

What BHP's Local Buying Program stakeholders in South Australia had to say, in 2020.



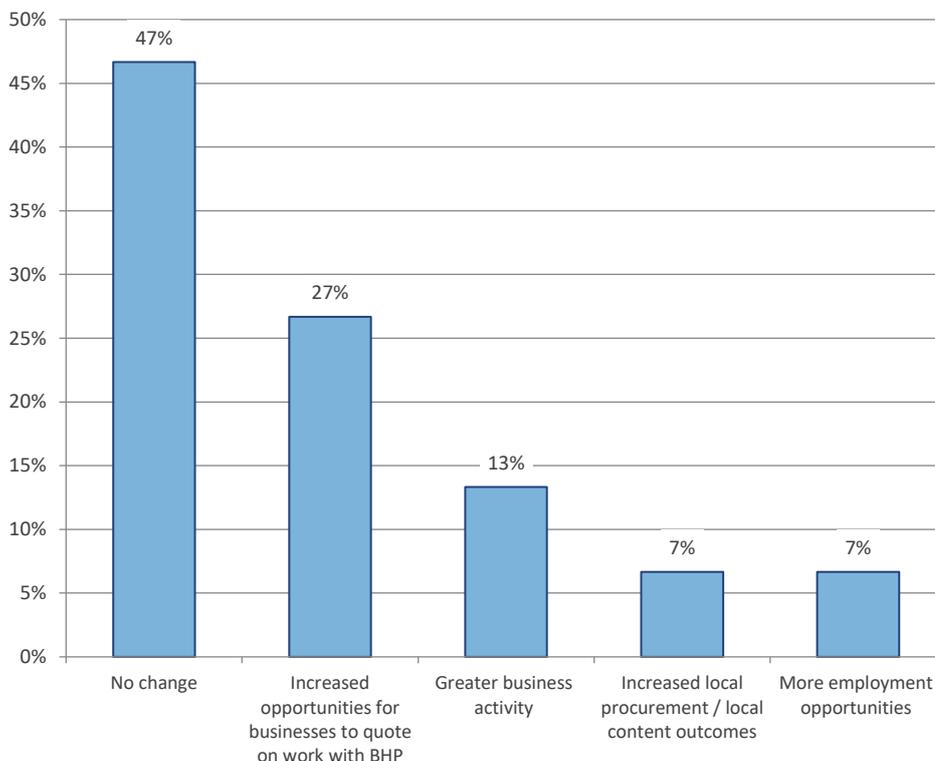
C-Res engaged consultants SC Lennon & Associates to undertake an independent assessment of the Local Buying Program in South Australia.

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.

Survey participants were asked a range of questions about if and how the Program is having a positive impact.

“I really like the program and its aim to increase spending in the local area.” – local buyer

Businesses' Observed Changes as a Result of the Local Buying Program



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.

While almost half the businesses surveyed had observed no change, more than one-quarter of those surveyed said the Local Buying Program had resulted in increased opportunities for businesses in their community to quote on work with BHP.

Other observed changes included greater local business activity, increased local content outcomes and more employment opportunities in the local community.

