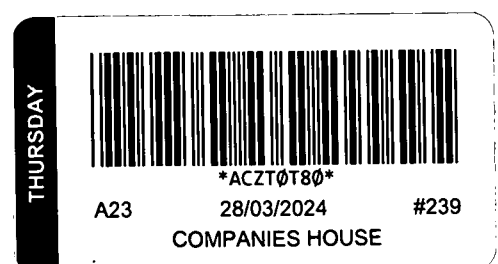


Registered number: 03298904

BHP BILLITON GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023



BHP BILLITON GROUP LIMITED

COMPANY INFORMATION

DIRECTORS

S F Cox
T M Stanley

REGISTERED NUMBER

03298904

REGISTERED OFFICE

Nova South
160 Victoria Street
London
England
SW1E 5LB
United Kingdom

BHP BILLITON GROUP LIMITED

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BHP BILLITON GROUP LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2023

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activity of the Company is the holding of investments, which includes responsibility for the subsidiary companies of BHP Group Limited. The Company carries out these activities through an intra-group service contract with a number of BHP Group companies.

PRINCIPAL RISKS AND UNCERTAINTIES

The following are the material risks and uncertainties that could affect the Company:

- The principal risk for the Company relates to value of its investments from changes in operations and also foreign exchange risk.
- The Company's ultimate holding company is BHP Group Limited and the principal risks and uncertainties of the BHP Group are given in the BHP Group 2023 Annual Report and Accounts.

SECTION 172 STATEMENT

The Companies Act 2006 (CA2006) sets out a number of general duties, which Directors owe to the Company. This statement describes how the Directors have discharged their duty to promote the success of the Company, while having regard to the factors set out in Section 172(1)(a) to (f) of the CA2006 (S172). Consideration of both the long term success of the Company and these factors, together with other relevant matters, is incorporated into the Company's decision-making throughout the year.

The principal activity of the Company is to hold investments. As such the Company's activities and interactions are generally within the confines of the BHP group. The Company's activities include passing through the dividends from its subsidiaries to the Company's parent company, writing down investments in subsidiaries and disposing of investments in subsidiaries.

As an intermediate company in the BHP group, the Company has no employees, third party suppliers or customers and so the Directors consider the Company's main stakeholders to be internal stakeholders in the BHP group. The Company engages with these stakeholders primarily through regular internal meetings, intra-group management activities and ongoing dialogue within the BHP group. Where the Directors do not engage directly with the Company's stakeholders, they are kept updated on stakeholder views. This enables the Directors to maintain an effective understanding of stakeholder issues in the context of their decision making and implementation of the BHP group's strategy and purpose, which will have an impact on the long-term success of the Company.

When considering the Company's activities, the Directors give due regard to relevant stakeholder interests, in particular the Company's internal stakeholders, benefitting from the BHP group's stakeholder engagement activities. In addition, the board considers the likely consequences of decisions in the long term, the impact of operations on the community and the environment and the importance of maintaining a reputation for high standards of business conduct.

The Company is a member of the BHP group and as a result the Directors have due regard to certain policies, frameworks and internal controls of the BHP group in relation to governance and other matters. This includes acting in accordance with BHP's Charter Values and BHP's Code of Conduct, which are designed to ensure that the Company and other members of the BHP group maintain high standards of business conduct and have due regard to stakeholder interests. Further details on these matters can be found in BHP Group Limited's annual report, which does not form part of this report.

BHP BILLITON GROUP LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2023 (Continued)

KEY PERFORMANCE INDICATORS

Due to the nature of the Company, in our opinion there are no key performance indicators whose disclosure is necessary for an understanding of the performance or position of the business.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT – CLIMATE-RELATED FINANCIAL DISCLOSURES

The Company is an indirect subsidiary of BHP Group Limited ("BHP") and forms part of the group of companies ultimately headed by BHP (the "Group"). The Company is an intermediate holding company within the Group and as such its climate-related risks and opportunities are intrinsically linked to those of the Group. Climate change is a material governance and strategic issue for the Group. BHP's annual report 2023 (the "BHP Annual Report 2023") describes the Group's position on climate change and is publicly available on the BHP website at

https://www.bhp.com/-/media/documents/investors/annual-reports/2023/230822_bhpannualreport2023.pdf
(which does not form part of this report).

Governance arrangements in relation to assessing and managing climate-related risks and opportunities

As the Company is an intermediate holding company within the Group, the Directors leverage Group-wide functions and activities in relation to assessing and managing the climate-related risks and opportunities affecting the Company. The Group's governance processes for assessing and managing climate-related risks and opportunities are summarised as follows:

The BHP Board approves significant social, community and sustainability policies, including those related to climate change, and public sustainability goals and targets and oversees performance against the Group's goals and targets and strategies. The BHP Board met 15 times during the year ended 30 June 2023 with climate-related issues regularly on the agenda, including in relation to reviewing and approving public sustainability disclosures (including in relation to progress against climate change targets and goals), assessing corporate strategy options and approving certain investment requests.

The BHP Board is supported on a variety of climate-related issues by its committees:

- The Risk and Audit Committee assists the BHP Board in overseeing and reviewing emerging and priority group risks, including climate-related risks, risk management, and internal controls.
- The Sustainability Committee assists the BHP Board with overseeing climate performance including with respect to risk management, monitoring implementation of the Group's strategy, policies, targets and goals and process in relation to climate matters, reviewing the frameworks for identification, management and reporting of climate risks.
- From 1 July 2023, the Nomination and Governance Committee reviews and makes recommendations to the BHP Board on the Group's significant social, community and sustainability policies, including those related to climate change. The Committee also reviews and makes recommendations to the BHP Board on the Group's public sustainability-related goals and targets.
- The People and Remuneration Committee assesses performance measures and outcomes against those measures. In doing so, the Committee considers recommendations from the Sustainability Committee in relation to matters including climate change.

