

CORPORATE PLAN

2021-22

RECOVERY,
REBOUND,
IMPACT.



Australian Government
Indigenous Business Australia

ACKNOWLEDGMENT OF COUNTRY

IBA pays respect to Elders, past, present and emerging. We honour the resilience and continuing connection to country, culture and community of all Aboriginal and Torres Strait Islander people across Australia. We recognise the decisions we make today will impact the lives of generations to come.

INDIGENOUS BUSINESS AUSTRALIA CORPORATE PLAN

As the accountable authority of IBA, the Board presents the IBA Corporate Plan 2021–22, as required under section 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The plan is consistent with the obligations arising from IBA's enabling legislation, the *Aboriginal and Torres Strait Islander Act 2005* (ATSIA Act), and was prepared in accordance with the *Public Governance, Performance and Accountability Rule 2014*.

This plan has been prepared for the 2021–22 reporting period and includes information that covers the 2021–22 to 2024–25 reporting periods. It replaces IBA Corporate Plan 2020–21.

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Front cover: 'Dreaming' artwork by artist Penny Evans. Inverse image by Professor Wayne Quilliam as part of IBA's Impact Report series.

IBA has taken all reasonable steps to ensure that the content of this publication is sensitive and considerate of Aboriginal or Torres Strait Islander people. Throughout this document the term 'Indigenous' refers to Aboriginal and Torres Strait Islander people.

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For more information, visit IBA's website at iba.gov.au or call **1800 107 107**.

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CONTENTS

WHY WE EXIST	1
WHAT WE DO	2
OUR OPERATING ENVIRONMENT	5
CUSTOMER SUCCESS	7
SMART MONEY	10
DEADLY PEOPLE	14
STRONG SYSTEMS	16
OUR PLANNED PERFORMANCE	30



For many young people, buying their first home in their 20s may seem out of reach, but Ryan and Keilan were determined to make it happen.

WHY WE EXIST

**INDIGENOUS BUSINESS AUSTRALIA
SERVES, PARTNERS AND INVESTS
WITH ABORIGINAL AND TORRES STRAIT
ISLANDER PEOPLES WHO WANT
TO OWN THEIR FUTURE.**

**WE INVEST IN PEOPLE, PLACES
AND IDEAS.**

WE HELP MAKE DREAMS REAL.

Indigenous Business Australia's purpose is set out in the *Aboriginal and Torres Strait Islander Act 2005* (the ATSI Act):

1. to assist and enhance Aboriginal and Torres Strait Islander self-management and economic self-sufficiency; and
2. to advance the commercial and economic interests of Aboriginal and Torres Strait Islanders by accumulating and using a substantial capital asset for the benefit of Aboriginal and Torres Strait Islander peoples.

The ATSI Act gives Indigenous Business Australia (IBA) a range of powers to engage in commercial activities that help serve this purpose. We support the accumulation of wealth by Aboriginal and Torres Strait Islander people through:

- providing home and business loans and other finance products
- creating and participating in investments, partnerships and joint ventures.

DELIVERING ON OUR PURPOSE

IBA's vision is for a nation where Aboriginal and Torres Strait Islander people are economically independent and an integral part of the economy. We recognise and respect the 80,000+ year connection Indigenous Australians have with this country and know that their connections to land and water are not only rich in cultural and social value but have immense economic worth to both Indigenous Australians people and the wider Australian community. Self-determination is the key to Indigenous prosperity. IBA has been given a critical role, as both advocate and facilitator.

In creating a brighter future, we must start by recognising the 200+ years of displacement and systemic exclusion Aboriginal and Torres Strait Islander people have endured. Since white settlement, Indigenous people have been removed from their lands and denied the right to own property. They were excluded from the workforce and could not earn equal pay. It is the responsibility of organisations like IBA to address the vast gaps between the economic prosperity and inter-generational wealth of non-Indigenous and Indigenous Australians.