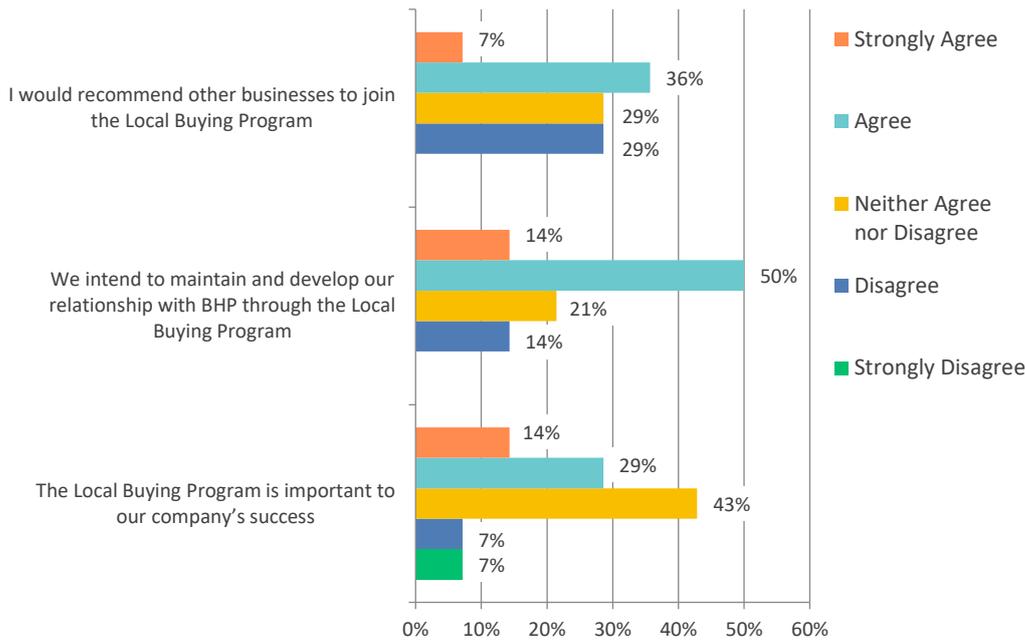
These findings were supported by the survey of buyers, who nominated increased work opportunities as the Program's most notable impact on local communities.

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

“We intend to maintain and develop our relationship with BHP through the Local Buying Program Local Buying Program.” – local supplier



Business Experience with the Local Buying Program

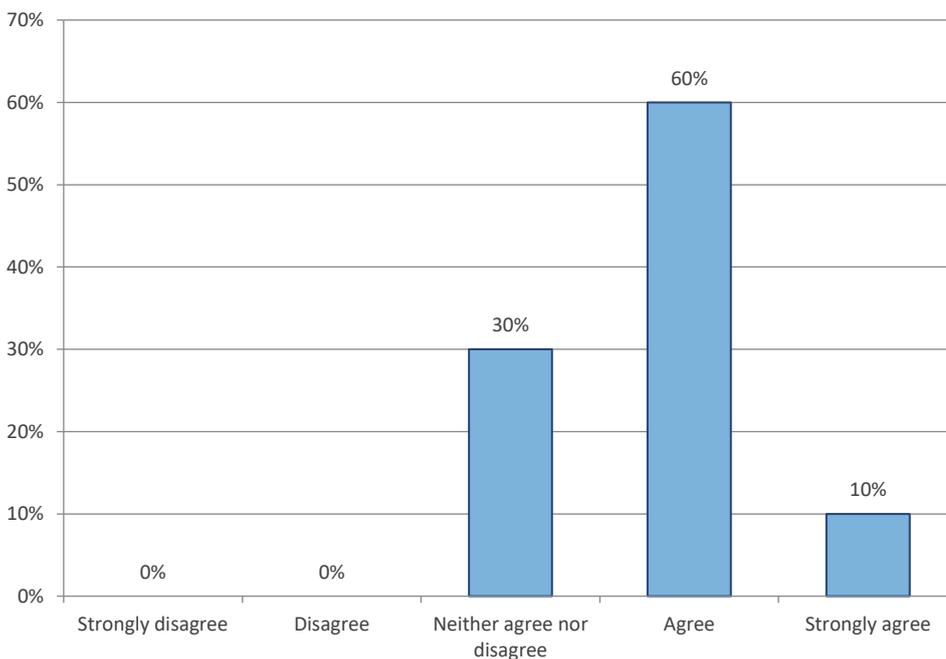


The majority of South Australian businesses surveyed were generally supportive of the Local Buying Program with 43% saying that they would recommend other businesses to join the LBP.

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

One-third of those businesses surveyed agreed the Local Buying Program is important to their company's success.

Buyers' Level of Agreement the Local Buying Program Has Positively Impacted Local Content Outcomes



Buyers working in South Australia generally agreed that the Local Buying Program has had a positive impact on local content outcomes, with almost three-quarters agreeing that the Program has made a positive contribution to local content outcomes in the region where they work.