BHP BILLITON GROUP LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2023 (Continued)

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT – CLIMATE-RELATED FINANCIAL DISCLOSURES (Continued)

Governance arrangements in relation to assessing and managing climate-related risks and opportunities (Continued)

Report outs from each of these committees are provided at BHP Board meetings to update the BHP Board on the key issues discussed, including, where applicable, climate-related issues.

The BHP CEO and Executive Leadership Team ("ELT") are responsible for implementation of climate change strategy and policies and achievement of climate change targets and goals by the Group. The ELT is supported in monitoring climate-related risks and issues through monthly progress and performance reporting of operational greenhouse gas ("GHG") emissions, decarbonisation activities and adaptation activities, as well as periodic reporting on climate-related risk, provided by the Group's asset and functions teams.

The Directors of the Company leverage these Group-wide processes as necessary in the context of their oversight of identification, assessment and management of the climate-related risks and opportunities of, or affecting, the Company.

Identification, assessment and management of climate-related risks and opportunities

Identification, assessment and management of climate-related risks, including for the Company, is primarily undertaken at Group level and is integrated with the Group's broader risk framework.

BHP applies a single, Group-wide approach, known as the Risk Framework, to the identification, assessment and management of risks, including climate-related risks. Risks are defined to include both threats and opportunities. The Risk Framework provides a common foundation for the management of climate-related risks together with all other risks and supports the integration of processes for identifying, assessing and managing climate-related risks into BHP's approach to decision-making and strategy formation. This enables the relative significance of climate-related risks to be considered and addressed in the context of BHP's overall risk profile.

Threats are assessed to determine their potential impacts and likelihood. To do this, a range of aspects are considered (including environment, ecosystems, community, company reputation, investment attractiveness and ability to access opportunities) using a standard severity table that measures the maximum foreseeable loss, linked to BHP's mandatory minimum performance requirements for risk management. These requirements also set a process to determine the maximum foreseeable gain for an opportunity.

Controls designed to prevent, minimise or mitigate threats and enable or enhance opportunities are then implemented. Risks and controls are assessed at least annually and are also assessed on an ad hoc basis as needed, to evaluate performance and determine if remediation is required.

BHP BILLITON GROUP LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2023 (Continued)

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT – CLIMATE-RELATED FINANCIAL DISCLOSURES (Continued)

Principal climate-related risks, opportunities and impacts

From the Company's perspective, the climate-related risks and opportunities affecting the Company are considered to be those that affect the Group. BHP recognises that the transition to a low-carbon economy and physical climate-related impacts, together with their potential significant financial, social and environmental effects, are risk factors for the Group.

In setting and monitoring delivery of the Group's strategy, the BHP Board and ELT consider climate-related risks (threats and opportunities), both physical and transition, across the following time horizons:

- short-term (up to two years), aligning with the Group's two-year budget process;
- medium-term (two to five years), defining supportive actions and initiatives that sit outside of the two-year budget process in order to support the Group's long-term strategy; and
- long-term (five to 30 years), given that the Group's supply, demand and pricing forecasts and scenarios for portfolio analysis extend to 2050 and in some cases beyond.

Physical risks

BHP's operations are exposed to physical climate-related risks and these risks may be exacerbated by climate change. Through implementation of BHP's adaptation strategy, the Group further evaluates and progressively seeks to quantify its operational physical climate-related risks and ultimately embed management of these risks deeper into business processes, including capital allocation.

The Group's approach considers the inherent uncertainty in climate scenario projections, including by seeking to establish a knowledge base, using a globally consistent climate dataset and undertaking asset-level risk evaluations to identify the range of potential climate hazards projected by different models under different climate scenarios. The Group uses Shared Socioeconomic Pathways ("SSP") scenarios used by the International Panel on Climate Change, incorporating an ensemble of latest generation (CMIP6) climate models in order to explore the potential changes to climate-related hazards that drive physical risks. This includes in a high GHG emission future (SSP5-8.5) with around a 4.4°C increase in global average temperature above pre-industrial levels by the end of the century, where greater risk would be expected, and a medium GHG emission future (SSP2-4.5), representing an increase of around 2.7°C above pre-industrial levels.

Hazards related to physical climate-related risks identified as having the highest potential impact (as assessed through the BHP Risk Framework, and which the Group started to evaluate further during the year ended 30 June 2023) include extreme high temperature, extreme precipitation, flood, tropical cyclones, sea level rise and storm surge, which could have impacts including the following:

- flooding of mine and/or key production infrastructure due to extreme precipitation;
- disruption and/or damage to port and coastal infrastructure and operations due to higher sea levels, cyclones, storm surge and changes in marine ecosystems;
- disruption and/or damage to electrical infrastructure due to extreme temperatures; and
- disruption and/or damage to water supply infrastructure due to extreme precipitation or flooding.

BHP BILLITON GROUP LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2023 (Continued)

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT – CLIMATE-RELATED FINANCIAL DISCLOSURES (Continued)

Physical risks (Continued)

As part of the asset-level impact evaluation work progressed during the year ended 30 June 2023, the Group developed risk transmission channels to seek to understand the direct and indirect potential impacts of an extreme climate hazard occurring and how these could translate into financial impacts.

The Group has also conducted an assessment to understand how physical climate-related risks may exacerbate selected existing risks within its value chain, such as for the delivery and storage of critical production inputs and supplies and ability to get products to market. This assessment suggested the aggregated changes in risk profile compared to the current climate baseline were either modest or not significant. The results of these assessments are being incorporated into routine annual risk evaluations, which will assess if additional risk controls are needed.

Transition risks

BHP is also exposed to a range of transition risks that could affect the execution of its strategy or operational efficiency, asset values and growth options, resulting in a material adverse impact on financial performance, share price or reputation, including increased potential for litigation. Examples of potential threats include:

- Introduction or improvement of low-carbon technologies or changes in customer preference for products that support the transition to a low-carbon economy may decrease demand for some of the Group's products (which may be abrupt or unanticipated), increase costs or decrease the availability of key inputs to production.
- Adverse macroeconomic changes, such as a decline in global economic activity, could be exacerbated by the transition to a low-carbon economy and reduce anticipated demand for the Group's future-facing commodities, such as copper and nickel.
- Changes in laws, regulations, policies, obligations, government actions and the Group's ability to anticipate and respond to such changes, including GHG emission targets, restrictive licensing, carbon taxes, carbon offsetting regulations, border adjustments or the addition or removal of subsidies, may give rise to adverse regulatory, legal or market responses.

