

C-RES

The journey so far

March 2019





LOCAL BUYING PROGRAM

BUILDING OUR FUTURE TOGETHER

The Local Buying Program (LBP) has been established to support small businesses to engage with BHP Minerals Australia Core Assets. The LBP is a targeted program which provides opportunities for small local businesses, with less than 20 full-time employees, to competitively supply goods and services to BHP, BHP Mitsubishi Alliance (BMA) and BHP Mitsui Coal (BMC).

This innovative program strengthens and supports small local businesses and delivers regional economic growth to the communities in which BHP Minerals Australia operate in Queensland, New South Wales, South Australia and Western Australia. The program is delivered in a strategic partnership between BHP and C-Res – a cost neutral organisation. Visit www.localbuying.com.au for more information.



C-Res was first established in 2012 to deliver the LBP in Queensland for BMA. Since then the Program's continuing success has seen it expand to all BHP Minerals Australia Core Assets.

C-Res has dedicated business engagement advisors and partners located throughout the regions who are responsible for the ongoing support, engagement and mentoring of suppliers registered with the program. C-Res also have experienced program administrators to manage all transactional activities through the program.



The Local Buying Foundation is a critical element of the LBP in Queensland and New South Wales. For all approved transactions processed through the program, BHP / BMA / BMC (as appropriate) make a financial contribution to the foundation. Independent Local Buying Foundations are run by representatives of each community to ensure investments have the greatest possible impact.

As part of the roll-out of the LBP to WAIO and OD, BHP and C-Res will look to establish community development programs to reinvest in local communities in both Western Australia and South Australia. The new local programs will be designed so that they best complement the existing community and supplier capability programs that BHP already delivers in these locations.

Visit www.localbuyingfoundation.com.au for more information.

THE LOCAL BUYING PROGRAM JOURNEY

2012

- BMA Local Buying Program established in Bowen Basin, Queensland
- Servicing Blackwater, Capella, Emerald, Dysart and Moranbah regions
- Founding partnership between BMA and MWREDC
- MWREDC established C-Res (Qld) Pty Ltd to independently deliver the BMA Local Buying Program
- Local Buying Community Foundation established

2013

- Expansion to BMC operations adding Nebo, Queensland to BMA Local Buying Program



2014

- Expansion to BMA Hay Point Coal Terminal adding Mackay, Queensland to Local Buying Program
- MWREDC placed into care and maintenance but continues as parent entity for C-Res (Qld) Pty Ltd

2015

- Expansion of Bowen Basin communities to include Central Highlands and Isaac regions
- Mackay region included in all BMA and BMC work

2016

- First inter-state expansion to New South Wales
- Servicing Muswellbrook, Singleton and Upper Hunter shires
- BHP Mt Arthur Coal now included in program
- Greater Whitsunday Alliance (GW3) assumes MWREDC's structure and is now parent entity for C-Res (Qld) Pty Ltd
- BMA Local Buying Program rebranded as Local Buying Program and Local Buying Community Foundation rebranded as Local Buying Foundation

2017

- Local Buying Foundation launched in New South Wales
- Local Buying Program review by PwC and determined to be the local procurement model of choice for BHP Minerals Australia
- Expansion to WA for BHP Iron Ore operations
- Expansion to SA for BHP's Olympic Dam operations



