markets for the movement of capital.

In Brazil, we were granted a 75 per cent corporate income tax reduction, that is conditional upon the reinvestment in the operations in the State of Pará.

Global minimum tax under the OECD's Pillar Two framework

The OECD's Pillar Two framework imposes a global minimum tax rate of 15 per cent on the profits of large multinational enterprises in each of the jurisdictions they operate in. BHP has a presence in jurisdictions that have enacted or substantively enacted legislation in relation to the Pillar Two framework, including Australia, where its ultimate parent entity is tax resident. Australia's adoption of the OECD's Pillar Two framework means that the Group is subject to this minimum tax rate in every jurisdiction where we operate.

2 Our approach to tax continued

Our approach to compliance

We respect and comply with the laws of the countries where we operate in accordance with our Tax Principles. We strive for full and timely tax compliance. Our tax obligations include pricing transactions in our global value chain according to where value is created and economic activity occurs, in compliance with the OECD guidelines based on the arm's length principle.

Intra-group transactions

We disclose our material transactions through the lodgement of our tax returns and other disclosures to revenue authorities. For example, in Australia we comply with a number of country-by-country reporting obligations, including lodging a local file, master file and a country-by-country report with the Australian Taxation Office (ATO) in accordance with Australian tax laws (and consistent with the OECD's country-by-country reporting requirements). This information provides tax authorities with details of how we operate our business and conduct our tax affairs around the world and includes details on various entities' international related party dealings.

Consistent with our commitment to transparency, we have voluntarily included in this Report information about material transactions between companies in the BHP Group. We outline below the top four dealings (by quantum) between our Australian entities and non-Australian related parties.

Sales and Marketing business

Sales and Marketing connects BHP's resources to market through commercial expertise, sales and operations planning, customer insights and proactive risk management. It is the link between BHP's global operations and our global customers. Our Sales and Marketing business adds value to BHP and the countries where we operate by striving to ensure we receive the maximum price for our commodities. It aims to achieve this by finding the best markets for our commodities, liaising closely with our customers on their specific product requirements and coordinating logistics to deliver the commodities to our customers. For export sales from Australia, our Sales and Marketing business typically buys the commodities from our Australian production assets, arranges the freight and other logistics and sells the commodities to its customers. In some instances, it will provide services to the production asset and act as its agent.

Location

Our Sales and Marketing business offices are located close to our customers in our key markets.

As Asia accounts for 87.6 per cent of our revenue, our global minerals Sales and Marketing business is headquartered in Singapore. Our Sales and Marketing business has approximately 200 employees and contractors globally, with 90 located in Singapore. Other smaller offices are strategically located around the world. Singapore is the Asian centre for global commodities trading and is home to the vast majority of the world's largest commodity trading companies. Singapore is one of the world's most connected countries, strategically located along the world's major trade and shipping routes and provides a base for world-class connectivity with an effective transportation network. It also provides a stable and transparent regulatory framework that supports trade and investment. Singapore's high living standards attract highly qualified people and it has a large pool of commodities trading talent, providing a highly skilled and diverse workforce.

In addition to our Sales and Marketing business, we have teams in Maritime and Supply Chain Excellence based in Singapore to support our activities in the region. The Maritime and Supply Chain Excellence Division manages BHP's enterprise-wide maritime transportation strategy and the chartering of ocean freight to meet BHP's inbound and outbound transportation needs.

Profits

Our Sales and Marketing business in Singapore earns a margin on its sales having regard to the risks and activities undertaken and the value added. In FY2025, our Sales and Marketing business made profits of approximately US\$383 million on global commodity sales.

Tax

In FY2025, the profits (of approximately US\$383 million) of our Sales and Marketing business in Singapore were subject to corporate income tax at a reduced rate of 5 per cent under a tax incentive that the Singaporean Government has granted BHP (refer to the Tax incentives section).

All FY2025 profits made by our Sales and Marketing business from the sale of our Australian commodities acquired from entities controlled by BHP are subject to tax in Australia at the normal corporate tax rate of 30 per cent under the Australian controlled foreign company rules.

Financing

BHP obtains funding from a number of external sources. For example, designated Treasury companies obtain debt funding from the external markets and our Sales and Marketing business and assets receive the proceeds from the sale of our products to customers. These funds may be deployed in different ways, including capital and operating expenditure or returns to our shareholders. We aim to achieve efficient and effective cash flow management and concentrate our excess cash reserves through loans and deposits between BHP entities. These transactions usually happen in the same jurisdiction but can cross multiple jurisdictions.

We are transparent with our tax authorities about our funding arrangements. As at 30 June 2025, we have no disputes with any tax authorities in relation to the Group's financing arrangements.

Administration and technology

BHP is a globally integrated group, with people frequently working together across teams and geographies. For example, we have globalised functions, such as External Affairs, Finance, Human Resources and Technology that provide support to our assets and our Sales and Marketing business. We also have regional functions that provide localised support to our assets on health, safety, environment, projects, engineering and integrated operations.

Typically, a fee is charged for services that are provided across different entities and/or jurisdictions within the BHP Group. For example, when our Group functions in Australia provide support to our assets, the assets are charged a service fee.

Our key jurisdictions that charge these service fees are Australia, Canada, Chile, Malaysia, Singapore, the Philippines, United Kingdom and United States of America.

Insurance premiums

BHP has a captive insurance company incorporated in Guernsey (Stein Insurance Company Limited), which provides insurance to our global portfolio of operated assets and our Sales and Marketing business.