The Group seeks to mitigate its exposure to risks arising from policy and regulation in its operating jurisdictions and markets by reducing operational GHG emissions and taking a product stewardship approach to GHG emissions in its value chain. Operational decarbonisation is embedded in the Group's annual investment and prioritisation processes. All investment decisions consider the quantity of GHG emissions associated with the project, the cost per tonne of CO₂-e associated with the project and the alignment with the Group pathways to a net zero trajectory.

BHP BILLITON GROUP LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2023 (Continued)

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT – CLIMATE-RELATED FINANCIAL DISCLOSURES (Continued)

Transition risks (Continued)

The transition to a low-carbon economy may also present opportunities for BHP's diverse portfolio and through decarbonisation of its business. Examples of potential opportunities include:

- Copper, nickel, iron ore, metallurgical coal and uranium provide essential building blocks for existing and new renewable and alternative power generation and electric vehicles and can play an important part in the transition to a low-carbon economy.
- Potash fertiliser can promote more efficient and profitable agriculture and help alleviate the increased competition for arable land, including due to implementation of nature-based solutions to help address climate change and global population growth.
- Increased collaboration with customers, suppliers and original equipment manufacturers to explore technologies to reduce GHG emissions across the steel value chain can provide opportunities for the development of new products and markets.

Resilience of the Company's business model and strategy

Given that the Company is an intermediate holding company within the Group, the resilience of its business model and strategy depends on the resilience of its subsidiaries and the wider Group.

In 2020, the Group developed a 1.5°C scenario for the purpose of analysing the resilience of its portfolio to accelerated global action on climate change. This scenario envisages steep global annual GHG emission reduction, sustained for decades, to stay within a 1.5°C carbon budget. More information about the scenario's assumptions, outputs, and limitations is available in the BHP Climate Change Report 2020, available at bhp.com/climate (which does not form part of this report). BHP considers a range of inputs, including its 1.5°C scenario, when testing the resilience of the Group's portfolio, forming strategy and making investment decisions.

In the year ended 30 June 2023, the Group's One Energy View, being the Group's current estimates of the most likely future states for the global economy and associated sub-systems, was updated to reflect three different pathways under which most developed economies would reach net zero around 2050, with other large economies reaching net zero in 2060 and 2070. While the global gross domestic product assumptions and the pace and drivers of decarbonisation vary across the pathways, each pathway results in a global average temperature increase of around 2°C by 2100.

The Group uses the One Energy View pathways as inputs to the Group's operational planning cases (which help to inform operational planning, price outlooks and strategy formation) as they reflect the Group's current best estimates of the most likely range of future states for the global economy and associated sub-systems. These pathways inform updates to the Group's commodity supply and demand outlooks and are used, in conjunction with other market sources of information, to determine the Group's short and long-term price outlooks. Other sources of information include commodity price forward curves, consensus price outlooks and commodity specific price outlooks sourced from industry analysts.

Given the complexity and inherent uncertainty of climate modelling, these pathways are reviewed periodically to reflect new information, with a process in place to assess the need to update internal long-term price outlooks for developments in the periods between pathway updates.

BHP BILLITON GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2023 (Continued)

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT – CLIMATE-RELATED FINANCIAL DISCLOSURES (Continued)

Resilience of the Company's business model and strategy (Continued)

The Group seeks to maximise its exposure to products with significant opportunity under all pathways and scenarios and to minimise the risk that capital may be stranded in a rapidly decarbonising world. BHP's assessment in 2020 indicated that the portfolio the Group held at that time would be resilient and have potentially higher financial value overall under BHP's 1.5°C scenario when compared to the Group's then-current central planning cases that were associated with higher implied global average temperature outcomes. Since that assessment, BHP has continued to consider its 1.5°C scenario in its decision-making and strategy formation. BHP has since made changes to the Group's portfolio, including the divestment of the Petroleum business, all but one energy coal asset (at which the intention is to cease mining by 30 June 2030) and its interest in lower-grade metallurgical coal assets, all of which would be expected to increase the resilience of the portfolio as a whole under BHP's 1.5°C scenario.

Targets and key performance indicators (KPIs)

The Directors reasonably believe that, having regard to the nature of the business of the Company and the manner in which it is carried on, a description of the targets used by the Company to manage climate-related risks and to realise climate-related opportunities affecting the Company and a description of the KPIs used to assess progress against those targets is not necessary for an understanding of the business. These disclosures have therefore been omitted on the basis that the Company does not have its own specific targets associated with managing climate-related risks or realising climate-related opportunities. For the wider Group, one of the key climate-related targets is to reduce operational GHG emissions by at least 30 per cent from 30 June 2020 levels by 30 June 2030. Further information on Group-wide targets, goals and key performance indicators can be found in the BHP Annual Report 2023 (which does not form part of this report).

This report was approved by the board on 27 March 2024 and signed on its behalf.



.....
S F Cox
Director

BHP BILLITON GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2023

The Directors present their annual report and the audited financial statements for the year ended 30 June 2023.

PRINCIPAL ACTIVITIES

The principal activity of the Company is the holding of investments, which includes responsibility for the subsidiary companies of BHP Group Limited. The Company carries out these activities through an intra-group service contract with a number of BHP Group companies.

RESULTS AND DIVIDENDS

The loss for the financial year, after taxation, amounted to US\$810,111,000 (2022: US\$911,085,000). The Company declared and paid dividends to the holders of ordinary shares of US\$Nil (2022: US\$617,066,000).