While we understand we cannot address all the challenges that Indigenous Australians face, we will continue to do everything within our power to increase their economic participation, financial independence and self-sufficiency. Our relationships with customers, stakeholders and partners will always be our top priority.

Across 2021-22 and beyond, we face uncertain economic times as we rebuild and recover from the impacts of COVID-19. Supporting our customers will require innovation and flexibility in our thinking, particularly as housing prices rise and businesses continue to transform digitally in a rapid changing environment.

Our Corporate Plan sets out how we will continue to support our customers' success and in turn our success. It includes our purpose, what we intend to achieve and how we will measure our achievements. The Strategic Plan translates these broad aims into more specific actions, guiding IBA staff on how we will achieve our long-term goals.

WHAT WE DO

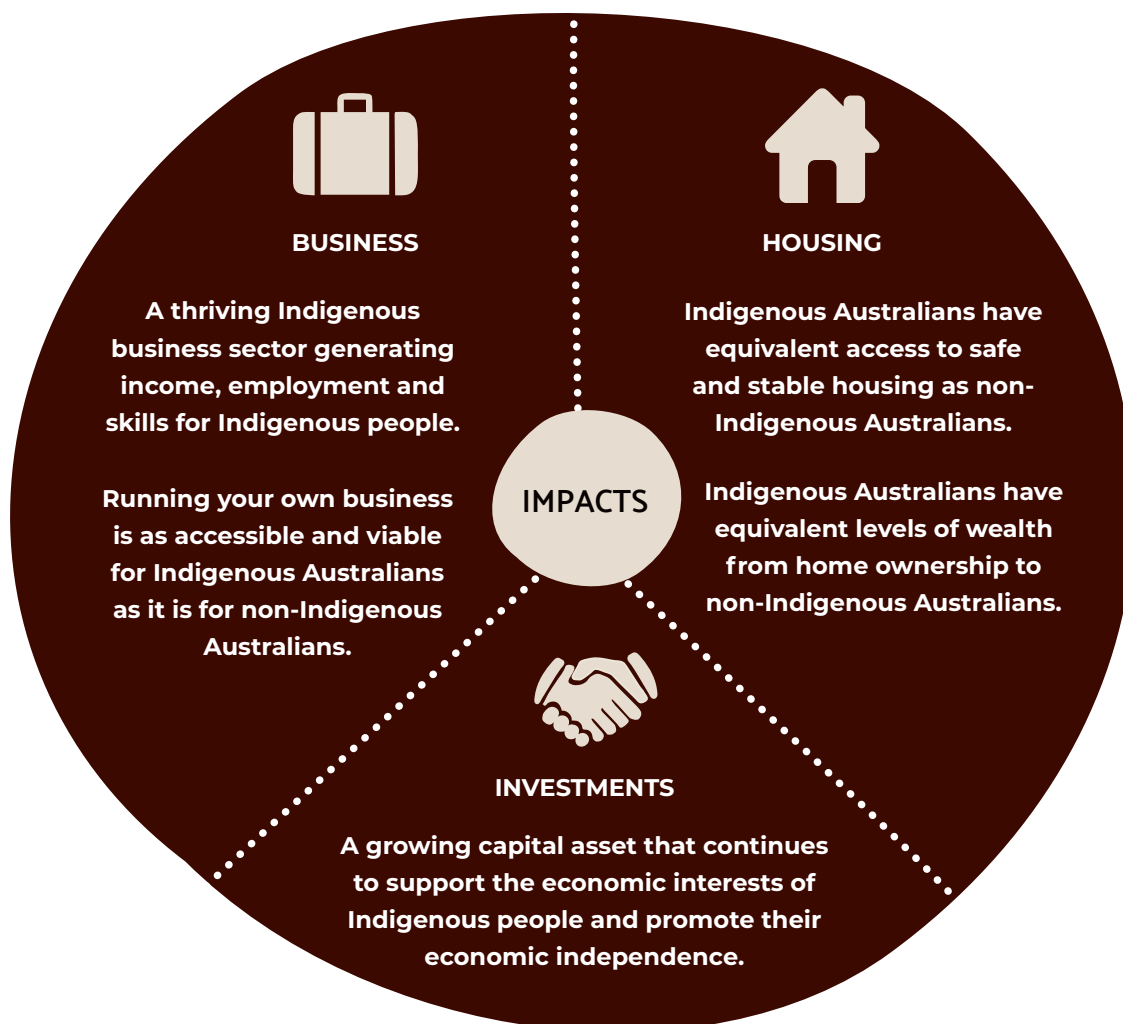
IBA serves, partners and invests with Aboriginal and Torres Strait Islander peoples who want to own their future. We go further than providing money; we invest in people, places and ideas that are ready. We help make dreams real.