The risks insured are primarily property related. We choose to self-insure these risks because it makes economic sense to do so. The insurance company is located in Guernsey because of the expertise available, lower capital requirements and strong regulatory rules compared with other jurisdictions. Our assets and Sales and Marketing business pay annual premiums to the insurance company and receive insurance monies for insured losses suffered. Premiums are priced in accordance with the arm's length principle as set out in the OECD guidelines.

The profits of Stein Insurance Company Limited vary significantly year-on-year depending on the value of insured events that occur. All FY2025 profits made by Stein are subject to tax in Australia at the normal corporate tax rate of 30 per cent under the Australian controlled foreign company rules.

Our approach to stakeholder engagement

As a global company, we interact with a range of stakeholders. Our methods, frequency of engaging with and approach to listening to stakeholders are diverse and we use a range of formal and informal communication and engagement channels to understand the views of our stakeholders.

We work openly, transparently and constructively with tax authorities and regularly engage with them as part of regular assurance programs and consultation on tax administration matters. We place great importance on having effective relationships with tax authorities. Positive and transparent engagement with tax authorities that leads to timely and accurate payment of taxes and royalties assists the societies where we operate to provide valuable public services and infrastructure for the benefit of the broader community and economy.

We also engage with a broader group of stakeholders on tax policy matters through our participation in global industry and local associations. We seek to provide practical, measured and constructive comments to help meet objectives of new tax initiatives. We believe more informed, effective and enduring outcomes are achieved where governments openly consult with stakeholders. We work with governments directly or through industry associations to provide our perspective on the broader implications of new tax proposals.

We communicate, engage with and capture the concerns of external stakeholders via our Annual General Meetings, Group publications (including our Annual Report and other topic-specific reports), our website, social media platforms, releases to the market and media, analyst briefings, speeches and interviews with senior executives and investor roundtables. We regularly engage with civil society, including think tanks and non-government organisations, and participate in public events to communicate BHP's approach to tax and transparency and seek feedback from leading organisations. This enables us to stay aligned with evolving expectations around tax and transparency.



Our approach to stakeholder engagement is described in the **Operating and Financial Review 9.7** in our **Annual Report 2025** and Operating Ethically page at bhp.com/about/operating-ethically



Information on tax matters is provided in this **Report** and in **Our Tax Strategy**

Tax authority relationships

As part of our commitment to corporate citizenship, we seek to maintain positive and constructive relationships with revenue authorities.

We proactively engage with these authorities to discuss potential issues and endeavour to, where possible, resolve any disagreements on a timely basis.

The tax authorities conduct assurance on our tax affairs in a number of jurisdictions around the world. As part of these programs, we keep the tax authorities updated on our business and help them develop a deeper understanding of our business through regular dialogue.

BHP is currently part of the ATO's 'justified trust' program. Under this program, the ATO is seeking to obtain greater assurance that large corporates are paying the 'right' amount of tax in accordance with tax laws. BHP received an overall high level of assurance in the most recent Tax Assurance Report issued by the ATO related to FY2022.

Tax agreements

As part of our commitment to corporate citizenship, we may enter into agreements with revenue authorities about the amount of tax we should pay on our activities.

This gives us greater certainty about our future tax payments and reduces the risk of tax disputes with tax authorities.

We also entered into an agreement with the ATO in November 2018 in relation to the Australian tax treatment of our Sales and Marketing business as part of the resolution of the long-standing transfer pricing dispute with the ATO.

Tax disputes

Given the size, geographic scope and complexity of our operations and, at times, uncertainty regarding the application of tax laws, we have occasional disagreements with tax authorities over the amount of taxes to be paid. In this respect, BHP is no different from other large and complex corporations.