DIRECTORS

The Directors who served during the year and up to the date of this report, unless otherwise stated, were:

S F Cox

T M Stanley (appointed 23 November 2023)

G P Stapledon (resigned 30 November 2022)

P Kakkad (resigned 20 September 2023)

These Directors are entitled to indemnities under the Directors and Officers Liability Insurance of BHP Group Limited that was in place during the year and at the date of this report.

None of the Directors, or their immediate family, had any beneficial interest in the shares of the Company during the year.

FUTURE DEVELOPMENTS

The nature of the Company's business will remain the same for the foreseeable future.

INDEPENDENT AUDITORS

The auditors, Ernst & Young LLP have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting under Section 487(2) of the Companies Act 2006.

DISCLOSURE OF INFORMATION TO AUDITOR

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

POLITICAL CONTRIBUTIONS

The Company made no political donations or incurred any political expenditure during the year.

HOLDING COMPANY

The Company's immediate holding company is BHP Group (UK) Ltd, a company incorporated in the United Kingdom. The Company's ultimate holding company is BHP Group Limited incorporated in Australia.

BHP BILLITON GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2023 (Continued)

MATTERS INCLUDED IN THE STRATEGIC REPORT

Under Section 414 of the Companies Act 2006 all matters not disclosed in the Directors' Report have been included in the Strategic Report.

IMPACT OF THE GLOBAL CONFLICTS AND OTHER MACROECONOMICS EVENTS

The impact of the war in Ukraine which commenced on 26 February 2022 and the conflict in Israel and Gaza which commenced on 7 October 2023 has been discussed within the principal risk and uncertainties section of the Strategic Report on page 1. We note that there has been no impact on the Company.

GOING CONCERN

These financial statements have been prepared on the going concern basis which the Directors believe to be appropriate despite the Company's net current liabilities and net liabilities position. The Directors of the Company have concluded that the Company remains a going concern as the ultimate holding company, BHP Group Limited (the Group), has confirmed that it will provide the Company with additional financial support to enable it to realise its assets and settle its liabilities in the ordinary course of business for 12 months from the date of approval of these Financial Statements to 27 March 2025 being the going concern period.

The Directors have assessed the ability of the Group to provide financial support to the Company. In doing so, they noted that as of 31 December 2023, the Group had access to US\$10.3 billion of cash and cash equivalent and to an available revolving credit facility of US\$5.5 billion that expires in October 2026. In addition, the Group only had US\$2.8 billion of short-term debt at 31 December 2023.

On this basis, the Directors are satisfied that the Group is able to provide financial support to the Company, and the financial statements should be prepared on a going concern basis.

STREAMLINED ENERGY & CARBON REPORTING (SECR)

The Company has undertaken an assessment of the energy consumption across the business and following this review identified that the Company, as an intermediate holding company, falls below the threshold limit of 40MWh of energy consumption within the reporting period at which Streamlined Energy & Carbon Reporting is required.

SUBSEQUENT EVENTS

Subsequent to 30 June 2023, the Company issued 300,000,000 ordinary shares for consideration of approximately U\$150,000,000 based on nominal value of US\$0.50 per share. The capital injection into the Company is to fund additional equity shares subscription in BHP Billiton (UK) Limited.

This report was approved by the board on 27 March 2024 and signed on its behalf.



.....
S F Cox
Director

Date: 27 March 2024

BHP BILLITON GROUP LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

Under company law the Directors must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

BHP BILLITON GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BHP BILLITON GROUP LIMITED

Opinion

We have audited the financial statements of BHP Billiton Group Limited for the year ended 30 June 2023 which comprise the Statement of Profit and Loss and Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, and the related notes 1 to 17, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 30 June 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period to 27 March 2025.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

BHP BILLITON GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BHP BILLITON GROUP LIMITED (continued)

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 10, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BHP BILLITON GROUP LIMITED
(continued)**

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 ISAs (UK) 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 these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice)), Companies Act 2006, Bribery Act 2010 and relevant tax compliance regulations in the jurisdiction in which the company operates, including the United Kingdom.
- We understood how BHP Billiton Group Limited is complying with those frameworks by making enquiries of management and observing the oversight of those charged with governance. We corroborated our enquiries through the review of the following documentation:
 - all minutes of board meetings held during the year; and
 - any relevant correspondence with local tax authorities.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the controls that the company established to address risks identified by the entity or that otherwise seek to prevent, deter or detect fraud. We gained an understanding of the entity level controls and policies that the company applies being part of the BHP Group.

Dividend income

- In doing so, we focused on the dividend income recognition risk associated with ensuring existence, accuracy and completeness of dividends income with other BHP group companies, ensuring that management had appropriate controls in place to manage this risk and that we designed and executed additional audit procedures to address this risk.

Impairment

- We also focused on the risks of level 3 impairment assessment by ensuring that management had appropriate controls in place to manage the impairment assessment process and that we designed and executed additional audit procedures to address this risk.

BHP BILLITON GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BHP BILLITON GROUP LIMITED (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

Our approach was as follows (continued):

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved testing of journal entries, with a focus on journals indicating large or unusual transactions or meeting our defined risk criteria based on our understanding of the business and enquiries of management and of legal counsel.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's member, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Jacqueline Geary (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London, UK

Date 27 March 2024

BHP BILLITON GROUP LIMITED

**STATEMENT OF PROFIT AND LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$000	2022 \$000
Operating expenses		(780,223)	(2,772,576)
Income from shares in Group companies		344,284	1,897,066
Operating loss	3	(435,939)	(875,510)
Interest receivable and other income	6	5,944	4,103
Interest payable and other charges	7	(475,701)	(52,556)
Loss before taxation		(905,696)	(923,963)
Taxation	8	95,585	12,878
Loss for the financial year		(810,111)	(911,085)
Total comprehensive loss for the year		(810,111)	(911,085)

All activity arose from continuing operations.

The notes on pages 18 to 32 form part of these financial statements.

