

Shareplus Vesting Event, 2021

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Overview

What is the “2021 Vesting Event”?

- The 2021 Vesting Event is the allocation of **Matched Shares** to employees who still hold **Acquired Shares** from their participation in Shareplus 2018.
- It will occur on 6 April 2021.
- You will receive **one Matched Share** for every **Acquired Share** that you still hold from Shareplus 2018.
- **Acquired Shares** for the 2018 Plan Year were purchased in September 2018, December 2018, March 2019 and June 2019.

What do I need to do to receive my Matched Shares?

Nothing. Your **Matched Shares** will be automatically allocated to you.

Can I sell my Acquired Shares on 6 April 2021 without affecting my entitlement to Matched Shares?

Yes. The vesting date for the **Matched Shares** is 6 April 2021. Any Shareplus 2018 **Acquired Shares** you sell on or after 6 April will not affect your **Matched Shares** allocation.

What happens on 6 April 2021?

Your 2018 **Matched Shares** will be allocated to your Shareworks account.

In countries where withholding taxes apply to your **Matched Shares**, prior to allocation, the Plan Administrator will manage the sale of sufficient shares to cover withholding taxes (if any apply for you). The remaining **Matched Shares** will be allocated to your Shareworks account.

In Australia and Singapore, where no withholding taxes apply all of your **Matched Shares** will be allocated to your Shareworks account. You will settle the tax payable on **Matched Shares** via your individual tax return.

Refer to the [Tax on Matched Shares](#) section for further information.

Tax on Matched Shares

Will I have to pay tax on my Matched Shares?

Yes. **Matched Shares** are a form of income and are therefore taxable.

When will I be taxed?

This will depend on where you are located. Tax notes for each country can be accessed under the ‘Shareplus Tax Guides by Country’ section of the ‘Documents’ tab in your [Shareworks account](#).

How do I pay this tax?

In some countries BHP has a mandatory obligation to withhold this tax from you when the **Matched Shares** are allocated. Some of these countries include: USA, UK, Malaysia, Canada and Chile. If you are located in one of these countries, then sufficient shares will be withheld or sold from your **Matched Shares** allocation in order to cover this tax obligation and pay the tax across to the relevant taxing authority. Your remaining **Matched Shares** will be placed in your Shareworks account.

In countries where BHP does not have a mandatory obligation to withhold the tax (such as Singapore and Australia), the income from the **Matched Shares** will generally be taxable via your individual tax return at the end of the tax year. Note that BHP provides your taxing information to the Australian and Singaporean tax authorities.

Please refer to the ‘Shareplus 2018 Tax Guides’ section of the ‘Documents’ tab in your Shareworks account.

Will I be notified that the withholding or sale of my Matched/Acquired Shares has completed?

You will not receive a notification that the withholding or sale has been settled. You can check the sale online at any time by logging onto your Shareworks account and clicking on the Share Purchase and Holdings tab at the top of the page, and then View Transaction History from the left hand tool bar.

What tax rate will you apply when calculating the mandatory withholding tax?

We will apply an estimated individual tax rate for each participant as provided by payroll.

I have been located in multiple countries since enrolling in Shareplus 2018 – where are my Matched Shares taxable?

If you have been located in more than one country since enrolling in Shareplus 2018, you may have a partial tax liability in more than one country. PwC communicates with international assignees prior to the Matched Share allocation, and calculates appropriate rates for those individuals.

Can I obtain information about the vesting to assist me in preparing my income tax return?

Yes. After the vesting event you can run a statement on your Shareworks account detailing the number of shares sold for withholding tax and the sale price obtained for them. As BHP can only sell whole numbers of shares to cover your tax liability, the amount collected from the sale may be slightly in excess of the tax due. A refund may therefore arise for you when you complete your tax return at the end of the tax year in your location.

For Australian employees, Australian tax statements and a tax guide will be available each July.

After the Vest: Holding, Selling or Transferring

Holding Matched/Acquired Shares

You can keep your **Matched/Acquired Shares** in your Shareworks account for as long as you remain in employed by BHP. Keeping your **Matched/Acquired Shares** in your Shareworks account has the following benefits:

- Your dividends can be distributed to you through payroll, if you receive your salary in a currency other than AUD, GBP or USD.
- You can instruct the Plan Administrator to sell the **Acquired Shares** or **Matched Shares** for you (subject to *Our Requirements for Securities Dealing*. This can be beneficial in countries where brokers may not easily trade in those shares on the relevant stock exchange (for example if you are in Chile or Canada and have **Matched/Acquired Shares** on the Australian Stock Exchange).
- BHP will cover costs of sale and brokerage for you if you sell through Shareworks.