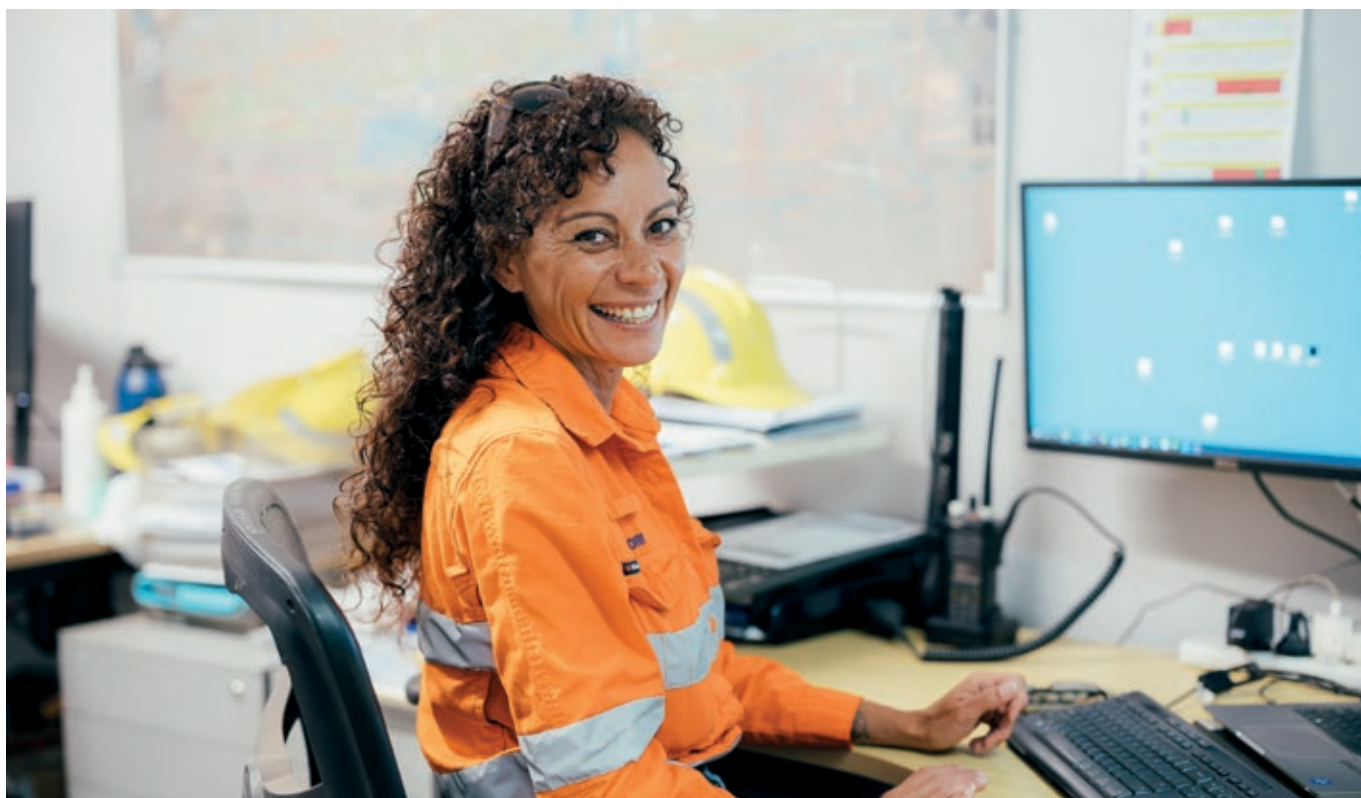
Where possible, we engage with revenue authorities on a real-time basis regarding the application of the tax law and to identify and resolve any disagreements on a timely basis.

Reconciling this Report with ATO transparency data

We prepare a reconciliation of our taxes paid in Australia to the data published by the ATO each year under Australian mandatory corporate tax transparency measures. This reconciliation is published on our website when the ATO publishes its data. The latest data published by the ATO relates to FY2023.



The reconciliation of our Australian taxes paid to this data is available at bhp.com/about/operating-ethically/tax-transparency



3 Our payments to governments

BHP has prepared this information in accordance with our UK regulatory obligations under DTR 4.3A of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules. The Basis of Report preparation and Glossary sections contain information about the content of our Report and form part of our Report.

Payments made by country and level of government

The information on taxes paid by classification and country presented below has been prepared on the basis set out in the Basis of Report preparation section of this Report.

US\$M	Corporate income tax	Royalty-related income tax	Total taxes paid	
Total payments to governments	6,003.6	1,262.9	7,266.5	
Australia	3,898.9	–	3,898.9	
Australian Taxation Office	3,898.9	–	3,898.9	
Australian Communications and Media Authority	–	–	–	
Central Highlands Regional Council (Queensland)	–	–	–	
City of Kalgoorlie-Boulder (Western Australia)	–	–	–	
City of Kwinana (Western Australia)	–	–	–	
City of Rockingham (Western Australia)	–	–	–	
Clean Energy Regulator	–	–	–	
Coal Mining Industry (Long Service Leave Funding) Corporation	–	–	–	
Isaac Regional Council (Queensland)	–	–	–	
Mackay Regional Council (Queensland)	–	–	–	
Municipal Council of Roxby Downs (South Australia)	–	–	–	
Muswellbrook Shire Council (New South Wales)	–	–	–	
Shire of Ashburton (Western Australia)	–	–	–	
Shire of East Pilbara (Western Australia)	–	–	–	
Shire of Leonara (Western Australia)	–	–	–	
Shire of Ngaanyatjaraku (Western Australia)	–	–	–	
Shire of Wiluna (Western Australia)	–	–	–	
State of New South Wales	–	–	–	
State of Queensland	–	–	–	
State of South Australia	–	–	–	
State of Victoria	–	–	–	
State of Western Australia	–	–	–	
The Office of the National Rail Safety Regulator	–	–	–	
Town of Port Hedland (Western Australia)	–	–	–	
Other Australian governments	–	–	–	

Our payments to governments over the past five years



Royalties	Fees	Payments for infrastructure improvements	Total payments as defined by the UK Requirements	Other payments	Total payments to governments
2,617.1	43.0	11.7	9,938.3	424.3	10,362.7
2,502.5	30.4	0.9	6,432.6	378.9	6,811.5
–	–	–	3,898.9	36.0	3,934.8
–	0.2	–	0.2	–	0.2
–	–	–	–	0.3	0.3
–	–	–	–	0.2	0.2
–	–	–	–	0.1	0.1
–	–	–	–	0.1	0.1
–	–	–	–	3.8	3.8
–	–	–	–	20.1	20.1
–	–	–	–	7.8	7.8
–	–	–	–	0.6	0.6
–	–	–	–	1.5	1.5
–	–	0.1	0.1	2.8	2.9
–	–	–	–	0.7	0.7
–	–	–	–	5.8	5.8
–	–	–	–	1.0	1.0
–	–	–	–	0.1	0.1
–	–	–	–	1.4	1.4
164.9	2.7	–	167.6	12.1	179.6
498.9	1.3	–	500.2	68.1	568.3
160.3	5.8	–	166.1	44.3	210.4
–	–	–	–	7.7	7.7
1,678.4	19.9	0.8	1,699.1	145.4	1,844.6
–	0.4	–	0.4	–	0.4
–	–	–	–	18.9	18.9
–	0.1	–	0.1	0.1	0.2

