

# BHP

**LOCAL** BUYING PROGRAM  
BUILDING OUR FUTURE TOGETHER

## Supporting South Australia through local buying.



National delivery partner of BHP's Local Buying Program



# OUR COMMITMENT

BHP is a world leading producer of major commodities. Its operations at Olympic Dam, one of the world's largest ore bodies, extract and process substantial deposits of copper, gold, uranium and silver.

BHP has a proud history of economic contribution and investment in the communities within which it operates.

In 2012, the Local Buying Program was created to assist small-medium businesses in selected host communities in the Bowen Basin in Queensland to competitively supply goods and services to BHP Billiton Mitsubishi Alliance (BMA) operations.

Following early success, the program expanded to include BHP Billiton Mitsui Coal (BMC) operations in 2013 and New South Wales Energy Coal operations in 2016.

In 2017 the program's reach was further expanded to support local businesses in the Pilbara region in Western Australia and the Upper Spencer Gulf and Far North regions in South Australia.

Recognising that it can often be challenging for smaller businesses to engage as a supplier of BHP, the Local Buying Program makes it easier for business owners to competitively bid for supply opportunities.

It is with great pride that we deliver the Local Buying Program in South Australia with a well-respected organisation such as C-Res (Community Resourcing for the Future). This partnership ensures that the Program continues to remain true to its values and principles and delivers genuine outcomes for the regions.



*Jacqui McGill*

Asset President  
Olympic Dam

## BHP Olympic Dam Overview

Olympic Dam is one of the world's largest ore bodies with significant deposits of copper, gold, uranium and silver. Employing more than 3,000 people, the scale of the Olympic Dam orebody means it is a cornerstone of the resource industry and a generational resource for South Australia. In FY16, Olympic Dam produced 203 kilotonnes of copper cathode – the highest level of production since 2006 - and the operation is currently in an exciting period of sustainable growth.

Through significant investment in infrastructure and with a move into the high-grade Southern Mine Area, the Olympic Dam operation will underpin jobs and economic development in South Australia into the future.

## About the Local Buying Program

The Local Buying Program has been established to support local communities by helping small businesses to engage with BHP as a supplier.

The Local Buying Program has developed into a network with hundreds of registered suppliers and helps these local businesses maintain meaningful relationships with BHP over the long term.

BHP's Local Buying Program provides local small businesses with a dedicated buying platform, better payment terms and support through local Business Engagement Advisors. We are now broadening the program to include our operations in Western Australia and South Australia.

## Strategic Partnership of BHP and C-RES

The Local Buying Program is delivered through a strategic partnership between BHP and C-Res, a cost-neutral entity. Jointly, BHP and C-Res have created and delivered the Local Buying Program which supports the regional economic development of the communities in which BHP operates.



PROUDLY DELIVERING THE LOCAL BUYING PROGRAM IN PARTNERSHIP

## Why should local businesses get involved?

Feedback from local businesses prior to development of the Local Buying Program identified several challenges associated with engaging and supplying to BHP.

The Local Buying Program (LBP) addresses some of these challenges by:

- Appropriate payment terms (within 21 days).
- Providing more work opportunities more frequently.
- Enabling suppliers to better respond to opportunities and quote for work.
- Providing greater supplier exposure to BHP through the online supplier directory.
- Providing suppliers with a tool (C-Res/LBP website) to showcase and profile their business.
- Enabling suppliers with the flexibility to update their business profile as required, to ensure their details are always current.

## Are there any costs to become a Local Buying Program supplier?

There are no costs associated with registering to become a Local Buying Program supplier.

## How are the work packages communicated?

BHP users submit work packages via the website.

Suppliers are notified of work activity via an automated email and asked to submit a quote.

## What are the qualification criteria?

Businesses seeking to register with the Program need to meet mandatory criteria before becoming approved Local Buying Program Suppliers:

- Must employ less than 20 full-time equivalent employees (not including casual staff, sub-contractors, trainees, or apprentices).
- Must have a significant physical presence in an eligible Local Buying Program area (see “Which areas does the program cover?” above).
- Must have an ABN and be registered for GST (if required).
- Must have appropriate insurances including Workers Compensation (if an Employer) and Public Liability (mandatory).
- Must provide goods or services aligned with the BHP Global Supply goods and services categories.
- Must demonstrate alignment with BHP’s Charter Values and Code of Business Conduct.
- Must actively support the local community and its economic development.

Additionally suppliers are eligible to be identified as a Traditional Owner business if it is 50% or more owned by a Traditional Owner as defined in an Indigenous Land-Use Agreement or other formal agreement to which BHP and the owner(s) are party.

Suppliers may also be identified as an Indigenous business if it is 50% or more owned by person(s) identifying as Indigenous, except where otherwise defined under a formal agreement with local Indigenous communities.

