

# Rio Tinto Buy Local

Western Australia



We aim to strengthen communities wherever we operate.

One way we do this is through our procurement practices and an increased focus on partnering with local suppliers.

Our business performance is dependent upon our supply chain and the safe, responsible, innovative and reliable supply of goods and services.

Our procurement practices, and those of our suppliers, help sustain many Western Australian businesses and, in turn, local communities. Improving these practices, and providing increased opportunity for local suppliers, can stimulate local economies to deliver socio-economic benefits for communities, suppliers and our business.

We are committed to maximising opportunities for Western Australian suppliers to be part of our supply chain and strengthen the capability of local suppliers to further develop local industry. Ultimately, we want to make it easier for local suppliers to compete for contracts and maximise local economic participation benefits.



## Rio Tinto Buy Local aims to support local businesses across the state through:

- the Rio Tinto Buy Local portal providing transparency of upcoming work opportunities and enabling suppliers to register interest
- a dedicated team to support local suppliers
- supporting the delivery of capability building programs to strengthen and grow local businesses
- adjusted payment terms for small businesses.

RioTinto

For more details visit

Rio Tinto Buy Local portal [riotintobuylocal.riotinto.com](https://riotintobuylocal.riotinto.com)  
or email [riotintobuylocal.WA@riotinto.com](mailto:riotintobuylocal.WA@riotinto.com)

Partnership  
for Progress



## 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 Business<sup>1</sup>**
2. **Local Business<sup>2</sup>**
3. **State Business<sup>3</sup>**
4. **National businesses<sup>4</sup>**

We are committed to providing opportunities for Indigenous businesses<sup>5</sup> 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.<sup>6</sup>

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](http://www.riotinto.com/suppliers) as well as our commitment to the [Business Council of Australia's Raising the Bar](#) Indigenous supplier targets.

#### Category definitions

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

<sup>2</sup> 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.

<sup>3</sup> 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.

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

<sup>5</sup> 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).

<sup>6</sup> 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.