Our activities are currently guided by our five-year strategy (2018–2023) that articulates the long, medium and short term economic, social and cultural impacts we are working to achieve. Our core program areas are:

- Home Ownership
- Business Solutions
- Investments and Asset Management.

Products and services are designed to help Aboriginal and Torres Strait Islander people own their own homes, start or grow businesses and invest in their futures. They help meet a critical need in generating economic independence, as well as improving overall quality of life and wellbeing for Aboriginal and Torres Strait people.

IBA'S 2018–23 STRATEGY IS HELPING TO GENERATE THE FOLLOWING IMPACTS



IBA DELIVERS A RANGE OF PRODUCTS AND SERVICES FOR OUR CUSTOMERS

HOME
LOANS

CONSTRUCTION
LOANS

BUDGETING
HELP

SPLIT
LOANS

HOME
OWNERSHIP
WORKSHOPS

BUSINESS
FINANCE

BUSINESS
SUPPORT

STRONG
WOMEN
STRONG
BUSINESS

START UPS

BUSINESS
WORKSHOPS

DIRECT
INVESTMENTS

ASSET & FUNDS
MANAGEMENT

SPECIALISED
PROPERTY
INVESTMENT

SUPPORTING
CAPABILITY
DEVELOPMENT

INVESTMENT
WORKSHOPS

OUR STRATEGIC PILLARS

To achieve our objectives and ensure we are focused on customer needs, our strategy is guided by five strategic pillars. The pillars are fundamental to steering our decision making. They help make sure that, regardless of the diversity of our projects, places and people, we're always aligned to the same overarching goals of:

- supporting and celebrating our customer's success
- being smart with our money
- supporting our staff to be the best they can
- building and maintaining strong systems
- creating purposeful partnerships.

CUSTOMER SUCCESS



We are deeply invested in the success of our customers. We create products and services designed to help our customers achieve their goals and are committed to continuous improvement.

SMART MONEY



We are smart with our money to ensure we can assist as many Aboriginal and Torres Strait Islander people now and into the future as possible.

We are committed to our Indigenous Investment Principles and responsible lending to ensure the best possible outcomes for our customers.

DEADLY PEOPLE



We are culturally competent, technically capable and committed to getting the best outcome for our customer.

Our customers know we are invested, informed, connected, responsive and respectful

STRONG SYSTEMS



We are committed to building and maintaining strong systems to give our customers a seamless, efficient and simple experience in working with us.

We are deeply committed to maintaining the safety and security of our customers data and personal information.

PURPOSEFUL PARTNERSHIPS



We are dedicated to building purposeful partnerships that expand our understanding, reach and effectiveness.

We are committed to learning and sharing the skills and capabilities of others to help ensure the best outcomes for our customers.

OUR OPERATING ENVIRONMENT

IBA operates in a dynamic and rapidly evolving environment. As we better understand the impacts of global health measures enacted to control the spread of COVID-19, the Australian and global economy is experiencing shifts – driven by new technology, changing demographics and consumer preferences. The impacts of these shifts will continue to influence the economy for some time. Rising house prices, digital transformation of businesses and uncertainty of the investment landscape bring both challenges and opportunities to our customers. To ensure that IBA is best positioned to assist our customers to achieve their goals, we will need to think out side the box and be innovative both in the way we lend and how we drive supply across the industries we intersect with.