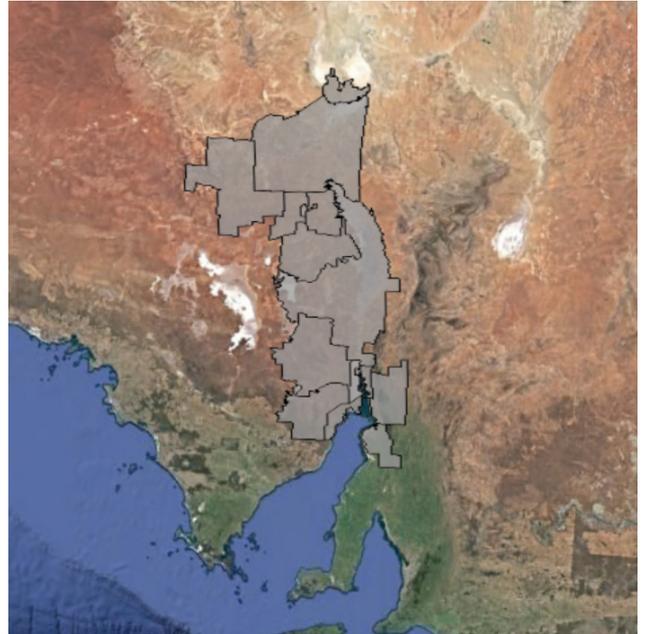
For further information on the qualification criteria please refer to the website at [localbuying.com.au](http://localbuying.com.au).

## Which areas does the program cover?

To participate in the Local Buying Program in South Australia, suppliers must be registered or operate their primary place of business in one of the following Local Government Areas:

- Port Augusta
- District of Mount Remarkable
- Port Pirie
- Communities between Olympic Dam and the Gulf with the following post codes: 5600, 5713, 5715, 5720, 5722, 5725
- Roxby Downs
- Whyalla

All Olympic Dam operations, including the Mine and Smelter, and BHP Adelaide facilities are able to engage suppliers through the Local Buying Program.



## Which categories are included?

The Local Buying Program covers a broad and diverse range of categories of goods and services. These categories are reviewed regularly to ensure the Program remains current and aligned to market needs.

The list below are some of the categories that feature in the Local Buying Program. The full list of categories and sub-categories can be viewed at [www.localbuying.com.au](http://www.localbuying.com.au).

- Trade Maintenance Services
- Engineering Consulting
- Equipment Maintenance Services
- Mobile Equipment Hire
- Industrial Plant Construction Services
- Earthmoving Services
- Accommodation & Catering



## How does the LBP support sustainable business and community development?

A critical element of the Local Buying Program is supporting and investing directly back into the communities where BHP operates. For all transactions processed through the Local Buying Program, BHP operations will incur a small processing fee (a percentage of the transaction value) in addition to the successful supplier quote. This fee will in part cover C-Res' administration costs (as a cost neutral entity) and provide funding for development programs in the local community.

These development programs aim to drive sustainable growth in local townships and communities. BHP works closely with the local community to identify which programs are best suited to local businesses and provide genuine benefit. We will consult closely with local organisations and representatives to jointly agree the priority areas for our development programs and to ensure that these are aligned with existing and future initiatives.

For further information please contact your local BHP Corporate Affairs representative.

## What if my quote is unsuccessful?

Businesses registered with the Local Buying Program are not guaranteed work. The Local Buying Program is a competitive procurement program and suppliers are required to remain competitive to secure work.

To assist businesses to effectively supply to us, BHP end-users are encouraged to provide feedback on their supplier selection. C-Res where possible will assist businesses to overcome supply challenges and identify trends, challenges and opportunities linked to supplying industry.

## Will I compete for work against major suppliers?

Local Buying Program suppliers will compete for work packages against other Local Buying Program suppliers through the Program portal. Submitted quotes may be assessed against vendors for competitiveness. Note, BHP operations are committed to various supply contracts and cannot use the Local Buying Program for all work requirements.



## How do I register as a Local Buying Program supplier?

Local businesses can register online by visiting [www.localbuying.com.au](http://www.localbuying.com.au). Applications are assessed on an individual basis in alignment with the Local Buying Program criteria. Once approved, suppliers can access and respond to work requests as they become available (through their C-Res/LBP login). It generally takes C-Res three working days to process new registrations.

1. Log on to [www.localbuying.com.au](http://www.localbuying.com.au)

2. Click 'Local Suppliers Register Now' and select 'South Australia'

3. Complete the online Supplier Registration Form and submit

4. Registration request assessed and supplier advised if successful or unsuccessful

5. Approved supplier receives a C-Res/LBP supplier number

6. Supplier able to compete for work

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### Find out more

To find out more visit [www.localbuying.com.au](http://www.localbuying.com.au)  
Phone 1800 536 663 or  
Email [info@localbuying.com.au](mailto:info@localbuying.com.au)