3 Our payments to governments continued

US\$M	Corporate income tax	Royalty-related income tax	Total taxes paid	
Brazil	5.8	–	5.8	
Federal Tax Revenue Ministry	5.8	–	5.8	
National Mining Agency	–	–	–	
Canada	25.0	–	25.0	
Canada Revenue Agency	26.7	–	26.7	
Finances Quebec	(0.5)	–	(0.5)	
Government of British Columbia	(1.1)	–	(1.1)	
Government of Saskatchewan	–	–	–	
Ontario Ministry of Revenue	–	–	–	
Rural Municipality of Leroy (Saskatchewan)	–	–	–	
Rural Municipality of Prairie Rose (Saskatchewan)	–	–	–	
Rural Municipality of Usborne	–	–	–	
Other Canadian governments	–	–	–	
Chile	1,802.3	1,262.9	3,065.2	
Servicio De Impuestos Internos	1,802.3	1,262.9	3,065.2	
China	8.9	–	8.9	
China Tax Bureau	8.9	–	8.9	
Ecuador	–	–	–	
Servicio De Rentas Internas	–	–	–	
Other Ecuador governments	–	–	–	
India	0.5	–	0.5	
Income Tax Department	0.5	–	0.5	
Japan	0.5	–	0.5	
National Tax Agency	0.5	–	0.5	
Malaysia	1.2	–	1.2	
Inland Revenue Board	1.2	–	1.2	
Human Resources Development Corp.	–	–	–	
Netherlands	4.4	–	4.4	
Tax and Customs Administration	4.4	–	4.4	
Peru	18.7	–	18.7	
National Superintendency of Customs and Tax Administration	18.7	–	18.7	
Philippines	0.8	–	0.8	
Bureau of Internal Revenue	0.5	–	0.5	
City of Taguig	0.3	–	0.3	
Singapore	70.2	–	70.2	
Inland Revenue Authority of Singapore	70.2	–	70.2	
Switzerland	3.5	–	3.5	
Canton of Zug	3.5	–	3.5	
United Kingdom	56.0	–	56.0	
City of Westminster	–	–	–	
HM Revenue & Customs	56.0	–	56.0	

Royalties	Fees	Payments for infrastructure improvements	Total payments as defined by the UK Requirements	Other payments	Total payments to governments
2.4	–	–	8.2	0.9	9.1
–	–	–	5.8	0.9	6.7
2.4	–	–	2.4	–	2.4
–	8.3	10.8	44.1	4.7	48.8
–	–	–	26.7	0.8	27.5
–	–	–	(0.5)	0.1	(0.4)
–	–	–	(1.1)	–	(1.1)
–	8.3	–	8.3	–	8.3
–	–	–	–	0.3	0.3
–	–	2.7	2.7	3.2	5.9
–	–	6.7	6.7	0.1	6.8
–	–	1.3	1.3	–	1.3
–	–	–	–	0.2	0.2
112.3	3.8	–	3,181.3	30.9	3,212.2
112.3	3.8	–	3,181.3	30.9	3,212.2
–	–	–	8.9	–	8.9
–	–	–	8.9	–	8.9
–	0.1	–	0.1	0.2	0.2
–	–	–	–	0.1	0.1
–	0.1	–	0.1	0.1	0.1
–	–	–	0.5	–	0.5
–	–	–	0.5	–	0.5
–	–	–	0.5	–	0.5
–	–	–	0.5	–	0.5
–	–	–	1.2	0.2	1.4
–	–	–	1.2	–	1.2
–	–	–	–	0.2	0.2
–	–	–	4.4	–	4.4
–	–	–	4.4	–	4.4
–	–	–	18.7	–	18.7
–	–	–	18.7	–	18.7
–	–	–	0.8	0.5	1.2
–	–	–	0.5	0.5	1.0
–	–	–	0.3	–	0.3
–	–	–	70.2	–	70.2
–	–	–	70.2	–	70.2
–	–	–	3.5	0.1	3.6
–	–	–	3.5	0.1	3.6
–	–	–	56.0	4.6	60.6
–	–	–	–	0.8	0.8
–	–	–	56.0	3.8	59.8

3 Our payments to governments continued

US\$M	Corporate income tax	Royalty-related income tax	Total taxes paid	
United States of America	106.9	–	106.9	
Arizona Department of Economic Security	–	–	–	
Arizona Department of Revenue	–	–	–	
Gila County Treasurer	–	–	–	
Pinal County Sheriff's Office	–	–	–	
Texas Comptroller	0.1	–	0.1	
U.S. Department of the Treasury	106.8	–	106.8	
U.S. Nuclear Regulatory Commission	–	–	–	
Utah State Tax Commission	–	–	–	
Other US governments	–	–	–	

Figures are rounded to the nearest decimal point. As a result, there may be discrepancies in the subtotals or totals due to rounding.

Payments made by project

Taxes paid by classification and project presented in this section have been prepared on the basis set out in the Basis of Report preparation section of this Report.