2018

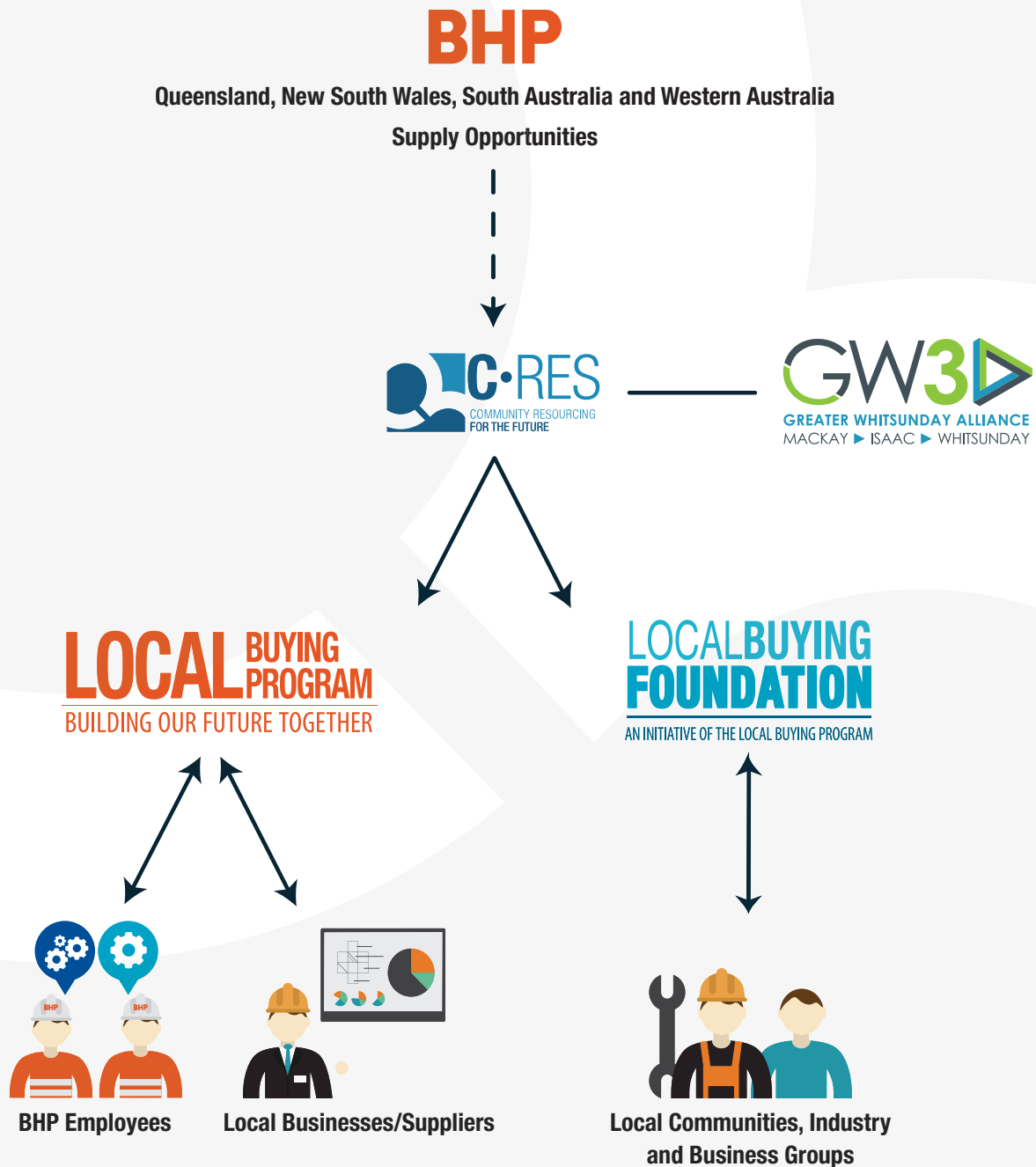
- \$250,000,00 Approved Spend injected into small business through the Local Buying Program
- 20,000 Work Packages released
- 1000 registered suppliers

2019

- March 2019
- Major upgrade to the Local Buying Program website
 - \$300,000,000 Approved Spend milestone achieved
 - 25,000 Work Packages released

LEGAL AND OPERATIONAL STRUCTURE

This structure enables the delivery of an independent and high quality program for BHP and its communities.



GLOSSARY

BMA – BHP Mitsubishi Alliance

BMC – BHP Mitsui Coal

C-Res is short for “Community Resourcing For The Future”

C-Res was established as a wholly owned subsidiary of MWREDC; now known as Greater Whitsunday Alliance

Greater Whitsunday Alliance (GW3) – Independent economic body representing Mackay, Isaac and Whitsunday regions, also acts as the parent company for C-Res

LBF – Local Buying Foundation

LBP – Local Buying Program

MWREDC – Mackay Whitsunday Regional Economic Development Corporation

PwC – Pricewaterhouse Coopers

Small business in the LBP is defined as less than 20 full time equivalent employees