

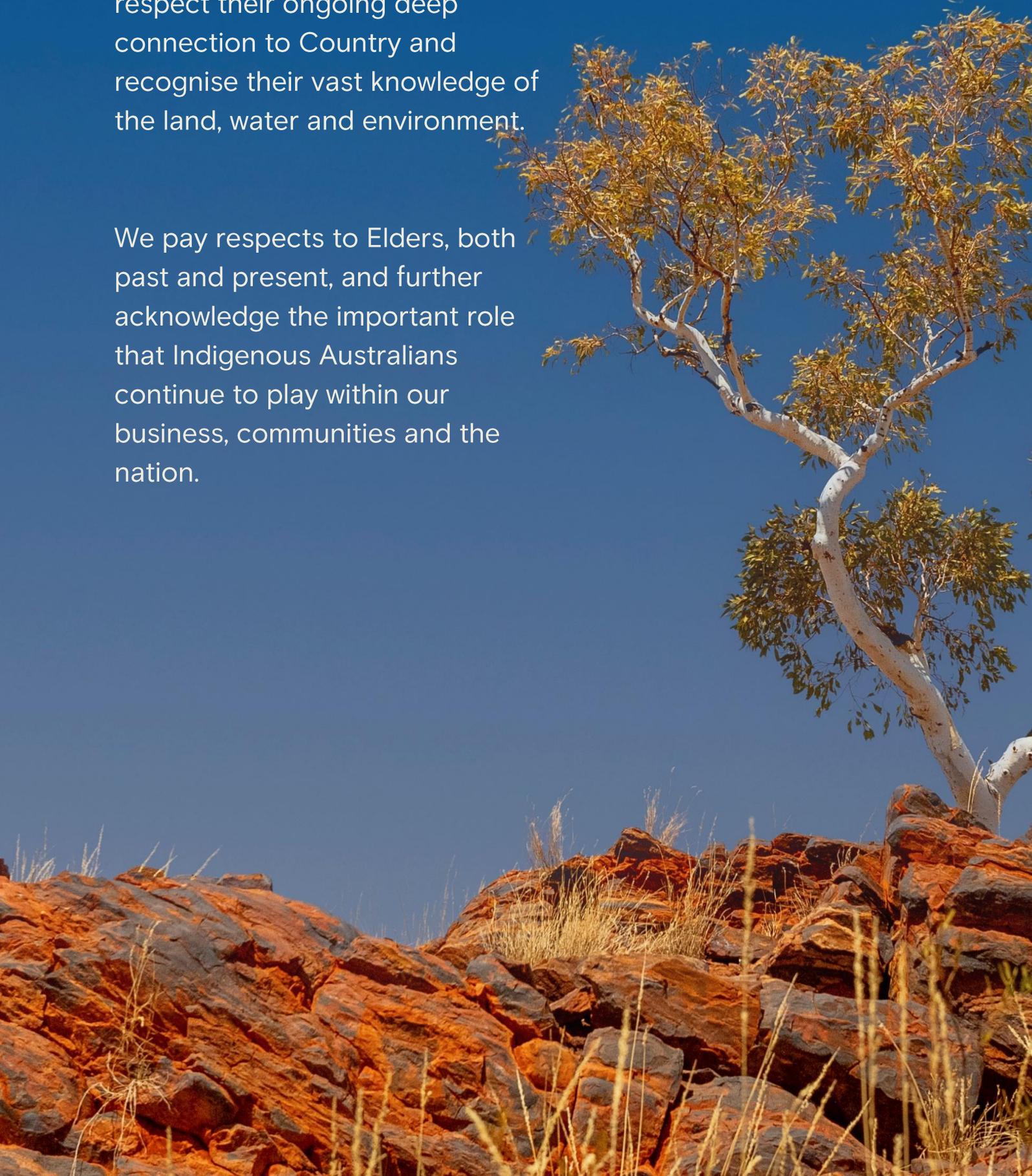
RioTinto

Local Participation Plan Rio Tinto Iron Ore 2025 Summary



Our operations are located on land and waters that have belonged to Indigenous Peoples for thousands of years. We respect their ongoing deep connection to Country and recognise their vast knowledge of the land, water and environment.

We pay respects to Elders, both past and present, and further acknowledge the important role that Indigenous Australians continue to play within our business, communities and the nation.