US\$M	Corporate income tax	Royalty-related income tax	Total taxes paid	
Total payments to governments	6,003.6	1,262.9	7,266.5	
Minerals Americas	1,841.1	1,262.9	3,104.0	
BHP Billiton Brasil Ltda ¹	2.3	–	2.3	
Escondida	1,705.1	1,262.9	2,968.0	
Other Copper	14.5	–	14.5	
Pampa Norte	93.8	–	93.8	
Potash Canada	(1.1) ²	–	(1.1)	
RAL Cayman Inc ³	26.5	–	26.5	
Minerals Australia	4,344.4	–	4,344.4	
BHP Mitsubishi Alliance ⁴	373.8	–	373.8	
Copper South Australia	135.4	–	135.4	
New South Wales Energy Coal	(3.8) ²	–	(3.8)	
Other Coal	(15.7) ²	–	(15.7)	
Western Australia Iron Ore	3,924.2	–	3,924.2	
Western Australia Nickel	(69.6) ²	–	(69.6)	
Group and Unallocated	(181.9)	–	(181.9)	
Commercial	30.6	–	30.6	
Corporate ⁵	(220.3) ²	–	(220.3)	
Other	7.8	–	7.8	

Figures are rounded to the nearest decimal point. As a result, there may be discrepancies in the subtotals or totals due to rounding.

1. Holding company of Samarco equity accounted investment.
2. Includes refunds in relation to prior periods.
3. Holding company of Antamina equity accounted investment.
4. Royalties, fees and other payments made by BM Alliance Coal Operations Pty Limited have been included in total payments to the extent of BHP's ownership of the operating entity, being 50 per cent.
5. The corporate income tax amount predominantly reflects the allocation of the Australian corporate income tax liability among members of the Australian tax consolidated group. For more information refer to Basis of Report preparation section.

Royalties	Fees	Payments for infrastructure improvements	Total payments as defined by the UK Requirements	Other payments	Total payments to governments
–	0.4	–	107.4	3.5	110.8
–	–	–	–	0.1	0.1
–	0.1	–	0.1	–	0.1
–	–	–	–	0.1	0.1
–	–	–	–	0.4	0.4
–	–	–	0.1	–	0.1
–	–	–	106.8	2.8	109.6
–	0.2	–	0.2	–	0.2
–	0.1	–	0.1	–	0.1
–	–	–	–	0.2	0.2

Royalties	Fees	Payments for infrastructure improvements	Total payments as defined by the UK Requirements	Other payments	Total payments to governments
2,617.1	43.0	11.7	9,938.3	424.3	10,362.7
114.7	12.2	10.8	3,241.7	36.2	3,277.9
–	–	–	2.3	0.9	3.2
112.3	–	–	3,080.3	25.8	3,106.1
2.4	1.4	–	18.3	0.3	18.7
–	2.4	–	96.2	4.9	101.1
–	8.3	10.8	18.0	4.3	22.3
–	–	–	26.5	–	26.5
2,502.5	30.0	0.9	6,877.8	356.7	7,234.5
498.9	1.3	–	874.0	80.7	954.7
160.3	5.6	–	301.3	45.5	346.8
164.9	2.7	0.1	163.9	19.4	183.3
–	–	–	(15.7)	29.9	14.3
1,658.7	15.5	0.8	5,599.2	148.0	5,747.2
19.8	4.9	–	(44.9)	33.1	(11.8)
–	0.8	–	(181.1)	31.4	(149.7)
–	–	–	30.6	0.1	30.7
–	–	–	(220.3)	30.3	(190.0)
–	0.8	–	8.6	1.0	9.6

4 Additional information

Tax and our FY2025 Financial Statements

Below are some commonly asked questions to assist with better understanding this Report and its link to our Financial Statements.

Tax expense

Why is the tax expense in your Financial Statements different to the amount of tax paid you disclose in this Report?

The numbers are different because they are calculated at different times for different purposes.

The income tax expense recorded in our Financial Statements reflects the impact on our financial position at the end of the financial year. It is designed to give shareholders an indication of the amount of tax the Group expects to pay for the activities undertaken during that financial year, so they can assess the impact tax may have on the financial position of the Group. For a number of reasons, this number does not represent the actual cash tax paid during that financial year. For example, cash tax paid during that financial year may include payments or refunds relating to activities for a prior financial year, but may exclude final payments or refunds that relate to activities for that financial year but which occur after the end of the financial year.

Additionally, the reporting of revenues or expenses in our Financial Statements may be different to their impact on taxable income reported in tax returns. For example, a piece of equipment may be depreciated for accounting purposes over a certain number of years, but be deductible for tax purposes over a different period (whether shorter or longer). These differences are commonly known as 'deferred tax'.

How do the numbers reported here reconcile to the accounting profit, tax expense and tax payable in your financial report?

The income tax and royalty-related income tax paid reported in this Report is included in the Consolidated Cash Flow Statement in Financial Statements 1.4 in our Annual Report 2025, presented as net income tax and royalty-related tax refunded of US\$448 million and net income tax and royalty-related tax paid of US\$7,721 million. These also reconcile to the tax expense, presented on an accrual basis, in Financial Statements note 6 'Income tax expense' and deferred tax expense arising from differences between accounting and tax treatments as shown in Financial Statements note 14 'Deferred tax balances' in our Annual Report 2025.

Set out in the table on the next page is a reconciliation of accounting profit to income tax expense and current tax payable for the year ended June 2025.