When you leave BHP your **Matched/Acquired Shares** will remain in your Shareworks account for six months, after which they will be transferred to the ordinary shareholder register.

Selling Matched/Acquired Shares

Under *Our Requirements for Securities Dealing*, a sale or transfer of shares is a “dealing”. You must ensure you comply with Our Requirements for Securities Dealing when selling or transferring BHP securities.

If you are an Employee Insider you will have been advised of this by Group Governance. All Employee Insiders must receive clearance prior to dealing in BHP securities. Further information can be found in *Our Requirements for Securities Dealing*, available from the BHP Digital Workspace.

If you choose to sell your **Matched/Acquired Shares**, the Plan Administrator will complete the sale, and BHP will pay brokerage costs of the sale for you.

When can I sell my Matched/Acquired Shares?

If you have a mandatory tax withholding liability, you will be able to sell your **Matched Shares** within the next few business days. If you do not have withholding obligations, your **Matched Shares** will be available to sell after the vest has occurred.

How can I sell my Matched/Acquired Shares?

You can sell Acquired and **Matched Shares** held in your Shareworks account through the online sale facility, either via the Shareworks website, the Shareworks app or by calling the Plan Administrator.

Will there be any costs of sale?

When you sell your **Matched/Acquired Shares** from your Shareworks account, BHP covers the costs of the sale. There may, however, be costs for you (such as bank fees) in transferring/receiving the proceeds of sale in your chosen currency as described below.

Do I have to sell my Matched/Acquired Shares by a specific date?

No, you can hold your **Matched/Acquired Shares** in your Shareworks account until you sell or transfer them, or you cease employment with BHP.

Refer to the Holding section for further information.

How are sale proceeds distributed?

You can elect how you wish to receive your sale proceeds. The options available are:

- Direct Credit (for GBP, AUD, and USD accounts not requiring currency conversions)
- Foreign Currency Wire

How long will it take for me to receive sale proceeds?

You should receive your sale proceeds into your nominated bank account within approximately one week of the trade settlement date.

Can Shareworks pay sale proceeds in any currency?

No. Only selected currencies are available. If selling online you will only be presented with those currencies available to your country.

Transferring Your Matched/Acquired Shares

You must ensure you comply with Our Requirements for Securities Dealing when selling or transferring BHP securities.

If you are an Employee Insider you will have been advised of this by Group Governance. All Employee Insiders must receive clearance prior to dealing in BHP securities. Further information can be found in *Our Requirements for Securities Dealing*, available from the BHP Digital Workspace.

Transferring your **Matched/Acquired Shares** out of your Shareworks account and into your own name as ordinary shares on the BHP register enables you to

- Add them to your existing portfolio of BHP ordinary shares;
- transfer them to other holders (e.g. your spouse or into a trust); or
- transfer them to a brokerage account

Note that these options are not available for employees located in China

How can I transfer my Matched/Acquired Shares?

Matched/Acquired Shares held in your Shareworks account can be transferred through the online facility in your Shareworks account to Computershare and then to your personal broker.

Refer to the Your Shareworks Account section for more information.

Accessing Your Shareworks Account

You can access your Shareworks account via the website or the Shareworks app.

Website: go to www.BHPBshareplus.com and click on the 'View your portfolio and personal information' button

You will need your account number (starting with 'CS') / username / employee number (starting with the number '2') and your password.

To sell or transfer your **Matched/Acquired Shares**, click on the 'Share Purchase and Holdings' tab and the 'Transact' link and follow the online instructions. For further information on navigating the Shareworks website, see the Documents tab at www.bhpbshareplus.com.

Shareworks App: download the Shareworks App from the App Store...

The Plan Administrator

Shareplus is administered by Shareworks, a wholly owned subsidiary of Morgan Stanley

You can contact Shareworks directly on;

Toll Free - Australia 1 800 260 907 (10am - 4pm AEST)

Toll Free - United Kingdom 0800 086 8051 (8:30am - 4:30pm GMT)

Toll Free - Singapore 800 852 3046 (10am - 4pm SGT)

Toll Free – Chile 800 914 119 (9am - 5.30pm CLT)

Toll Free – Malaysia 1800 813 773 (8am – 2pm MYT)

Toll Free - North America 1 844 776 1597 (6am - 6pm MST)

International - 1 403 515 3956 (6am - 6pm MST) and 1 403 515 3909 (after 6pm MST)