

What BHP's Local Buying Program stakeholders had to say, in

2020

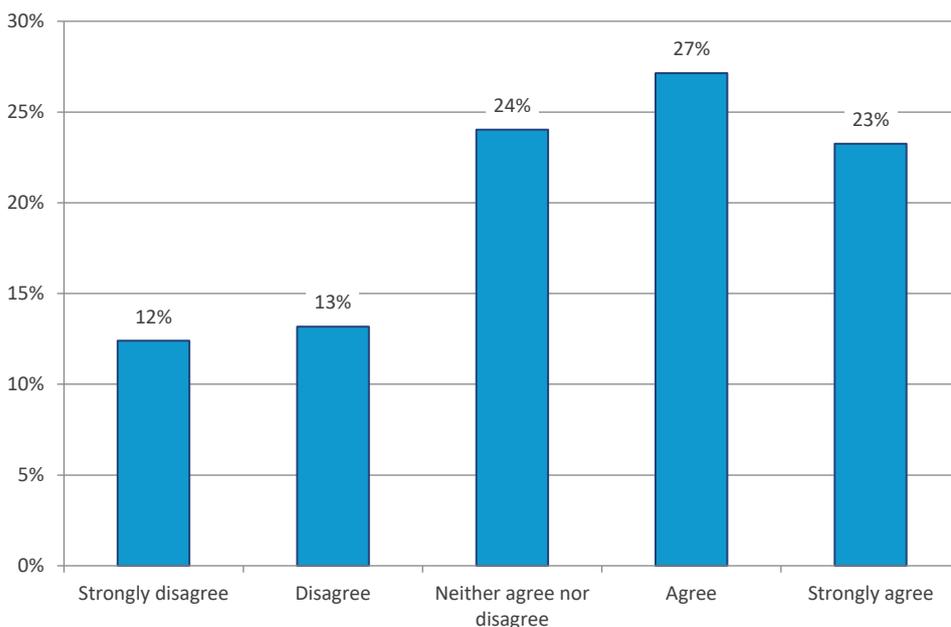
C-Res engaged consultants SC Lennon & Associates to undertake an independent assessment of the Local Buying Program in Queensland, New South Wales, South Australia and Western Australia.

Online surveys were administered through June and July 2020 – one to registered suppliers (businesses) and another to buyers, that is, BHP staff who engage with registered suppliers and procure goods and services through the Local Buying Program.

The survey of registered suppliers resulted in a total of 134 completed survey responses being received across the four regions where the LBP operates. The survey of buyers resulted in a total of 57 completed survey responses being received. Survey participants were asked a range of questions about if and how the Program is having a positive impact.

“We would not have a business without the program.” – local supplier

Level of Agreement the Local Buying Program Has Been Good for Business



Survey Context: The Immediate Challenge of COVID-19

While the Local Buying Program surveys represent the first in a planned series of annual assessments, moving forward it is important to acknowledge the unique circumstances in which the 2020 assessment has been undertaken.

The COVID-19 pandemic has disrupted business activity across a diversity of industry sectors and segments of the community all over Australia. It is expected that, should things return to (a post-pandemic) 'normal' sometime in 2021, businesses and employees will be better placed to engage in activities outside of core business, including participation in surveys.

Over one-quarter of businesses surveyed said the Local Buying Program had resulted in increased opportunities for businesses in their community to quote on work with BHP.

More than half of those businesses surveyed agreed that the Local Buying Program has been good for business