RECOVERY

IBA's customers and our own operations, products and services were impacted by the economic shocks generated by the pandemic. Rising house prices across Australia are presenting home loan affordability challenges for all low–moderate income families wishing to buy a home. Key sections of the Indigenous business sector – hospitality, tourism and construction – were particularly affected. The ongoing availability and extension of IBA's COVID-19 Business Relief Package (a relief package offered by IBA for eligible Indigenous businesses who have been impacted by COVID-19) offers necessary support to Indigenous businesses. How quickly the Indigenous business sector, and other areas of IBA's operations, recover, will depend on:

- ability to limit the spread of the COVID-19 virus and control any future outbreak
- when national and international tourists are able to travel freely within Australia
- changes to household incomes and costs of living
- availability of land and affordable housing stock to back home ownership outcomes
- the success of Australian state and federal government policies and programs to support Aboriginal and Torres Strait Islander peoples, groups and communities realise training, job and other economic development opportunities
- demographic movements and broader economic growth and conditions in the Australian economy.

ECONOMIC RESILIENCE AND DEMAND

The ongoing financial and economic exclusion experienced by Aboriginal and Torres Strait Islander people means IBA customers are also more likely to be vulnerable to the external and ongoing economic shifts of the past 12 months. However, we continue to experience growing demand for our home ownership solutions, business finance and business support and investment opportunities, particularly in new and emerging sectors of the economy.

Demand for access to commercially focused solutions that assist to build wealth and economic independence is growing exponentially. More and more Aboriginal and Torres Strait Islander groups want to capitalise on opportunities arising from native title and land settlements and from the ongoing growth of the Indigenous estate.

The growing, younger demographic profile of Aboriginal and Torres Strait Islander population also creates opportunities for IBA to assist.

Strong demand for the opportunities we facilitate is a testament to the ongoing economic resilience and aspirations of IBA's customers.



Beau and Jess built their first home together in NSW with a construction loan from IBA.

IMPACT

The inaugural IBA Impact Report was launched in February 2021 by Minister for Indigenous Australians, the Hon. Ken Wyatt. The report concluded that all three IBA programs (Home Ownership, Business Solutions, and Investments and Asset Management) are generating significant economic and social impacts for Aboriginal and Torres Strait Islander people, their families and the wider communities they serve.

Understanding our short, medium and long term impacts has become an important part of IBA's annual research agenda and is continuing into 2021-22 and beyond. Further information about IBA's impact research can be found on pages 16-19.

“

THIS IN-DEPTH STUDY DEMONSTRATES THE IMPACTS THAT CAN BE MADE WITH INVESTMENT IN INDIGENOUS PEOPLE. ECONOMIC EMPOWERMENT IS CRUCIAL IN EFFORTS TO REDUCE DISADVANTAGE, AND THIS WORK SHOWS THE OPPORTUNITIES THAT ARE PRESENT TO DRIVE THIS PROGRESS.

”

- The Hon Ken Wyatt,
Minister for Indigenous Australians

REBOUND AND IBA'S OPERATING ENVIRONMENT

As a predominately self-funded agency, IBA's operating model is to reinvest interest and returns earned on loan repayments and investments to support more Indigenous Australians. As we seek to grow our impact and assist customers with their rebound from COVID-19's effects, factors in the broader economy will influence our operations.

Additionally, while IBA continues to evolve products and services to respond to proven customer need and demand, our ability to increase our funding base is constrained by legislation. Restrictions on our ability to borrow and raise money are a strategic challenge for both us and the customers and communities we serve.

While IBA remains committed to always working within our legislative constraints, we must continue to be innovative and nimble in order to ensure we are keeping up with the ever changing needs of our customers and markets they operate within. We do this through working as strategically as possible with partners and our growing networks, while continuing to think outside the box on how we achieve the best outcomes moving forward.

