

LOCAL BUYING PROGRAM

BUILDING OUR FUTURE TOGETHER



Western Australia

FINANCIAL YEAR TO DATE SUMMARY

July to December, 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 WA to competitively supply goods and services to BHP Western Australia Iron Ore assets, BHP Operations Services in Western Australia and Western Australia Australian Petroleum Unit (WAAPU). 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 and BHP Western Australia Petroleum.



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for Financial Year to Date
Highlights and News

LOCAL BUYING PROGRAM July to December, 2020

Local Buying Program | Regional Highlights

| Region | Approved Spend | | Local Business Participation | | Approved Work Opportunities | |
|--|----------------|-----|------------------------------|-----|-----------------------------|-----|
| Out of Region (Traditional Owner Exemption) | \$7,646,270 | 37% | 20 | 7% | 49 | 4% |
| Shire of Ashburton | \$29,030 | <1% | 15 | 6% | 10 | 1% |
| Shire of East Pilbara | \$6,918,091 | 32% | 83 | 30% | 653 | 59% |
| Shire of Exmouth | \$0 | 0% | 6 | 2% | 0 | 0% |
| Town of Port Hedland | \$6,333,848 | 30% | 153 | 55% | 406 | 36% |

288

BHP Buyers creating
work opportunities

277

Small local businesses
approved with LBP



July - December, 2020

Since 2017



\$20,927,239

Total Approved Spend



\$63,961,336

Total Approved Spend



1,118

Approved Work Opportunities



2,693

Approved Work Opportunities



13 Days

Average payment period from
receipt of invoice



13 Days

Average payment period from
receipt of invoice

"It's been great to welcome C-Res and the LBP as a new procurement channel for local Exmouth and Onslow/Shire of Ashburton businesses to engage with BHP Petroleum Australia."

BHP Buyer | WAIO



Local Buying Program BUSINESS HIGHLIGHTS

"The LBP is providing small businesses the opportunity to engage and communicate with BHP to discuss local supply solutions."

LBP Supplier | Local Buying Program, WA



LBP IDENTIFIES CREATIVE OPPORTUNITY

The WAIO Rail Team had previously managed the cartage of BHP spec ballast internally. An opportunity to outsource this service locally resulted in a small business being engaged via the LBP. The supplier has shown a true commitment to efficient communication, following standards and using the correct procedures. BHP Buyers utilising the LBP shows commitment to supporting local business in the WAIO footprint.

SUPPLIERS DELIVER HIGH STANDARDS

The Local Buying Program's RFQ functionality is delivering a high standard in quotes for BHP Buyers to assess. Recently the Rail Executive Team created a Work Instruction and received 16 responses from local suppliers, 13 of which were Traditional Owner or Indigenous Businesses. The BHP Buyer provided feedback mentioning all submissions were of a high standard and the decision for award was difficult. The Program continues to provide an effective way to reach a wide range of suppliers, and assists with meeting local procurement targets.



LBP EXPANDS TO BHP PETROLEUM

C-Res and BHP have been working hard to ensure everything was in place and ready to roll out the first Work Instruction for WA Petroleum on December 14 'Go Live' date. Both teams worked together to involve all relevant departments, engage local suppliers and train BHP Buyers how to use the Program. We look forward to some fantastic outcomes for local procurement in the Shires of Exmouth and Ashburton.

LOCALBUYING FOUNDATION

AN INITIATIVE OF THE LOCAL BUYING PROGRAM



Western Australia

Shire of East Pilbara | Town of Port Hedland

FINANCIAL YEAR TO DATE SUMMARY

July to December, 2020

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 Operational 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)



\$621,151

Funding Received



3

Projects Approved



\$38,500

Value of Approved Projects

Projects Approved:

October to December, 2020

- **The Junction Co. | Pilbara Artist Development**

The Pilbara Public Artist Development Program (PPADP) is a capacity building program for Pilbara artists to empower and upskill participants, to further their practice into public art realm through a series of presentations, workshops, and skills development sessions.



View the
October to December, 2020
eNews here



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BHP **C·RES**
COMMUNITY RESOURCING
FOR THE FUTURE
PROUDLY DELIVERING THE LOCAL BUYING PROGRAM IN PARTNERSHIP