BHP BILLITON GROUP LIMITED**BALANCE SHEET
AS AT 30 JUNE 2023**

Registered number: 03298904

	Note	2023 \$000	2022 \$000
Fixed assets			
Investments	10	11,922,633	12,702,224
		<u>11,922,633</u>	<u>12,702,224</u>
Current assets			
Debtors: Amounts falling due within one year	11	183,089	90,393
Current liabilities			
Creditors: Amounts falling due within one year	12	(12,813,658)	(12,690,442)
Net Current liabilities		<u>(12,630,569)</u>	<u>(12,600,049)</u>
Net (Liabilities)/assets		<u>(707,936)</u>	<u>102,175</u>
Capital and reserves			
Called up share capital	14	107,002	107,002
Share premium	14	75	75
Profit and loss account		(815,013)	(4,902)
		<u>(707,936)</u>	<u>102,175</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 March 2024.



.....
S F Cox
Director

The notes on pages 18 to 32 form part of these financial statements.

BHP BILLITON GROUP LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	Share Capital \$000	Share Premium \$000	Retained Earnings \$000	Total Equity \$000
At 1 July 2022	107,002	75	(4,902)	102,175
Comprehensive loss for the year				
Loss for the financial year	-	-	(810,111)	(810,111)
Total comprehensive loss for the year	-	-	(810,111)	(810,111)
At 30 June 2023	<u>107,002</u>	<u>75</u>	<u>(815,013)</u>	<u>(707,936)</u>

	Share Capital \$000	Share Premium \$000	Retained Earnings \$000	Total Equity \$000
At 1 July 2021	107,002	75	1,523,249	1,630,326
Comprehensive loss for the year				
Loss for the financial year	-	-	(911,085)	(911,085)
Total comprehensive loss for the year	-	-	(911,085)	(911,085)
Distributions to owners				
Equity dividends paid (Note 13)	-	-	(617,066)	(617,066)
Total distributions to owners	-	-	(617,066)	(617,066)
At 30 June 2022	<u>107,002</u>	<u>75</u>	<u>(4,902)</u>	<u>102,175</u>

The notes on pages 18 to 32 form part of these financial statements.

BHP BILLITON GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

1. ACCOUNTING POLICIES

1.1 GENERAL INFORMATION

BHP Billiton Group Limited (the "Company") is a private company limited by shares incorporated, domiciled and registered in England in the UK. The registered number is 03298904 and the registered address is Nova South, 160 Victoria Street, London, England, SW1E 5LB, United Kingdom. The Company is exempted by virtue of s401 of the Companies Act 2006 from the requirement to prepare Group financial statements. These financial statements present information about the Company as an individual undertaking and not about its Group.

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework', which involves the application of International Financial Reporting Standards ("IFRSs") with a reduced level of disclosure, and the Companies Act 2006. The Company has set out below where advantage of the FRS 101 disclosure exemptions have been taken.

The Company's financial statements are presented in US Dollars and all values are rounded to the nearest thousand (\$000) except when otherwise indicated.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

At 30 June 2023, the Company has adopted amendments to IAS12 'Income taxes' (IAS 12) issued by the IASB on 23 May 2023 in relation to the Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) Pillar Two income tax. The amendments introduced a temporary exception to the requirements of IAS 12 under which a company does not recognise or disclose information about deferred tax assets and liabilities related to the proposed Pillar Two model rules.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.3 FINANCIAL REPORTING STANDARD 101 - REDUCED DISCLOSURE EXEMPTIONS

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a Group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets;
- the requirements of IFRS 7 Financial Instruments: Disclosures.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. ACCOUNTING POLICIES (continued)

**1.3 FINANCIAL REPORTING STANDARD 101 - REDUCED DISCLOSURE EXEMPTIONS
(continued)**

The Company's ultimate parent undertaking, BHP Group Limited includes the Company in its consolidated financial statements. The consolidated financial statements of BHP Group Limited are prepared in accordance with International Financial Reporting Standards and Australian Accounting Standards. They are available to the public and may be obtained from BHP website <https://www.bhp.com/investor-centre> and from Level 18, 171 Collins Street, Melbourne VIC 3000, Australia.

1.4 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each year end foreign currency monetary items are translated using the closing rate. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit and loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of profit and loss within 'Interest receivable and other income' and 'Interest payable and other charges'. All other foreign exchange gains and losses are presented in the statement of profit and loss within 'Operating expenses'.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. ACCOUNTING POLICIES (continued)

1.5 GOING CONCERN BASIS

These financial statements have been prepared on the going concern basis which the Directors believe to be appropriate despite the Company's net current liabilities and net liabilities position. The Directors of the Company have concluded that the Company remains a going concern as the ultimate holding company, BHP Group Limited (the Group), has confirmed that it will provide the Company with additional financial support to enable it to realise its assets and settle its liabilities in the ordinary course of business for 12 months from the date of approval of these Financial Statements to 27 March 2025 being the going concern period.

The Directors have assessed the ability of the Group to provide financial support to the Company. In doing so, they noted that as of 31 December 2023, the Group had access to US\$10.3 billion of cash and cash equivalent and to an available revolving credit facility of US\$5.5 billion that expires in October 2026. In addition, the Group only had US\$2.8 billion of short-term debt at 31 December 2023.

On this basis, the Directors are satisfied that the Group is able to provide financial support to the Company, and the financial statements should be prepared on a going concern basis.

1.6 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

The carrying amounts of the Company's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

External and internal sources of information may indicate that an impairment loss recognised for an asset may no longer exist or may have decreased. The external indicators may include significant favourable changes in the asset's value and market conditions. The internal indicators may include significant favourable changes in the asset's use and performance. If, as a result, the estimates used to determine an asset's or a CGU's recoverable amount have improved since the last impairment loss was recognised, the impairment loss that was previously recognised for the asset is reversed. That is, an impairment reversal cannot be recognised merely from the passage of time or improvement in the general market conditions. When an impairment reversal is recognised, the adjusted carrying amount of the asset may not exceed the carrying amount of the asset that would have been determined had no impairment loss been previously recognised.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. ACCOUNTING POLICIES (continued)

1.7 FINANCIAL INSTRUMENTS – INITIAL RECOGNITION AND SUBSEQUENT MEASUREMENT

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets - Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The Company determines the classification of its financial assets at initial recognition.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Financial assets - Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost include debtors.