CUSTOMER SUCCESS



The strategic pillar of customer success is at the heart of everything we do. We are acutely aware that historically, programs and services designed for Aboriginal and Torres Strait Islander people were typically created and delivered without their input, experience, skills, knowledge and insights. While many positive improvements in consultation and engagement have happened recently, one of the fundamental aspects still often overlooked is 'what success looks like'. Without genuine participation by Indigenous Australians, program goals and objectives are all too often geared towards what success would like for someone else.

IBA's commitment to customer success is deeply rooted in the idea that 'success' is only real if the customer has defined it. Every person we work with, from a first-time home buyer to an established businessperson looking to take their next big growth step, has a different view on what success means to them. Achieving individualised outcomes means never resting on our laurels or choosing a 'set and forget' approach to customer care.

In the year ahead we will continue the work we started with our 2020 Impact Report toward understanding the social, economic and cultural impacts of our work, and respond to the recommendations of the independent Indigenous-led research team.

We will continue to deliver on our customer success pillar by focusing on:

BEING RESPONSIVE AND CONSISTENT

- providing a transparent experience for customers from their first to last interaction
- ensuring information is clear across all platforms, avoiding jargon and unnecessary complexities
- improving response times and ensuring customers are regularly kept up to date with how their enquiries are progressing
- improving access to information by providing appropriate resources, tools and services online
- improving our measurement and evaluation systems for tracking customer journeys
- maintaining our high levels of customer satisfaction.

CUSTOMER EXPERIENCE

- maintaining our strong commitment to cultural capability and ensuring IBA staff uphold our values
- continuing to invest heavily in improving our internal and external systems to provide customers with an engaging, clear, accessible and timely experience
- investing in consistently creating new and accessible content, resources, tools and services
- creating ways for customers to connect with one another and share their stories
- supporting customers to feel connected to IBA and understand upfront what we can and cannot do to help them in their journey.

AGILITY AND INNOVATION

- developing new programs and services to support Aboriginal and Torres Strait Islander people who are dealing with family violence and investigating ways to assist these individuals and families access safe and secure housing to the best of our ability
- with consideration to rising housing prices across Australia, focusing on new ways IBA could positively impact supply and investigate potential opportunities to approach lending
- continuing our commitment to be an agile 'go-to' agency, responding to customer needs and external challenges as they arise
- maintaining our 'continuous improvement' culture by innovating products and services and investing in technology to best suit customer needs
- continuing to establish an impact informed, innovation approach by ensuring the decisions we make about products and services are informed by Indigenous lead impact research.
- Adopting new platforms to improve the way we engage with customers.

A man and a woman are sitting on a wooden chair in a workshop. The woman, on the left, is wearing a white off-the-shoulder top, a long necklace with colorful beads, and a green bracelet. The man, on the right, is wearing a black button-down shirt, blue jeans, and white sneakers. They are both smiling and holding hands. The background shows a workshop with various tools and equipment.

IBA'S COMMITMENT
TO CUSTOMER
SUCCESS IS DEEPLY
ROOTED IN THE
IDEA THAT SUCCESS
IS ONLY REAL IF
THE CUSTOMER
DEFINED IT.

Bernadette and Chris are forging a new approach to furniture and interior design in Australia, through their Indigenous business hardyhardy. Incorporating culture and the importance of family is the centre of everything they do.