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1. Local industry participation benefits

Rio Tinto strengthens communities through our local procurement practices, delivering benefits for communities, suppliers and our business. We contribute to sustainable development by ensuring local communities can actively participate in economic activity.

We are committed to a sustainable supply chain with a focus on safety, economic prosperity, social wellbeing, environmental stewardship and strong governance.

Our procurement practices sustain many Western Australian businesses and local communities.

We also maximise opportunities for local suppliers to be part of our supply chain and enhance the capability and competitiveness of local suppliers.

Ultimately, we want to make it easier for local suppliers to compete for contracts, as this in turn enhances contributions to local economies.

1.1 *Acknowledgement of the need for local industry participation benefits*

We recognise significant socio-economic benefits can be achieved through sourcing products and services locally. We expect all third-party contractors to support our local procurement practices.

We are committed to the employment and training of Western Australian residents and sourcing local supply options.

Where possible, we also seek professional services locally.

We are also committed to preferring the procurement of works, materials, plant, equipment and supplies from Western Australian suppliers, manufacturers and contractors where possible when competitive.

We also expect our contractors to support local industries, and we ensure compliance through actionable provisions and/or performance related measures in our contracts.

1.2 *Submission of this Local Participation Plan*

In 2012 Rio Tinto submitted a Local Participation Plan (**LPP**) which was approved by the Minister for State Development (**Minister**) in 2012. A new LPP was submitted by Rio Tinto in 2019, which was approved in 2019 in compliance with all Rio Tinto Iron Ore State Agreements.

Rio Tinto is pleased to now present a revision of the 2019 LPP.

2. Our approach to local participation

2.1 *Strategies to maximise Local Industry Participation Benefits*

We aim to maximise the local industry participation benefits through our local procurement practices, and a variety of initiatives to create employment opportunities for Western Australians through direct and indirect engagement opportunities for local suppliers to ensure the long-term sustainability of local businesses and communities.

In 2017 we established the Rio Tinto Iron Ore Local Procurement Program, which includes:

- a Local Procurement Portal riotintobuylocal.onlineprocurement.com.au enabling Western Australian businesses to register interest, providing transparency for upcoming procurement opportunities;
- teams in Western Australia dedicated to identifying opportunities for local businesses, including Pilbara Aboriginal businesses;
- favourable payment terms for smaller businesses;
- increasing the collaboration with major suppliers and local businesses, to improve work opportunities for local businesses with these suppliers; and
- supporting the delivery of a strategic Capability Enhancement Program with local businesses.

To further maximise the local participation benefits we also seek local content commitments from our contracted suppliers.

Procurement and sustainability practices of third parties

We collaborate with our suppliers to achieve our sustainable development and improve local content outcomes in Western Australia. Our suppliers are expected to support our local content objectives and drive their own local content commitments. We hold our suppliers to account through our Supplier Code of Conduct contractual commitments, and key performance indicators. We also encourage collaboration across third parties, to increase opportunities for Western Australian businesses.

2.2 *Procurement practices and Western Australian based suppliers, manufacturers and contractors*

We are committed to fostering local economies in Western Australia by enhancing procurement practices and increasing opportunities for local businesses to join our supply chain through the Rio Tinto Iron Ore Local Procurement Program.

Informing suppliers of procurement opportunities

Suppliers can register their interest in supplying goods and services in response to specific scopes of work through the Rio Tinto Local Procurement Portal.

We extend visibility to local suppliers by publishing the upcoming pipeline of works and seek expressions of interest (**EOI**) through the Rio Tinto Local Procurement Portal.

For large projects we also work closely with the Commonwealth Department of Industry, Science and Resources to develop Australian Industry Participation Plans. This includes development of a Project Gateway web page with the Industry Capability Network of Western Australia (**ICNWA**) Suppliers can also contact us via the Buy Local Australia page on the Rio Tinto Global website or riotintobuylocal.wa@riotinto.com.

We maintain a database of all qualified suppliers and ensure confidentiality and a fair and consistent process for all suppliers.

We have standard procurement practices for tenders, contracts for works, materials, plant, equipment, and suppliers for our operations to provide fair and reasonable opportunities for Western Australian local suppliers, manufacturers and contractors.

Electronic tools and marketplaces are integral to the way we interact with suppliers. Prospective suppliers are required to register on our online procurement system, to access terms and conditions, business requirements and specifications and standards for the relevant goods or services; and instructions on the tendering process.