Financial liabilities - Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include creditors.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. ACCOUNTING POLICIES (continued)

**1.7 FINANCIAL INSTRUMENTS – INITIAL RECOGNITION AND SUBSEQUENT MEASUREMENT
(Continued)**

Financial liabilities - Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.8 INTEREST PAYABLE AND OTHER CHARGES

Finance costs are charged to the statement of profit and loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.9 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

1.10 INTEREST RECEIVABLE AND OTHER INCOME

Interest income is recognised in the statement of profit and loss using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. ACCOUNTING POLICIES (continued)

1.11 TAXATION

Tax is recognised in the statement of profit and loss, except to the extent that it is attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity in which case it is recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets and liabilities that affect neither accounting nor taxable profit, and differences relating to investment in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on expected manner of realisation or settlement of carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised for a temporary difference only to the extent that it is probable that taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

1.12 DIVIDENDS RECEIVED/RECEIVABLE

Dividend income is recognised in the statement of profit and loss on the date the Company's right to receive payment is established.

2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosure. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements.

The recognition and measurement of impairment of investments in subsidiaries requires the use of significant judgements and estimates in which investments in subsidiaries are reviewed for impairments where events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If the asset is determined to be impaired, an impairment loss will be recorded and the asset written down based on the amount by which the asset carrying amount exceeds the higher of fair value less cost of disposal and value in use. An impairment loss is recognised immediately in the statement of profit and loss.

BHP BILLITON GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023****3. OPERATING LOSS**

The operating loss is stated after crediting/(charging):

	2023	2022
	\$000	\$000
Income from shares in Group companies	344,284	1,897,066
Impairment of investments (Note 10)	(779,591)	(2,758,373)
Management fees	(629)	(14,171)
Exchange differences	-	1
Other operating expenses	(3)	(33)
Operating loss	(435,939)	(875,510)

Management fees consist of Intra Group Service Charges related to global functional costs charged by BHP entities.

4. AUDITOR'S REMUNERATION

	2023	2022
	\$000	\$000
Auditor's remuneration	<u>13</u>	<u>13</u>

The auditor's remuneration in respect of the Company's audit was borne by a fellow Group undertaking. There was no other remuneration paid to the auditor in respect of non-audit services rendered to the Company (2022: US\$ Nil) during the year.

The remuneration for statutory audit services relates solely to amounts paid to Ernst and Young LLP.

5. EMPLOYEES

The Company has no employees. The present directors are employed by, and receive remuneration for their services from, other Group companies. No directors' remuneration was allocated to the Company for 2023 (2022: US\$ Nil).

6. INTEREST RECEIVABLE AND OTHER INCOME

	2023	2022
	\$000	\$000
Interest receivable from Group undertakings	<u>5,944</u>	<u>4,103</u>

7. INTEREST PAYABLE AND OTHER CHARGES

	2023	2022
	\$000	\$000
Interest payable to Group undertakings	<u>475,701</u>	<u>52,556</u>

BHP BILLITON GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

8. TAXATION

	2023 \$000	2022 \$000
Current tax credit		
Current tax credit for the year	(96,274)	(11,593)
Adjustment in respect of prior periods	689	(1,285)
Total tax credit for the year	<u>(95,585)</u>	<u>(12,878)</u>

FACTORS AFFECTING TAX CREDIT FOR THE YEAR

The reconciliation between the expected tax credit, computed by applying the standard rate of corporation tax to the loss for the year, and the actual tax credit is as follows:

	2023 \$000	2022 \$000
Loss before taxation	<u>(905,696)</u>	<u>(923,963)</u>
Loss before tax multiplied by standard rate of corporation tax in the UK of 20.5% (2022 - 19%)	(185,668)	(175,553)
Effects of:		
Non-taxable dividend income	(70,578)	(360,443)
Impairment of intercompany investments	159,816	524,091
Other permanent differences	129	55
Losses on which no deferred tax asset is recognised	-	229
Controlled foreign companies tax charge	27	28
Adjustment in respect of prior periods	689	(1,285)
Total tax credit for the year	<u>(95,585)</u>	<u>(12,878)</u>

United Kingdom taxation

The main rate of UK corporation tax increased from 19% to 25% with effect from 1 April 2023.

The Company is a member of a group for purposes of relief under Part 5 Corporation Tax Act 2010. The Company has provided group relief to other group companies at the tax cost of the relief provided (2022: Group relief was provided at the tax cost of the relief provided).

International tax reform - Pillar Two model rules

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) published the Pillar Two model rules designed to address the tax challenges arising from the digitalisation of the global economy. The legislation implementing the rules in the United Kingdom is contained in Finance (No.2) Act 2023, which was enacted on 11 July 2023, having been substantively enacted on 20 June 2023. It is unclear if the Pillar Two model rules create additional temporary differences, whether to remeasure deferred taxes for the Pillar Two model rules and which tax rate to use to measure deferred taxes. In response to this uncertainty, on 23 May 2023, the IASB issued amendments to IAS 12 'Income taxes' introducing a mandatory temporary exception to the requirements of IAS 12 under which a company does not recognise or disclose information about deferred tax assets and liabilities related to the proposed OECD/G20 BEPS Pillar Two model rules. The Company applied the temporary exception at 30 June 2023.

BHP BILLITON GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

9. UNRECOGNISED DEFERRED TAXATION

The Company has unused income and capital losses of US\$412,537,000 and US\$15,681,000 respectively (US\$413,593,000 and US\$15,355,000 as at 30 June 2022). Deferred tax assets have not been recognised in respect of these unused losses as it is not probable that there will be future taxable profits against which these unused tax losses can be utilised.