US\$M	Global	Australia	Chile	Rest of the world ¹
Profit before taxation	18,353	10,164	7,974	215
Tax on profit at Australian prima facie tax rate of 30 per cent	5,506	3,049	2,392	65
Derecognition of deferred tax asset and current year tax losses	1,036	15	42	979
Controlled foreign company taxation in Australia	171	171	–	–
Tax on remitted and unremitted foreign earnings	354	6	–	348
Tax effect of loss from equity accounted investments, related impairments and expenses	78	–	–	78
Foreign exchange adjustments	21	28	1	(8)
Amounts (over)/under provided in prior years	(57)	(26)	(21)	(10)
Recognition of previously unrecognised tax assets	(127)	(78)	–	(49)
Impact of tax rates applicable outside of Australia	(1,303)	–	(224)	(1,079)
Other	451	258	(14)	207
Income tax expense	6,130	3,423	2,176	531
Royalty-related taxation (net of income tax benefit)	1,080	–	1,080	–
Total taxation expense	7,210	3,423	3,256	531
Deferred tax expense				
– Depreciation	213	40	85	88
– Exploration expenditure	(2)	–	–	(2)
– Employee benefits	(78)	(58)	(9)	(11)
– Closure and rehabilitation	(96)	(78)	(18)	–
– Other provisions	2	(22)	15	9
– Deferred income	14	–	15	(1)
– Deferred charges	5	25	4	(24)
– Investments, including foreign tax credits	96	6	–	90
– Foreign exchange gains and losses	9	7	1	1
– Tax losses	(80)	15	37	(132)
– Lease liability	(19)	37	(49)	(7)
– Other	113	(22)	66	69
Total deferred tax expenses	177	(50)	147	80
Current income tax expense	7,033	3,473	3,109	451
Opening income tax and royalty related tax payable	610	45	478	87
Current income tax expense	7,033	3,473	3,109	451
Corporate income tax and royalty-related taxes paid and received in FY2025	(7,273)	(3,930)	(3,083)	(260)
Other	(12)	(15)	242	(239)
Closing income tax and royalty-related tax payable	358	(427)	746	39

1. Includes equity accounted investments and consolidation adjustments.

4 Additional information continued

Effective tax rate

What is your effective tax rate and how is it calculated?

The effective tax rate is the amount of tax expense attributable to a year as a proportion of profit before tax. We provide our adjusted effective tax rate, which is calculated as total income tax expense divided by accounting profit, excluding the influence of exchange rate movements and exceptional items.

The adjusted effective tax rate is a measure based on the Group's underlying earnings and therefore removes the impact of one-off transactions. For more information on the exceptional items excluded from the adjusted effective tax rate calculation refer to Financial Statements note 3 'Exceptional items' in our Annual Report 2025.

BHP's global adjusted effective tax rate is shown below.

	Global %
Adjusted effective tax rate	37.2
Adjusted effective tax rate including royalty expense	44.6

Why is your effective tax different from the corporate tax rate?

The tax rate (from which the effective tax rate is derived) is different in each country where we operate. That tax rate applies to the taxable profits derived in that country and any deductions, allowances, incentives or other adjustments unique to that country. As a result, our global effective tax rate will not be the same as the corporate tax rate in any particular country.

What is your effective tax rate, calculated in accordance with the requirements of the Australian Voluntary Tax Transparency Code?

The Tax Transparency Code (TTC) effective tax rate is calculated as the adjusted effective tax rate, excluding the impact of royalty-related taxes in Chile.

	Global %	Australia %
TTC effective tax rate	31.7	33.0

What is your effective tax rate as disclosed in the Annual Report?

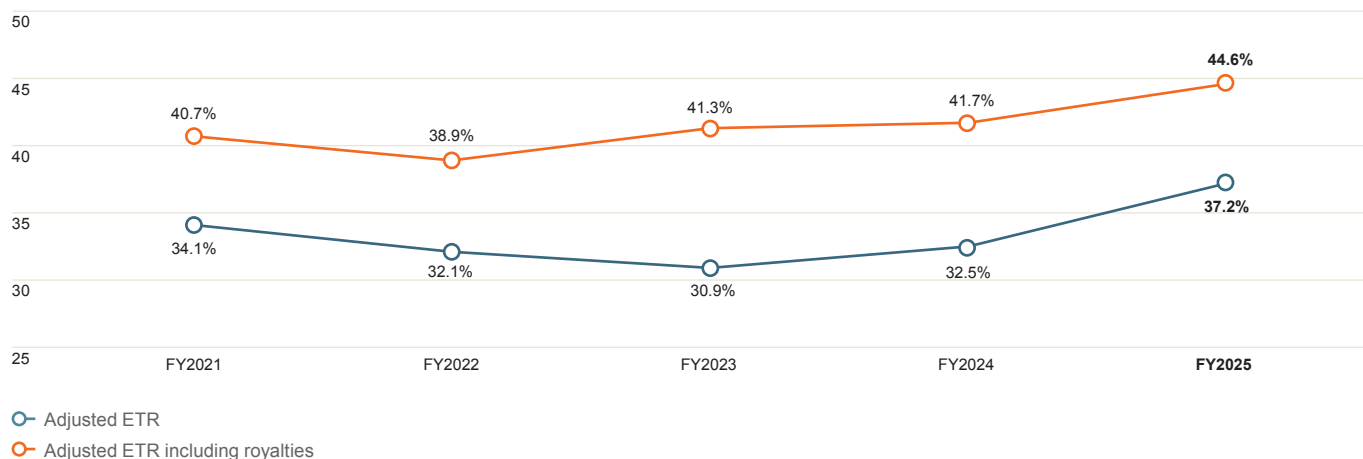
We report our adjusted effective tax rate in our Annual Report, which excludes the impact of exchange rate movements and exceptional items. We believe this gives a clearer view of our ongoing contribution and how it changes over time.

