

Rio Tinto Buy Local

Aluminium | Eastern Australia



Our approach

One way we support local suppliers is through our procurement processes. We generally seek to take requirements to market. We do this primarily through tendering. As part of this process we consider a range of assessment criteria, including safety, technical, commercial, local content and sustainability. If all criteria are as equally competitive, we prefer to award to a local supplier, in the following order:

1. **Agreement Participant Business¹**
2. **Local Business²**
3. **State Business³**
4. **National businesses⁴**

We are committed to providing opportunities for Indigenous businesses⁵ and creating pathways to maximise the positive impacts of our operations while also preserving the culture, identity and language of the communities where we work.

We also:

- **Promote** sustainable business growth and support business capability enhancement programs to build local industry strength.
- **Provide** visibility of upcoming work opportunities enabling suppliers to express interest.
- **Engage** with local suppliers regarding registration on our Portal and submitting interest for work packages.
- **Offer** small Australian suppliers shorter payment terms to ensure they are paid within 14 days of receipt of a valid invoice.⁶

Our approach is complemented by our statement of business practice *The Way We Work* and *The Supplier Code of Conduct*, which can be viewed at www.riotinto.com/suppliers as well as our commitment to the [Business Council of Australia's Raising the Bar](#) Indigenous supplier targets.

Category definitions

¹ Agreement Participant businesses – is a business (or group of businesses) that has been defined within an agreement to which Rio Tinto is a signatory.

² Local businesses – a business in which a person residing or a corporation headquartered in the Local Region has a minimum 50% ultimate ownership interest, and which either is headquartered in the Local Region or derives at least 50% of its total revenue stream from the Local Region, and in each case, at least 50% of its workforce residents in the Local Region.

³ State businesses – a business in which a person residing or a corporation headquartered in the state where our operation(s) are based has a minimum 50% ownership interest, and which is either headquartered in the state or derives at least 50% of its total revenue stream from the state, and in each case at least 50% of its workforce resides in the state where our operation(s) are based.

⁴ National businesses – minimum ownership of at least 51% by a person or a corporation headquartered in Australia.

⁵ Indigenous businesses - a business in which an Indigenous person or entity has the requisite minimum ownership interest. (Minimum 50% ownership required. 'Ownership' is as determined by Rio Tinto, consistent with applicable agreements between Rio Tinto and Indigenous people).

⁶ These payment terms apply to businesses who supply up to A\$1 million of goods and services to Rio Tinto, or those with an annual turnover up to A\$10 million.

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For more details visit

Rio Tinto Buy Local portal riotintobuylocal.riotinto.com
or email RTA.LocalProcurement@riotinto.com

Partnership
for Progress