10. INVESTMENTS

	Investments \$000
At 1 July 2022	12,702,224
Impairment losses recognised in profit or loss	(779,591)
At 30 June 2023	<u>11,922,633</u>
Net book value	
At 30 June 2023	11,922,633
At 30 June 2022	12,702,224

SUBSIDIARY UNDERTAKINGS

The following were investments in direct undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity	2023 \$000	2022 \$000
BHP Billiton UK Holdings Limited	British Virgin Islands	Ordinary	100%	Holding company	5,452,218	5,840,764
BHP Billiton UK Investments Limited	British Virgin Islands	Ordinary	100%	Holding company	5,452,218	5,840,763
BHP Billiton (UK) Limited	England and Wales	Ordinary	100%	Holding company	-	-
BHP Billiton Finance Plc	England and Wales	Ordinary	1%	Treasury company	1	1
BHP Billiton Holdings Limited	England and Wales	Ordinary	0.2%	Holding company	13,744	13,744
Stein Insurance Company Limited	Guernsey	Ordinary	100%	Insurance company	1,004,452	1,004,452
BHP Billiton Technology (Shanghai) Co. Ltd.	China	Ordinary	100%	Technology company	-	2,500
					<u>11,922,633</u>	<u>12,702,224</u>

BHP BILLITON GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

10. INVESTMENTS (continued)

In the opinion of the Directors the investments in and amounts due from the Company's investments are worth at least the amounts at which they are stated in the balance sheet.

A review of the net asset value of the investments held by the Company has been performed. The Company has reported intercompany investment impairment amounting to US\$777,091,000 in BHP Billiton UK Holding Limited and BHP Billiton Investment Limited. Besides, the Company has impaired the investment in BHP Billiton Technology (Shanghai) Co. Ltd of US\$2,500,000 to nil as the investee has fully liquidated during the year.

The Company's investments in subsidiaries provide it with an interest in a number of the BHP Group's operations. Where an indicator of impairment was identified, recoverable amount was determined on a fair value basis (level 3 of the fair value hierarchy) with an impairment being recognised where the carrying value of the investment exceeded the recoverable amount. The impairment during the year reflects the latest valuation of the operations underlying the investment in subsidiary and includes the latest assessment of key assumptions. Key assumptions include current and future operating performance and macro-economic factors, such as short and long term price and foreign exchange outlooks. In addition, to reflect the economic environment and particularly increases in risk free rates, the discount rates used to discount estimated future cashflows were increased in the 30 June 2023 impairment assessments to between 9.0% and 9.5%.

11. DEBTORS: Amounts falling due within one year

	2023 \$000	2022 \$000
Amounts owed by Group undertakings	86,901	64,103
Group relief receivable	96,188	26,290
	<u>183,089</u>	<u>90,393</u>

12. CREDITORS: Amounts falling due within one year

	2023 \$000	2022 \$000
Amounts owed to Group undertakings	12,813,658	8,413,828
Amounts owed to Group undertakings - Term Loan	-	4,276,614
	<u>12,813,658</u>	<u>12,690,442</u>

The term loan from BHP Billiton Finance B.V. matured on 21 June 2023 and the term loan was converted to intercompany loan payable with BHP Billiton Finance B.V. The amounts owed to Group undertakings consist of US\$Nil (2022: US\$738,000), US\$1,519,000 (2022: US\$1,498,000 USD 3M LIBOR - 0.125%), US\$12,812,139,000 (2022: US\$8,411,592,000 USD 3M LIBOR + 0.12%), US\$Nil (2022: US\$4,276,614,000 USD 3M LIBOR + 0.38%). The intercompany payable is chargeable to interest rate 1.108% above 90 days average compound SOFR rate.

BHP BILLITON GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023****13. DIVIDENDS**

	2023 \$000	2022 \$000
Ordinary shares		
Dividend paid for 2023: \$Nil (2022: \$ 2.88 per share)	-	617,606

14. SHARE CAPITAL

	2023 \$000	2022 \$000
Shares classified as equity		
Allotted, called up and fully paid		
214,003,529 Ordinary shares of \$0.50 each	107,002	107,002
Shares classified as debt		
Allotted, called up and fully paid		
1 5.5% Cumulative non-redeemable preference share of £1	-	-

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at Annual General Meetings of the Company.

Share premium account

The share premium account represents the premium paid on the issue of BHP Billiton Group Limited shares recognised in accordance with the UK Companies Act 2006.

15. ULTIMATE PARENT COMPANY AND PARENT COMPANY OF LARGER GROUP

The Company is wholly owned by BHP Group (UK) Ltd, a company that is incorporated in the United Kingdom. The ultimate parent Company of the Company is BHP Group Limited, a Company that is listed on the Australian Stock Exchange and incorporated in Australia. The registered office of BHP Group Limited is Level 18, 171 Collins Street, Melbourne VIC 3000, Australia. The registered office of the Company is Nova South, 160 Victoria Street, London SW1E 5LB. The consolidated financial statements of the Group are available to the public from BHP website <https://www.bhp.com/investor-centre> and may be obtained from Level 18, 171 Collins Street, Melbourne VIC 3000, Australia.

BHP BILLITON GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

16. RELATED UNDERTAKINGS

In accordance with Section 409 of the Companies Act 2006 a full list of related undertakings, the country of incorporation and the effective percentage of equity owned, as at 30 June 2023 is disclosed below. Unless otherwise stated, the share capital disclosed comprises ordinary or common shares which are held by subsidiaries of BHP Billiton Group Limited.