Our global adjusted effective tax rate in FY2025 was 37.2 per cent. It is reconciled to the statutory effective tax rate shown below.

	Profit before tax US\$M	Income tax expense US\$M	%
Statutory effective tax rate	18,353	(7,210)	39.3
Adjusted for:			
Exchange rate movements	—	21	
Exceptional items ¹	1,234	(96)	
Adjusted effective tax rate	19,587	(7,285)	37.2

1. Refer to Financial Statements note 3 'Exceptional items' in our Annual Report 2025.

Our effective tax rate over the past five years



Basis of Report preparation

The Report is prepared from data recorded in our financial systems, being the same data and financial systems used to prepare our Financial Statements. In preparing the Report, we have followed the draft guidance material produced by the Australian Accounting Standards Board.

The 'Total payments as defined by the UK Requirements' included on pages 20 to 25 have been prepared in accordance with the requirements of DTR 4.3A of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules and, where required by DTR 4.3A, the UK Regulations (the 'UK Requirements'). There were no dividend payments, taxes levied on production, production entitlements or signature, discovery and production bonuses paid to governments in the year ended 30 June 2025 for the purposes of the UK Requirements.

Taxes, royalties and other payments to governments are presented in this Report on a cash paid and cash received basis for the year ended 30 June 2025.

For our controlled assets, amounts included in our total payments to governments are 100 per cent of the assets' payments to governments.

For our non-operated and operated joint ventures, amounts included in our payments to governments are 100 per cent of the amounts paid by BHP and, in the case of BMA, 50 per cent of payments made by the operating entity for BMA in which BHP has a 50 per cent ownership.

For our investments in joint ventures and associates that are equity accounted by BHP, no amounts have been included in our total payments to governments as BHP is not the operator and does not make payments on behalf of the asset. For information purposes, the BHP share of the payments made by our significant equity accounted investments have been shown on page 5 even though no amounts have been included in our total payments to governments.

Where an acquisition is completed in the year, or a company is newly consolidated in the year, the numbers relating to that business are included from the date of acquisition. Where a disposal has been completed in the year, the numbers relating to that disposal have been included up to the point of disposal.

Taxes, royalties and other payments to governments, net of refunds, are collectively referred to in this Report as 'total payments to governments' and include the following payment categories:

Corporate income taxes

Payments to governments based on taxable profits under legislated income tax rules. This also includes payments made to revenue authorities in respect of disputed claims and withholding taxes.

For the purposes of allocating corporate income taxes to particular countries in the Payments made by country and level of government section of this Report, withholding taxes are allocated to the country to which the withholding taxes are remitted. For example, Chilean withholding taxes paid to the Chilean Government are allocated to Chile.

Royalty-related income taxes

Payments to governments in relation to profits from the extraction of natural resources, including specific tax on mining activities in Chile. This also includes payments to revenue authorities in respect of disputed claims. Royalty-related income taxes are included within total tax expense in the Consolidated Income Statement in Financial Statements 1.1 in our Annual Report 2025.

Royalties

Payments to governments in relation to revenue or production generated under licence agreements. This also includes payments to revenue authorities in respect of disputed claims. Royalties are presented as expenses, not income tax, in the Consolidated Income Statement in Financial Statements 1.1 in our Annual Report 2025. Royalty-related income taxes are excluded from royalties.

Fees

Payments to governments in the form of fees typically levied on the initial or ongoing right to use a geographical area for exploration, development and/or production. This includes licence fees, rental fees, entry fees and other payments for licences and/or concessions.

Payments for infrastructure improvements

Payments to governments for the construction of public infrastructure, such as roads, bridges and port facilities.

Other payments

Payments to governments under other legislated tax rules, such as payroll tax, fringe benefits tax, excise duties, property tax, land tax and other payments related to government environmental policy. These payments are not required to be disclosed by the UK Requirements.

Excluded amounts

The following are not included in total payments to governments:

Taxes collected

Tax payments made to governments on behalf of our employees.

Indirect taxes

Tax payments made to or received from governments in the nature of sales tax, value added tax and goods and services tax.

Penalties and interest

Payments to governments resulting from the imposition of penalties, fees or interest.

Other

Certain payments, whether made as a single payment or as a series of related payments below thresholds set out under DTR 4.3A, UK Regulations, ESTMA and Section 13(q) of the Exchange Act.

Projects

Payments made by project (refer to Payments made by project section of this Report) represent payments by an entity when not specifically attributable to a project.

Payments in relation to our Corporate and Commercial functions have been included in the total payments to governments as defined by the UK Requirements. The payments are not attributable to specific projects and reflect functional support for the Group that, in FY2025, consisted entirely of projects that undertook relevant activities as defined by the UK Requirements.

The Payments made by project section presents corporate income tax amounts for each project/entity taking into account the effects of tax consolidation in Australia. These include:

- losses from one entity can be offset against taxable income of another entity within the same tax consolidated group
- only the head entity of a tax consolidated group is liable to make corporate income tax payments to the ATO
- typically, corporate tax groups allocate the aggregate corporate income tax payments made by the head entity to the ATO among entities within the Australian tax consolidated group

Reporting currency

All payments to governments on pages 20 to 25 have been reported in US dollars. Payments denominated in currencies other than US dollars are translated for this Report at the exchange rate at the date of the payment unless stated otherwise.

4 Additional information continued

Glossary

Adjusted effective tax rate

Total tax expense excluding exceptional items and exchange rate movements included in tax expense divided by profit before tax and exceptional items.

