BHP

Role of carbon markets in reaching net zero

22 October 2020



Disclaimer

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Presentation of data

Queensland Coal comprises the BHP Mitsubishi Alliance (BMA) asset, jointly operated with Mitsubishi, and the BHP Mitsui Coal (BMC) asset, operated by BHP. Numbers presented may not add up precisely to the totals provided due to rounding. All footnote content is contained on slides 39 and 40.

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Our purpose

To bring people and resources together to build a better world

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BHP locations – operated and non-operated



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BHP operational GHG emissions FY2020 by source



Scope 1 and Scope 2 emissions have been calculated based on an operational control approach in line with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. The BHP Scope 1, 2 and 3 Emissions Calculation Methodology document, available online at bhp.com/climate.

Our mid-term target, aligned with the Paris Agreement

An ambitious, yet achievable pathway for our business to meet our long-term net zero goal

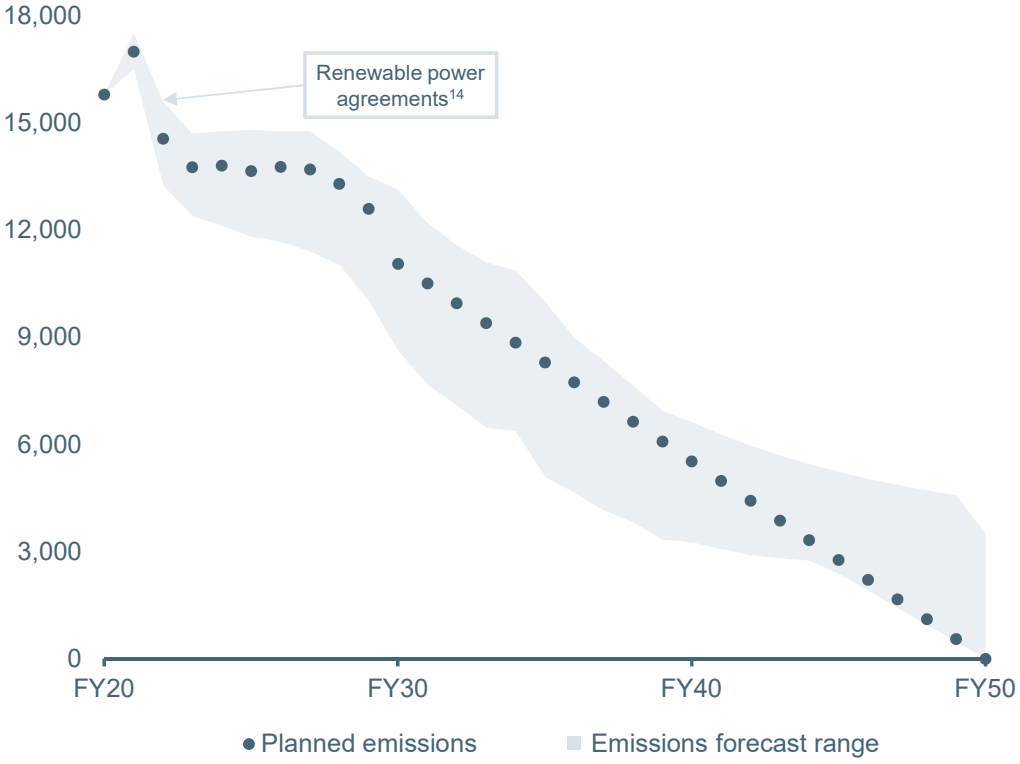
Our long-term goal

- To achieve net-zero operational emissions by 2050

Our new mid-term target

- To reduce our operational emissions by at least 30% from FY2020 levels[15] by FY2030
- This target falls within the range of emissions reductions required to be aligned with the goals of the Paris Agreement
- The target year of FY2030 provides scope for realising significant decarbonisation opportunities, while establishing a trajectory to meet our 2050 net-zero goal
- Our operated assets are developing decarbonisation plans in line with the proposed mid-term target

