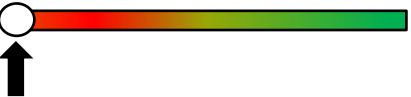







Risk Area	Risk Appetite Statement
<p>Health, safety and security</p> <p>Risk Appetite:</p> 	<p>We always seek to safeguard the health, safety and security of Foundation personnel, partner organizations/donees and sub-grantees, and community beneficiaries and other stakeholders arising from Project work that we support or one-off donations that we make.</p> <p>Approach: We will work closely with partner organizations through our approach to Project definition, implementation and exit to achieve an understanding of the effectiveness of controls to manage health, safety and security risks. Personnel of the Foundation, partner organizations and sub-grantees and community beneficiaries and other stakeholders must have channels to both raise concerns and see them addressed where they believe health, safety and security risks may be intolerable. We recognise to achieve this we may need to provide additional support and resources to enable partner organizations to effectively manage these risks.</p>
<p>Human Rights</p> <p>Risk Appetite:</p> 	<p>We always seek to safeguard the human rights of others. We will seek to respect, uphold and promote the spectrum of civil, political, economic, cultural and social human rights, including Indigenous rights and gender equality, through the Project work that we support and the one-off donations that we make.</p> <p>Approach: Our Projects seek to contribute to the realization of the spectrum of human rights; and this is inherent in our approach to Project design and execution. In all of the work we support, we aspire to Project processes and outcomes that do not violate or contribute to the diminution of the spectrum of human rights of Project beneficiaries and stakeholders through our approach to Project definition, implementation and exit. Personnel of the Foundation, partner organizations and sub-grantees and community beneficiaries and other stakeholders must have channels to both raise concerns and see them addressed where they believe human rights risks may be intolerable.</p>
<p>Transparency, accountability and disclosure</p> <p>Risk Appetite:</p> 	<p>We openly share our outcomes so that others can learn from and hold us to account for our contributions. We aspire to zero material misstatements regarding Project and Program performance in our and partner organizations' public communications.</p> <p>Approach: We are committed to transparently sharing the results of the work we support to allow others to learn from our and our partner organizations' experiences. We must exercise complete integrity and due diligence in relation to what we say we do – including sharing lessons learnt when Project objectives are not met. Robust and appropriate processes of data and material statement verification will apply to references to Foundation activities in external communications.</p>
<p>Operating within our means</p> <p>Risk Appetite:</p> 	<p>We will not commit to new Project investments unless adequate resources (financial, human and other) are already available to enable and sustain intended Project outcomes.</p> <p>Approach: We will not make commitments based on anticipated donations from the donor (BHP). We will undertake robust financial modelling and apply contingency provisions so that we do not commit to new investments unless we can confidently fulfil and sustain our obligations. We will support partner organizations to undertake robust financial modelling so that our grants have sufficient contingency to accommodate potential uncertainties including, as applicable, the exploration of additional revenue streams so that the outcomes can be sustained in the long term. We will budget for a maximum aggregate annual value of one-off donations from the Foundation that does not jeopardize other commitments.</p>
<p>Upholding BHP Charter Values and Code of Conduct</p> <p>Risk Appetite:</p> 	<p>We will uphold BHP's Charter Values and of BHP's Code of Conduct (as it applies in the context of the Foundation).</p> <p>Approach: We have determined that the Foundation and its Board will operate under the tenet of BHP's Charter Values; we will also follow the BHP Code of Conduct as it applies in the context of the Foundation.</p>
<p>Foundation, partner organization/donee and sub-grantee compliance</p> <p>Risk Appetite:</p> 	<p>We have zero tolerance for breaches of anti-bribery and corruption, anti-terrorism financing and trade sanctions laws and unmitigated conflicts of interest for any of the Foundation, partner organizations/donees or sub-grantees.</p> <p>Approach: We have determined that the Foundation and its Board will adopt relevant BHP Compliance policies and procedures and agree any Foundation specific policies and procedures. We will work closely with Project partner organizations through due diligence, and apply contractual provisions and compliance verification processes to seek to ensure no breaches occur in the areas of anti-bribery and corruption, trade sanctions and unmitigated conflicts of interest. We will also undertake processes, such as due diligence and compliance verification, to seek to ensure no anti-terrorism financing breaches occur. We will require Project partner organizations to apply equivalent processes and contractual provisions, as applicable, when sub-granting. We will also conduct appropriately tailored due diligence and apply relevant contractual provisions in relation to these risks for one-off donations.</p>

¹ Subject to Board determination in accordance with the Foundation's Donation Policy.

² Transformational Projects and transformative outcomes are intended to be delivered through national and global opportunities that raise the bar through new solutions and/or new standards to address global sustainability challenges that are relevant to the resources sector.

³ **Lobbying** is "carrying on propaganda or otherwise attempting to influence legislation". Lobbying can be either:

- 'grassroots' (or indirect) lobbying' i.e. communications that attempt to influence the opinion of the general public or any segment of it, with respect to legislation; or
- 'direct lobbying' i.e. attempting to influence legislation through communications with (i) a member or employee of a legislative body; or (ii) any government official or employee who may participate in the formulation of the legislation.

In each case, for the communication to be lobbying it must refer to 'specific legislation', which means either (i) legislation that has already been introduced into a legislative body; or (ii) a specific legislative proposal (even if not yet introduced into a legislative body). "Legislation" is defined broadly and can be either U.S. or foreign.

Politicking is defined as "influencing (or seeking to influence) the outcome of any specific public election or carrying on, directly or indirectly, any voter registration drive", whether in the U.S. or elsewhere.

Certain exceptions to both the Lobbying and Politicking may apply and are analyzed on a case-by-case basis.