WHAT CUSTOMER SUCCESS LOOKS LIKE

HOME OWNERSHIP

- Continue to offer low deposit home loans (no establishment fees and no requirement for lender's mortgage insurance).
- Continue to implement the \$150m funding strategy to support more regional customers to secure home building finance, supporting economic development in regional communities.
- Explore innovative ways to make home ownership affordable and attainable for Aboriginal people and Torres Strait Islanders in remote, regional and metropolitan areas.
- Identify and establish partnerships with Indigenous housing organisations, government bodies and mainstream lenders to minimise the barriers for many Aboriginal people and Torres Strait Islanders entering and remaining in home ownership.
- Strengthen and expand existing partnership arrangements and involvement in housing related schemes to provide more home ownership opportunities for Indigenous Australians, including evaluating the future of the Banking Partnership Panel (a strategic partnership launched by IBA with the Australian Unity Bank and Bank Australia to support Indigenous Australians with their home ownership options) and creating access to the National Housing Finance and Investment Corporation's First Home Loan Deposit Scheme and Family Home Guarantee.
- Expand our product offering to support more low to middle income earners transitioning to home ownership from social housing or the private rental market.
- Introduce new technologies to enable customers to apply online, track their progress and access home loan information efficiently.

BUSINESS SOLUTIONS

- Help customers continue to navigate the effects of COVID-19 through extended delivery of the Indigenous Business Relief Package.
- Position ourselves and our businesses customers to take advantage of new opportunities.
- Reconnect with Indigenous businesses, focusing on delivering our Business Solutions program products and services with enterprises that have a strong community influence in regional and remote locations, as well as in urban environments.
- Streamline processes, making it easier for customers to work with us.
- Commit strongly to cultural capability and ensuring IBA staff uphold our values.

INVESTMENTS AND ASSET MANAGEMENT

- Help our Indigenous co-investment partners navigate the COVID-19 recovery and be well positioned to take advantage of emerging opportunities.
- See strong financial and non-financial returns for Indigenous co-investment partners.
- Develop new products, services and investment opportunities that meet customer needs.
- Increase the number of Indigenous co-investment partners and the value of Indigenous co-investment.
- Build strong and sustainable relationships that contribute to the commercial capability of our Indigenous co-investment partners.
- Commit strongly to cultural capability and ensuring IBA staff uphold our values.

SMART MONEY



INVESTMENT RETURNS

IBA helps create economic independence for Aboriginal and Torres Strait Islander people and communities by facilitating investment opportunities that produce strong financial returns and positive social and economic impacts.

IBA's Investment Strategy drives our work with Indigenous co-investors and promotes strong and sustainable customer relationships. It encourages investment where both IBA and our Aboriginal and Torres Strait Islander investment partners achieve commercial outcomes, and customer aspirations are met. The Strategy is designed around 'smart money' and focuses on investments that generate appropriate risk-adjusted returns.

Following a smart money approach enables our funds management business to achieve scale and returns that may not be achievable by a single investor. Aboriginal and Torres Strait Islander organisations have access to professionally managed investment opportunities that deliver financial returns which can be reinvested to achieve the specific objectives of the organisation – like building long-term wealth, increasing employment or program delivery.

IBA continually improves the ways we identify, measure and evaluate the social impact of our investment activities through our Impact Framework and Annual Impact Report. By investing smartly and better understanding the impact of our activities on lives and livelihoods, we can grow our impact, build intergenerational wealth and support economic independence.

MANAGING OUR FINANCES

IBA focuses on growing and reinvesting our capital so we can better support our customers and future generations. While we receive funding from the Australian Government to deliver some programs, most money we invest into the Indigenous estate each year, via home loans, business support and investment opportunities, is self-funded.

This is the bedrock of our Smart Money pillar and helps ensure that the decisions we make today will benefit more and more Aboriginal and Torres Strait Islanders over time.

SUBSIDIARIES

IBA has several subsidiaries and associates that provide structures to facilitate access to investment opportunities. Those investment opportunities include:

- joint ventures between IBA and Indigenous co-investors in direct investment opportunities that aim to generate financial returns alongside positive economic, social and cultural impacts
- co-investment alongside IBA in actively managed investment funds seeking to deliver strong financial returns to Aboriginal and Torres Strait Islander organisations.

IBA provides support to our co-investors by way of:

- management expertise
- entity governance
- commercial capability development.