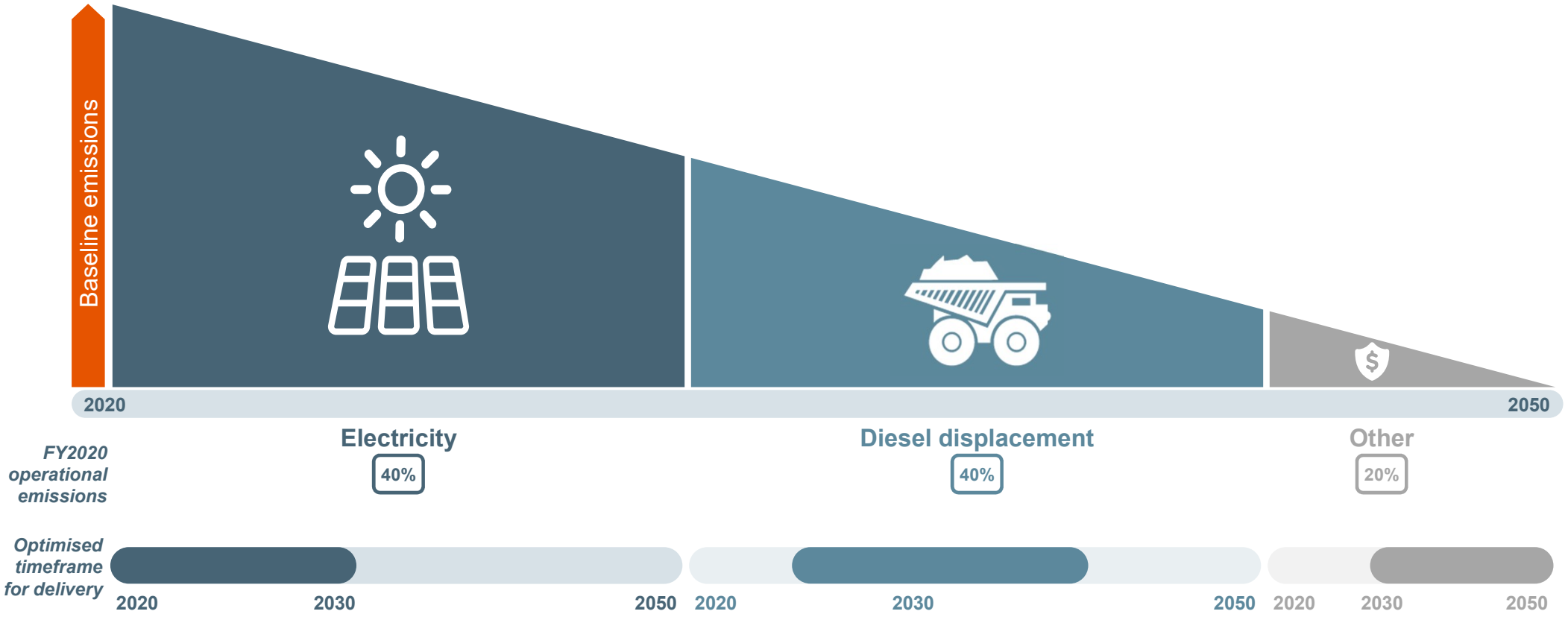
Emissions forecast range[13]
(kt of CO_2-e)



Source: BHP internal analysis.

The pathway to net zero operational emissions

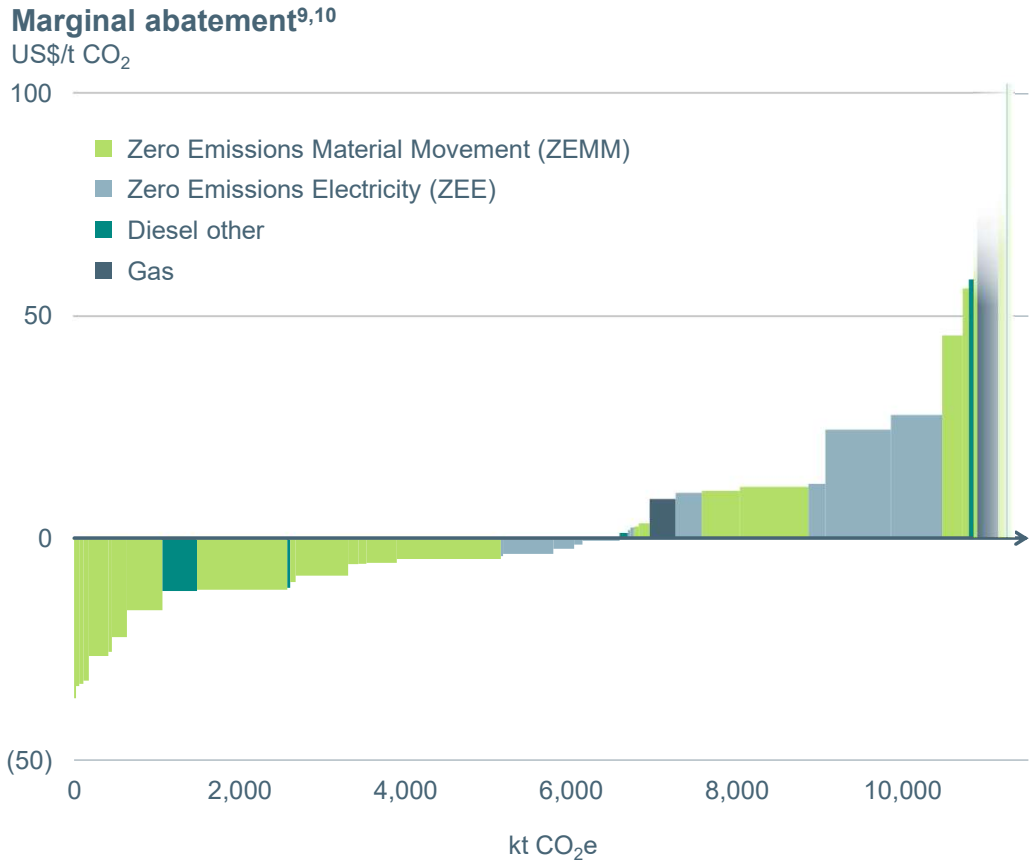
Timeframes to reduce emissions from electricity and diesel will differ, with the latter reliant on technological advancement



Note: Graph is illustrative only, not to scale. Other includes boiler heating sources, other hard to abates such as fugitive emissions, and use of offsets.

Portfolio of operational decarbonisation solutions

Decarbonisation investments vary by capital intensity, value, emissions reductions and technology readiness




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