

LOCAL BUYING PROGRAM

BUILDING OUR FUTURE TOGETHER



Western Australia

FINANCIAL YEAR TO DATE SUMMARY

July to September, 2020

**Connecting Australia's biggest business
with our regions' smallest businesses**

The Local Buying Program (LBP) provides opportunities for small businesses in the eligible regions of the Pilbara to competitively supply goods and services to BHP Western Australia Iron Ore assets and BHP Operations Services in Western Australia. The LBP commenced in Western Australia in 2017 and is delivered in partnership between BHP and C-Res. C-Res, a cost neutral small business, delivers the LBP across all BHP Minerals Australia assets nationwide.



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Highlights and News

LOCAL BUYING PROGRAM July to September, 2020

WA Local Buying Program | Regional Highlights

Region	Approved Spend		Local Business Participation		Approved Work Opportunities	
	Amount	%	Count	%	Count	%
Out of Region (Traditional Owner Exemption)	\$4,687,126	40%	14	6%	20	4%
Shire of Ashburton	\$0	0%	4	2%	0	0%
Shire of East Pilbara	\$4,198,024	36%	69	30%	290	57%
Town of Port Hedland	\$2,726,793	24%	139	62%	202	39%

187 Registered BHP Buyers
creating work opportunities

226 Small local businesses
registered with LBP



July - September 2020

Since 2017



\$11,611,943
Total Approved Spend



\$54,646,041
Total Approved Spend



512
Approved Work Opportunities



2,693
Approved Work Opportunities



14 Days
Average payment period from
receipt of invoice



14 Days
Average payment period from
receipt of invoice

"The Local Buying Program has allowed us to seek out the most competitive quote, tap into local business innovation and all while making it easier to source locally."



Local Buying Program BUSINESS HIGHLIGHTS

“The LBP has opened a door for us, giving us the chance to work with and for BHP, when we might not otherwise have known where to start.”

LBP Supplier | Local Buying Program, WA



LBP IDENTIFIES BUSINESS DIVERSITY

Mt Whaleback Conveyor Maintenance Team recently engaged with a local supplier to provide embroidered polo shirts and jumpers. The LBP enabled a simple engagement and procurement solution for the BHP Buyer. The small business has since been able to expand its supply chain and supply similar products to other BHP departments and local organisations.

LBP DELIVERS ON SAFETY AND EFFICIENCY

Site Services – A/C, Fire and Security Team currently disposes of more than 500 fire extinguishers per year. Logistical issues relating to the disposal, through a Perth vendor, saw large storage of expired extinguishers on site and double handling of the load when being processed through the warehouse. Via the LBP, a specialist local supplier was identified to meet the requirements of the Site Infrastructure Department in a cost effective and timely manner while also providing an avenue to support the local business community!



COST SAVINGS AND SAFER SOLUTIONS

An opportunity was recently identified by BHP Eastern Pilbara Engineering Team to procure suitable container blocks and chains to secure containers on site, especially during cyclone season. A competitive quoting process, via the LBP, identified a BHP verified Traditional Owner business to supply the items in bulk, creating a significant cost saving. Supply replication possibilities across various sites are also being investigated.

LOCAL BUYING FOUNDATION

AN INITIATIVE OF THE LOCAL BUYING PROGRAM



Western Australia

Shire of East Pilbara | Town of Port Hedland

FINANCIAL YEAR TO DATE SUMMARY

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Launched in July 2020, the Local Buying Foundation (LBF) is a critical element of the Local Buying Program (LBP). In Western Australia, BHP makes a financial contribution to the LBF for every approved LBP transaction. The aim of the LBF is to enhance the economic sustainability of regions within the operational footprint of BHP Minerals Australia assets and BHP Operation Services in Western Australia. We do this through the support of programs and initiatives that target local business training and development needs.

Program to Date (2020)



\$479,627
Funding Received



2
Projects Approved



\$10,500
Value of Approved Projects

Initiatives / Projects / Events supported

July - September 2020

- **Newman Chamber of Commerce and Industry**
Business Excellence Awards Sponsorship
- **Port Hedland Chamber of Commerce and Industry**
Business of the Year Awards Sponsorship



View the
July - September
eNews here