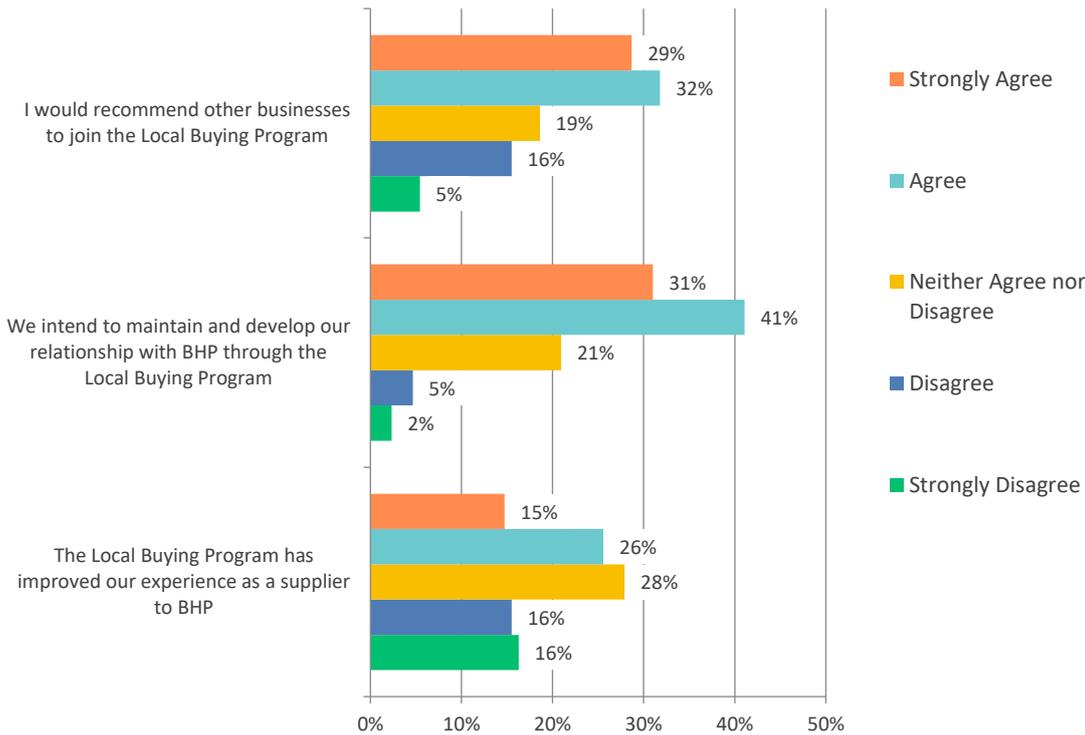
“...it has been really good for me as a Traditional Owner to showcase my capabilities.” – local supplier

Stakeholders were asked to comment on the extent to which they agreed or otherwise on a number of statements regarding the Local Buying Program.

“This is a fantastic program.”
 – local supplier



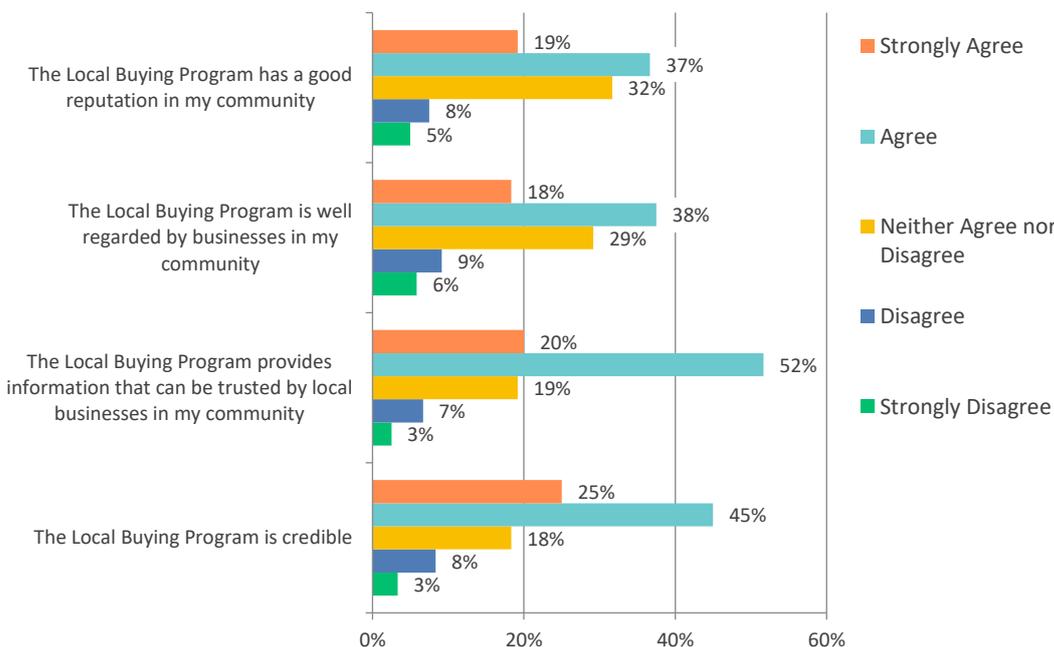
Business Experience with the Local Buying Program



The majority of businesses surveyed were generally supportive of the Local Buying Program with almost two-thirds saying that they would recommend other businesses to join the LBP.