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

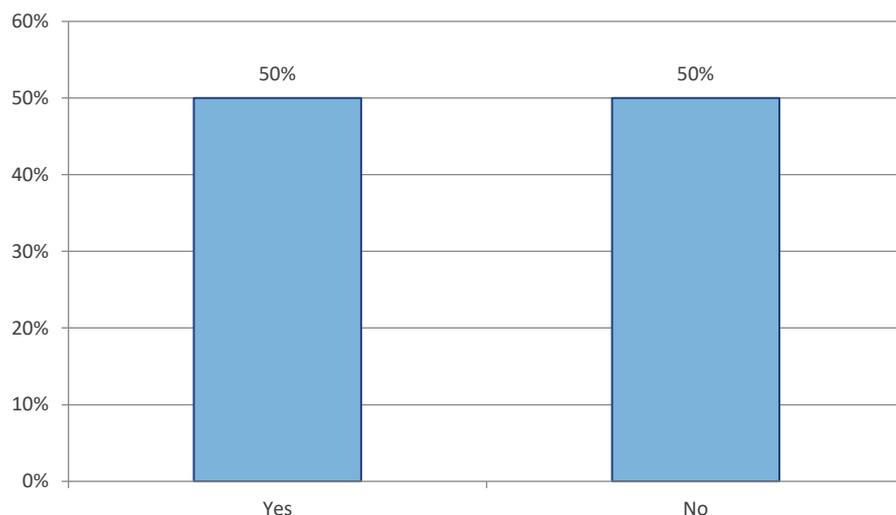
Half of the buyers surveyed reported using the Local Buying Program's online supplier directory.

LOCAL BUYING PROGRAM
BUILDING OUR FUTURE TOGETHER



PROUDLY DELIVERING THE LOCAL BUYING PROGRAM IN PARTNERSHIP

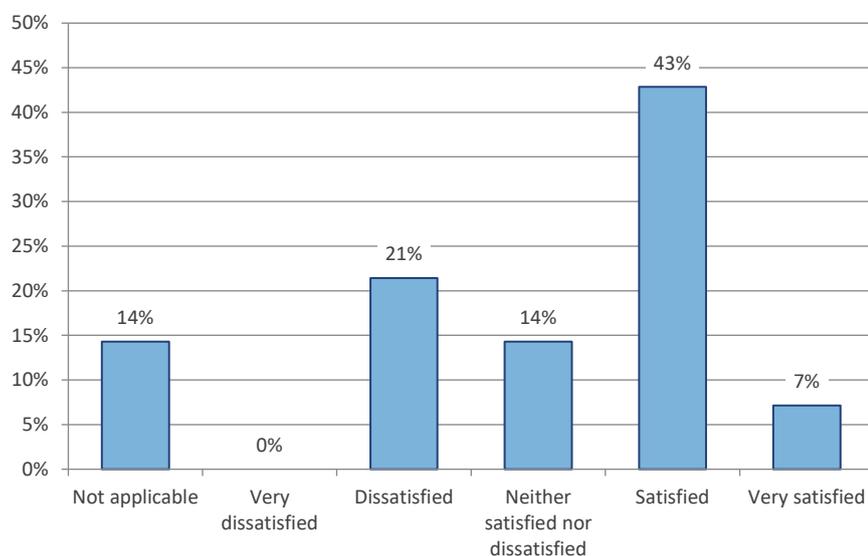
Buyers' Use of the LBP Online Supplier Directory



Asked about their levels of satisfaction using the online supplier directory, while half of the buyers surveyed responded 'not applicable', 30% said they were satisfied with their experience using the directory.

No buyers reported any level of dissatisfaction with their experience using the online supplier directory.

Business Satisfaction with the LBP Online Engagement Tool



Three-quarters of South Australian businesses surveyed said they use the Local Buying Program online engagement tool.

Half of the businesses surveyed said that they were either satisfied or very satisfied with the LBP online engagement tool.

Many South Australian stakeholders 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 South Australia, visit www.localbuying.com.au, phone 1800 536 663 or email info@localbuying.com.au