<u>Company</u>	<u>Percentage</u> <u>(%)</u>
<u>Country of incorporation</u>	
<u>Australia</u>	
<u>Registered office address</u>	
Level 14, 480 Queen Street, Brisbane, QLD 4000, Australia	
<u>Company name</u>	
BHP Energy Coal Australia Pty Ltd	100
Coal Mines Australia Pty Ltd	100
Hunter Valley Energy Coal Pty Ltd	100
Mt Arthur Coal Pty Limited	100
Mt Arthur Underground Pty Ltd	100
<u>Registered office address</u>	
Level 15, 171 Collins Street, Melbourne, VIC 3000, Australia	
<u>Company name</u>	
BHP Aluminium Australia Pty Ltd	100
BHP Billiton SSM Development Pty Ltd	100
BHP Pty Ltd	100
Billiton Australia Finance Pty Ltd	100
BHP Manganese Australia Pty Ltd	100
BHP Nickel Operations Pty Ltd	100
<u>Country of incorporation</u>	
<u>British Virgin Islands</u>	
<u>Registered office address</u>	
Trident Chambers, Wickhams Cay, Road Town, Tortola, British Virgin Islands	
<u>Company name</u>	
BHP Billiton UK Holdings Limited	100
BHP Billiton UK Investments Limited	100
<u>Country of incorporation</u>	
<u>Canada</u>	
<u>Registered office address</u>	
333 Bay Street, Suite 2400, Bay Adelaide Centre, Box 20, Toronto ON M5H2T6,	
<u>Company name</u>	
Rio Algom Exploration Inc.	100
Rio Algom Investments (Chile) Inc.	100
Rio Algom Limited ^{(a)(b)}	72.33

BHP BILLITON GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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16. RELATED UNDERTAKINGS (Continued)

<u>Company</u>	<u>Percentage (%)</u>
<u>Country of incorporation</u>	
Cayman Islands	
<u>Registered office address</u>	
238 North Church Street, George Town, Grand Cayman, KY1-1102, Cayman Islands	
<u>Company name</u>	
RAL Cayman Inc.	100
Riocerro Inc.	100
Riochile Inc.	100
<u>Country of incorporation</u>	
Chile	
<u>Registered office address</u>	
Cerro El Plomo 6000, Piso 15, Las Condes, Santiago, Chile	
<u>Company name</u>	
Compañía Minera Cerro Colorado Limitada ^(c)	100
Minera Spence SA	100
BHP Exploration Chile SpA	100
<u>Country of incorporation</u>	
Ecuador	
<u>Registered office address</u>	
Av. Patria 640 intersección Av. Amazonas, Edificio Patria Piso 10, Pichincha, Quito, Ecuador	
<u>Company name</u>	
Cerro-Quebrado S.A.	100
<u>Registered office address</u>	
Av. Simon Bolivar SN, Intersección Via A Nayon, Quito, Pichincha, Ecuador	
<u>Company name</u>	
Cerro-Yatsur S.A.	51
<u>Country of incorporation</u>	
Guernsey	
<u>Registered office address</u>	
Heritage Hall, Le Marchant Street, St Peter Port, Guernsey, GY1 4JY, Channel Islands	
<u>Company name</u>	
Stein Insurance Company Limited	100

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**NOTES TO THE FINANCIAL STATEMENTS
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16. RELATED UNDERTAKINGS (Continued)

<u>Company</u>	<u>Percentage (%)</u>
<u>Country of incorporation</u> Ireland	
<u>Registered office address</u> 12 Northbrook Road, Ranelagh, Dublin 6, Ireland	
<u>Company name</u> Billiton Investments Ireland Limited	100
<u>Country of incorporation</u> Jersey	
<u>Registered office address</u> 31 Esplanade, St Helier, Jersey, JE1 1FT, Jersey	
<u>Company name</u> BHP Billiton Services Jersey Limited	100
<u>Country of incorporation</u> Netherlands	
<u>Registered office address</u> Naritaweg 165, 1043 BW, Amsterdam, Netherlands	
<u>Company name</u> BHP Billiton Company B.V.	100
BHP Billiton International Metals B.V.	100
Billiton Development B.V.	100
<u>Registered office address</u> Nova South, 160 Victoria Street, London, England, SW1E 5LB, United Kingdom	
<u>Company name</u> BHP Billiton Finance B.V.	100
Billiton Guinea B.V.	100
Billiton Investment 3 B.V.	100
Billiton Investment 8 B.V.	100
Billiton Suriname Holdings B.V.	100
<u>Country of incorporation</u> Philippines	
<u>Registered office address</u> Pearlbank Centre, 20th Floor - 146 Valero Street, Salcedo Village, Makati City, 1227, Philippines	
<u>Company name</u> QNI Philippines Inc.	100
<u>Country of incorporation</u> United Kingdom	
<u>Registered office address</u> 36 East Stockwell Street, Colchester, Essex, CO1 1ST, England, United Kingdom	
<u>Company name</u> Billiton Executive Pension Scheme Trustee Limited	100

BHP BILLITON GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

16. RELATED UNDERTAKINGS (Continued)

<u>Company</u>	<u>Percentage</u> <u>(%)</u>
<u>Country of incorporation</u>	
United Kingdom	
<u>Registered office address</u>	
Nova South, 160 Victoria Street, London, England, SW1E 5LB, United Kingdom	
<u>Company name</u>	
BHP Billiton (UK) Limited	100
BHP Billiton Holdings Limited	100
BHP Billiton International Services Limited	100
BHP Billiton Sustainable Communities	100
BHP Finance Limited	100
BHP Group Holdings Limited	100
BHP Holdings Limited	100
BHP International Services Limited	100
BHP Marketing UK Limited	100
<u>Country of incorporation</u>	
United States of America	
<u>Registered office address</u>	
Suite B, 1675 South State Street, Dover, DE, 19901, United States of America	
<u>Company name</u>	
Rio Algom Mining LLC	100
(a) Ownership held in class A shares.	
(b) Ownership held in class B shares.	
(c) Capital injection, no shares	

17. SUBSEQUENT EVENTS

Subsequent to 30 June 2023, the Company issued 300,000,000 ordinary shares for consideration of approximately US\$150,000,000 based on nominal value of US\$0.50 per share. The capital injection into the Company is to fund additional equity shares subscription in BHP Billiton (UK) Limited.