Adjusted effective tax and royalty rate

Total tax expense excluding exceptional items and exchange rate movements included in tax expense plus royalty expense divided by profit before tax, royalties and exceptional items.

Current tax expense

The amount of corporate income tax and royalty-related income tax currently payable and attributable to the year, measured at rates enacted or substantively enacted at year-end, together with any adjustment to those taxes payable in respect of previous years.

Deferred tax expense

The amount of corporate income tax and royalty-related income tax attributable to the current year but payable in future years provided using the balance sheet liability method.

Employees and contractors

Employee data is based on a 'point-in-time' snapshot of employees as at 30 June 2025, including employees on extended absence.

Contractor data is collected from internal organisation systems and averaged for a 10-month period from July 2024 to April 2025.

Global Reporting Initiative Standards

The Global Reporting Initiative (GRI) Standards represent global best practice for reporting publicly on a range of economic, environmental and social impacts. Sustainability reporting based on the Standards provides information about an organisation's positive or negative contributions to sustainable development.

Government

Any national, regional or local authority of a country (includes a department, agency or undertaking that is a subsidiary undertaking where the authority is the parent undertaking).

Income tax expense

The total of current tax expense and deferred tax expense.

Payments to shareholders and investors

Geographical distribution of dividends is based on the registered address of shareholders.

Profit before tax

Profit before tax when presented by country is adjusted for intercompany dividends.

Project

Consistent with the UK Regulations, a project is defined as the operational activities that are governed by a single contract, licence, lease, concession or similar legal agreements and form the basis for payment liabilities with a government. If multiple such agreements are 'substantially interconnected' they may be considered a project. For these purposes 'substantially interconnected' means forming a set of operationally and geographically integrated contracts, licences, leases or concessions or related agreements with substantially similar terms that are signed with a government, giving rise to payment liabilities.

Social investment

Our voluntary contribution towards projects or donations with the primary purpose of contributing to the resilience of the communities where we operate and the environment, aligned with our broader business priorities.

Suppliers

Payments made to suppliers for certain operating and capital expenditure. Operating expenses relate to the purchases of utilities, goods and services, whereas capital expenditure includes the purchases of property, plant and equipment and expenditure on exploration and evaluation activities.

Sustainability (including sustainable and sustainably)

We describe our approach to sustainability and its governance in the BHP Annual Report 2025, including Operating and Financial Review 9. Our references to sustainability (including sustainable and sustainably) in this Report and our other disclosures do not mean we will not have any adverse impact on the economy, the environment or society, and do not imply we will necessarily give primacy to consideration of, or achieve any absolute outcome in relation to, any one economic, environmental or social issue (such as zero greenhouse gas emissions or other environmental effects).

UK Regulations

The Reports on Payments to Governments Regulations 2014, as amended.

UK Requirements

The UK regulatory obligations under DTR 4.3A of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules and, where required by DTR 4.3A, the UK Regulations.

Independent Auditor's Report to the Directors of BHP Group Limited



Opinion

We have audited the Total payments to governments of \$10,363 million ('Total payments to governments') of BHP Group Limited and its subsidiaries (collectively, the BHP Group) for the year ended 30 June 2025.

In our opinion, the Total payments to governments of \$10,363 million in the 'Our payments to governments' section of BHP Group's Economic Contribution Report 2025 ('the Report') for the year ended 30 June 2025 is prepared, in all material respects, in accordance with the basis of report preparation set out in the 'Basis of Report preparation' section of the Report ('the Basis of Report preparation').

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Total payments to governments* section of our report. We are independent of BHP Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit in Australia of the Total payments to governments, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Basis of report preparation and restriction on reliance

We draw attention to the basis of report preparation contained in the 'Basis of Report preparation' section of the Report which describes the basis of accounting. As a result, the Report may not be suitable for another purpose.

This audit report has been prepared solely for the directors of BHP Group (the 'Recipients') in accordance with our engagement agreement with BHP Group.

A party other than the Recipients accessing this report does so at their own risk and Ernst & Young expressly disclaims all liability to a party other than the Recipients for any costs, loss, damage, injury or other consequence which may arise directly or indirectly from their use of, or reliance on the report. Our opinion is not modified in respect of this matter.

Other information

Other information is financial and non-financial information in the Report which is provided in addition to the Total payments to governments and this auditor's report. BHP Group is responsible for the other information.

Our opinion on the Total payments to governments does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Total payments to governments, our responsibility is to read the Other information. In doing so, we consider whether the other information is materially inconsistent with the Total payments to governments or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this other information, and based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we have nothing to report.

Responsibilities of management for the Total payments to governments

BHP Group's management is responsible for the preparation of the Report and for establishing a framework under which the Total payments to governments and other information in the Report has been prepared. Management has determined that this framework as set out in the Basis of Report preparation is appropriate to the needs of the users of the Report. Management is also responsible for such internal controls as Management determines are necessary to enable the preparation of the Report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the Total payments to governments

Our objectives are to obtain reasonable assurance about whether the Total payments to governments is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Total payments to governments, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of BHP Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

We communicate with the directors, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young
Melbourne

19 August 2025

Corporate directory

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Holders of shares dematerialised into Strate
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How to access information on BHP

You will be able to access and read our
Economic Contribution Report on our website
at bhp.com/ECR2025, along with a range
of other publications that BHP produces.



BHP's Annual
Reporting Suite 2025

2025 Annual Reporting Suite



Annual Report
2025



Economic
Contribution Report
2025



Modern Slavery
Statement 2025



ESG Standards
and Databook 2025

BHP