Almost three-quarters of businesses said they intend to maintain and develop their relationship with BHP through the Local Buying Program.

Perceptions of the Local Buying Program’s Reputation in the Community



Businesses surveyed were generally in strong agreement that the Local Buying Program is credible and provides information that can be trusted by local businesses.

On the whole, businesses consider the Local Buying Program to be well regarded with a good reputation in their community.

A key objective of the Local Buying Program is to deliver simple and fit-for-purpose outcomes for stakeholders in the engagement of goods and services from local suppliers. This has been achieved through the development of the website

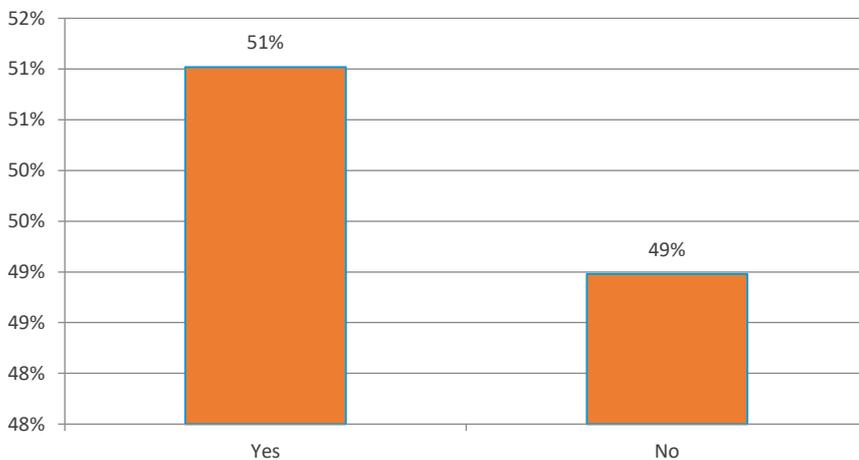
www.localbuying.com.au



Just over half of buyers surveyed reported using the Local Buying Program's online supplier directory.

Asked about their levels of satisfaction using the online supplier directory, while 45% of buyers surveyed responded 'not applicable', 41% said they were either satisfied or very satisfied. Only a very small proportion said that they were dissatisfied.

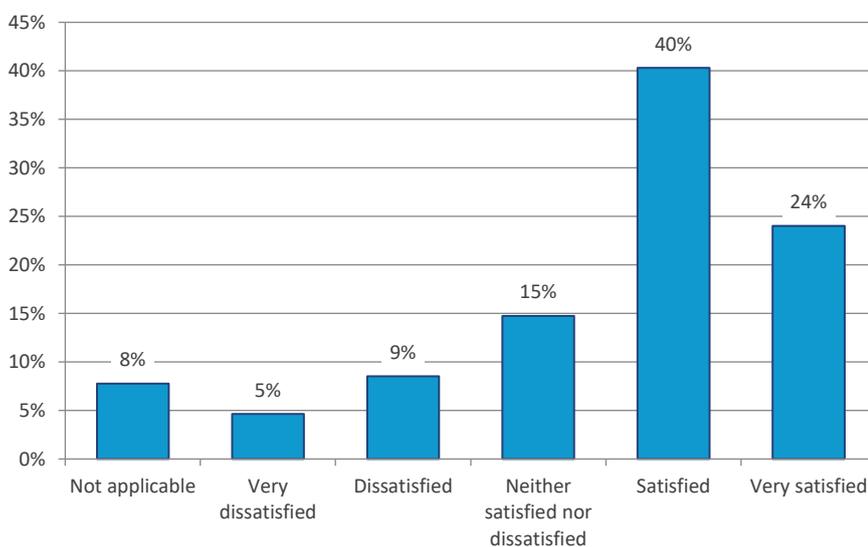
Buyers' Use of the LBP Online Supplier Directory



"...The supplier list met my expectations." – local buyer

The large majority of businesses surveyed said they use the Local Buying Program online engagement tool. Overall reported levels of satisfaction were high, with almost three-quarters of suppliers stating that they were either satisfied or very satisfied with the online engagement tool.