All tenders are facilitated through the Ariba e-procurement platform, ensuring efficient and consistent distribution of tender information and a record of the procurement. It also contains a database of registered suppliers.

Governance

Our core values of care, courage and curiosity serve as a foundation of doing business the right way with our suppliers and communities. We hold ourselves accountable to the highest industry standards and stringent requirements for ethical conduct.

Our procurement principles and policies outline the expectations of our relationships and interactions with suppliers and can be viewed at:

<https://www.riotinto.com/en/about/suppliers>.

Rio Tinto's [Supplier Code of Conduct](#), [The Way We Work](#) and [Business Integrity Standard](#) sets our expectations of suppliers. The Way We Work, is our statement of business practices which summarises the Group's principles and policies for all employees.

We also expect our suppliers to support and respect the human rights of their workers, consistent with the Universal Declaration of Human Rights. See our [Human Rights Policy](#).

2.3 How Rio Tinto Iron Ore awards work to local suppliers

We define a local business by the location of ownership, revenue and workforce. Locals will be preferred when they are competitive. We consider safety, technical capability and capacity, sustainability, local content and commercial competitiveness.

Where suppliers are assessed to be equally competitive across the assessment criteria, our preference is to award to a local based on a defined order which ranges from Tier 1 Agreement Participant businesses, through to International businesses.



*Supplier Engagement Specialist Naveh
with local supplier.*

2.4 *Communication strategies to engage and facilitate engagements with Western Australian suppliers*

We host supplier forums and information sessions around Western Australia to update suppliers on key initiatives such as safety, expansion projects, Local Procurement Program and Portal, including training sessions on how to register and use the Portal. We engage in supply chain expos and industry events hosted by government and non-government entities.

Our team engage with local businesses to assist with queries, making sure that there is transparency in relation to the process and an opportunity for feedback to be provided.

Face-to-face engagements are facilitated with local businesses and relevant Rio Tinto personnel to support and raise local business profiles within Rio Tinto.

We undertake quarterly supplier review meetings with our major suppliers and provide regular feedback on performance. We actively encourage supplier alignment with our values including increasing local content, Indigenous engagement and sustainable procurement practices.

2.5 *Pilbara Aboriginal Businesses*

We support Pilbara Aboriginal Businesses (**PABs**) with business development to meet our Indigenous Land Use Agreements (**ILUA**) and Communities and Social Performance Standard (**CSP**) requirements.

Our Traditional Owner Business Growth and Development Team assists Pilbara Aboriginal People in developing sustainable commercial opportunities both directly with Rio Tinto and the broader commercial market.

This is achieved by developing sustainable business models with traditional owner corporations and third parties, identifying suitable tender packages and engagement opportunities, assisting PABs in understanding our procurement processes and tendering requirements, helping them meet site requirements, HSEQ, and vendor qualification, and promoting PABs as subcontract opportunities to leading Rio Tinto contractors.

More broadly, the Local Procurement Team supports by encouraging contractors to include Indigenous engagement strategies and developing initiatives and implementation tools.

3. Implementation of this Local Participation Plan

3.1 *State Agreement local content reporting*

We regularly report on our local content, providing updates to the Minister about how much of our sourcing comes from local businesses. These updates cover both the development phases of major projects and our ongoing operations, including details on spending across different areas. Information about major projects and ongoing business activities is kept separate to give a clear picture of our local engagement in each area.

3.2 *Australian payment terms*

Faster payment terms help our suppliers manage cash flow and help local business partners to grow.

We offer expedited payment terms to support Indigenous and local suppliers, of 7-days and 20-days for Local Suppliers. Small Australian suppliers up to A\$1 million in goods and services are eligible for payment within 14 days. Australian suppliers with spend more than \$1 million per year are on the Rio Tinto standard payment terms of End of the Accumulation Period (EOAP) + 45 days.

3.3 *Further information at Local Suppliers – Buy Local Australia*

For more information, including current Expressions of Interest, supplier registration documentation, supplier user guide, our Pioneer Portal and other information please see the [Buy Local Australia page](#) on our website.

To view a case study watch [this video](#) about MundaMurra, a 100% Aboriginal-owned Pilbara business and the proud winner of the 2024 Local Engagement Award at the Rio Tinto Supplier Recognition Awards.