

PUBLIC AUSTRALIAN INDUSTRY CAPABILITY PLAN

1. Company Details

Company Name: Boeing Defence Australia Limited
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2. Executive Summary

Boeing Defence Australia (BDA) is the prime contractor to the Commonwealth of Australia (Commonwealth) under the LAND 4503 Armed Reconnaissance Helicopter Replacement (Apache) Program, responsible for the sustainment of 29 AH-64E Apache Attack Helicopters. The Apache Program is executed by BDA, a wholly owned subsidiary of The Boeing Company (Boeing).

The Apache Program is governed under the Apache Initial Support Contract (Contract Number CASG/JASD/CON10701/1) for a seven (7) year duration, with an initial expiry date of December 2030. The initial contract price is \$306M of which approximately 84% would be delivered in-country and reported as Australian Contract Expenditure (ACE).

Under the Contract, BDA will meet Defence's requirements for skilled workforce in the operating and training units in Townsville and Oakey, as well as the support office in Brisbane. BDA will perform all activities necessary for the sustainment of Apache through the implementation of Embedded Services associated with supporting the Mission System, including:

- management of Services;
- provision of Engineering Services (as required);
- provision of Support Resources;
- Australian Industry Capability (AIC);
- Quality Management; and
- Environmental, Health and Safety (EHS) Management.

As part of the Apache Initial Support Contract, BDA's AIC Objectives aim to maximise the Contract scope to be delivered by Australian industry to:

- Maximise Australian Contract Expenditure (ACE) by ensuring that a large majority of the Apache Initial Support Contract is delivered in country by BDA personnel, thereby progressing towards an 84% overall ACE Target.
- Transfer knowledge from Boeing to the Australian Apache Program ultimately enhancing AIC opportunities and sovereign capability. Boeing scope will enable BDA knowledge transfer as the necessary training systems are established and the local workforce gains the skills and experience required to meet regulatory requirements, allowing BDA to deliver services as a primarily sovereign solution.
- Contribute to the enhancement of Sovereign Industry Capability Priorities (SICPs) (later superseded by Sovereign Defence Industrial Priorities (SDIPs)) through the provision of a skilled, trained and experienced workforce that supports execution of maintenance, repair, overhaul (MRO) and upgrade activities.

To drive the implementation of the AIC Objectives under the Apache Initial Support Contract, the Apache Program is adopting the Australian Industry Opportunities (AIO) analysis framework. This is a best practice framework used by BDA to take advantage of lessons learned internally through implementation and ongoing delivery of this approach with the Commonwealth.

3. Future Work Opportunities

BDA works with the Commonwealth and Boeing to support opportunities for the transfer of knowledge, skills and Intellectual Property to Australian industry. In this context BDA will support the participation of Australian industry in aircraft deeper maintenance, modification, and upgrade capabilities and related component MRO activities. BDA seeks to leverage these arrangements to ensure efficient output in support of Apache capability and achieve value for money for the Commonwealth. The AIO framework will be used to identify future work opportunities.

BDA will also use its best endeavours to maximise local workforce, including the addition of local businesses into BDA's Supply Chain. With workforce capacity and capability being fundamentally critical, BDA invests in building pathways towards defence industry careers, to attract, retain and upskill its technically proficient workforce. For instance, as part of BDA's student and graduate employment, we offer:

- Work experience: Week-long programs where local high school students are engaged in robotics, site visits and problem-solving activities.
- Internships: Three-month placements at BDA or another Boeing Australia subsidiary where students will work on a project, and get support from mentors. Placements cover research and technology, engineering, on-aircraft roles, Supply Chain Management (SCM) and corporate roles.
- Graduates: The program rotates graduates through different teams in order to expose them to the business, build their skills and provide an opportunity to work with industry leaders.
- Training and apprenticeships: As a Registered Training Organisation, BDA is equipped to deliver traineeships and workplace assessment for trainees and apprentices.

4. Market Engagement

BDA is committed to developing sovereign industry capability in Australia and has a demonstrated history of engaging and developing Australian Small to Medium Enterprises (SMEs), including diversity-owned enterprises such as veteran and Indigenous-owned businesses. To expand upon BDA's comprehensive existing supplier base, BDA partners with Commonwealth agencies such as the Office of Defence Industry Support (ODIS), the Industry Capability Network (ICN) and state-based defence industry networks such as the Australian Industry & Defence Network. BDA also maintains a large presence at a number of Australian defence and aviation/aerospace tradeshows including Indo Pacific, Land Forces and the Australian International Airshow at Avalon.

In 2022, in partnership with ODIS, AusIndustry and Defence Jobs Queensland, BDA launched the Capability Up-Lift Program. The 2022/23 program included 20 Australian SMEs, including diversity-owned businesses. This program focuses on developing the program cohort's personal, professional and operational acumen, and includes formal and informal learning sessions with a focus on tendering to BDA, the defence industry, and Boeing's global supply chain. The program also provides access to Boeing leaders through leadership roundtables, visits to Boeing and defence sites and networking.

BDA works collaboratively with Boeing's Office of AIC in order to identify and qualify Australian businesses

that have the potential and capability to support the Global Supply Chain Program via export opportunities to new and existing global markets. This tiered approach maximises Australian industry's access to local, national and global opportunities and contributes to creating a more sustainable, resilient and competitive sovereign defence industry capability.

In addition to advertising opportunities through Boeing's existing supplier network, upcoming opportunities are advertised through the BDA listing on the ICN Gateway portal. Interested suppliers can visit the BDA page for current and upcoming opportunities: <https://gateway.icn.org.au/project/4957/boeing-defence-australia>.

The Apache Program point of contact is:

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The primary BDA point of contact in relation to this Public AIC Plan is:

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