Business Satisfaction with the LBP Online Engagement Tool



"Our company has been well supported by the LBP and have had requests for work from multiple sites. The C-Res website makes it easy to manage these work requests and keep track of progress." – local supplier

A critical element of the Local Buying Program in Queensland and NSW is the Local Buying Foundation (LBF), which aims to build the local capabilities and opportunities for growth in current and emerging industries, by supporting projects and programs which facilitate workforce development, innovation and the productive capacity of business and industry to grow the potential of their regional economies.

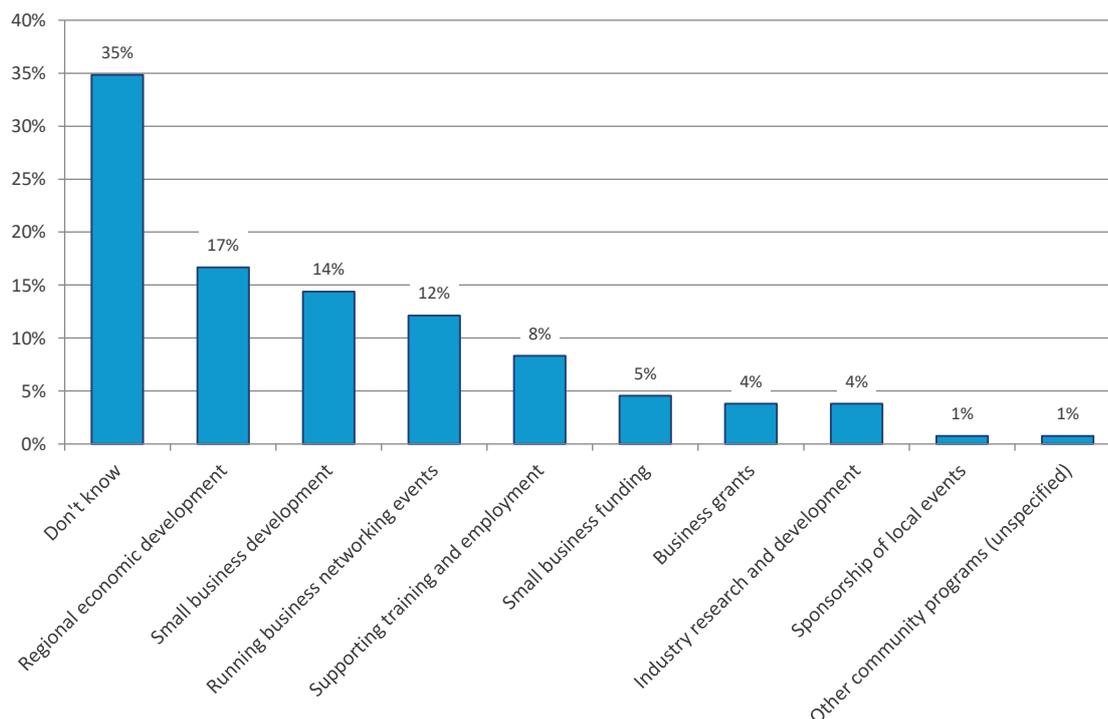


PROUDLY DELIVERING THE LOCAL BUYING PROGRAM IN PARTNERSHIP

One-third of Queensland and NSW businesses that took part in the survey said they were aware of the Local Buying Foundation.

Asked what, in their view, is the purpose of the Foundation, more than one-third of respondents said they didn't know. Of the other most common responses, 17% said the purpose of the Foundation is 'regional economic development'; 14% said 'small business development' and 12% said 'running business networking events'.

Businesses' Perceived Purpose of the Local Buying Foundation



Most stakeholders have identified the Local Buying Program as having made a positive difference to businesses and the communities in which BHP operates. Opportunities for improvements to the LBP will be explored and Program performance results reported on in future survey findings. For more information on the Local Buying Program in NSW, visit www.localbuying.com.au, phone 1800 536 663 or email info@localbuying.com.au