Our support contributes to both the success our customers and to self-management and economic independence for Indigenous Australians.

FINANCIAL GOALS

- Financial sustainability and profitability
- Asset and wealth accumulation



IBA was proud to support the Ngarinngas in Business Forum, with so many inspiring Aboriginal leaders and women in business.

NON-FINANCIAL GOALS

- Employment opportunities for Indigenous Australians
- Training and skills development of Indigenous Australians
- Commercial capability development and transfer
- Procurement from Indigenous businesses
- Delivering commercial returns to Aboriginal and Torres Strait Islander organisations so they are more economically self sufficient
- Building a capital asset for the benefit of Aboriginal and Torres Strait Islanders
- Building the capability of Indigenous people and organisations to become economically self-sufficient
- Supporting stronger, resilient and economically independent communities.

Broadly, our subsidiaries operate in five key sectors:

1. retail
2. tourism and hospitality
3. renewable and industrial
4. commercial property
5. financial services.

In addition to the goals outlined above, each sector contributes specific outcomes:



Minjerribah, North
Stradbroke Island, QLD.

RETAIL

Through investing in regional and remote supermarkets, IBA seeks to achieve strong financial returns as well as social outcomes for Indigenous communities, through increased employment and training opportunities. The retail portfolio delivers consistent supplies of fresh, quality produce at competitive prices to enable positive health and nutrition outcomes and enhanced food security.

TOURISM AND HOSPITALITY

Tourism and hospitality is a key sector of the Australian economy and well suited to providing economic benefits for Indigenous Australians. It is labour intensive, creating strong opportunities for employment and training, and enabling Indigenous employees to connect to, and promote, their culture.

Through our investments in this sector, we offer Australian and international visitors the opportunity to engage with, and experience, Indigenous cultures and peoples in an ethical, authentic and dynamic context.

RENEWABLE AND INDUSTRIAL

IBA's renewable and industrial portfolio seeks to unlock the potential of Aboriginal and Torres Strait Islander land assets by facilitating access to opportunities in high growth energy and technology sectors. We are looking to activate investments that promote affordable energy access, reliability, security and storage solutions in regional and remote Indigenous communities. The industrial portfolio provides exposure to a broad range of Australian economic sectors like space and information technology.

COMMERCIAL PROPERTY

Investment in commercial property enables IBA and Indigenous co-investors to share in the income and capital growth generated by assets that have strategic or community significance within the local area.

FINANCIAL SERVICES

IBA provides specialist management services for investment funds including the Indigenous Real Estate Investment Trust (I-REIT) and the Indigenous Prosperity Fund (IPF). They allow eligible Aboriginal people and Torres Strait Islanders to invest alongside IBA in, otherwise difficult to access, opportunities. The diversified portfolio includes exposure to Australian and international shares, bonds, property and cash.



DEADLY PEOPLE



Our people are a talented group who share their passion for enhancing economic outcomes for Aboriginal and Torres Strait Islander peoples.

- Our Board members, the majority of whom are Indigenous, come from diverse professional and cultural backgrounds. They lead IBA, guiding our values and advocating for our customers. They have fiduciary duties to oversee IBA, ensuring effective operations.
- Our staff profile is also diverse and includes 31.25% of employees who identify as Aboriginal and Torres Strait Islander.

We are rewarded by our customers' success and our people play a big role in our achievements. We're committed to investing in our people and developing their technical abilities, people skills and cultural capabilities to best meet customer needs, while maintaining sustainable work practices.

Remote working was an effective, safe option during COVID-19 restrictions. This will continue as an option, both to help employees balance work and life commitments and ensure flexibility through the ongoing pandemic. Our workplace culture of collaboration, flexibility and genuine, mutual respect, together with employee assistance services offered through Lifeworks, continues to provide our people with support and resources to adapt to change, manage mental health and build resilience in uncertain times.

In 2021–2022 we'll update our Information and Communication Technology (ICT), rolling out new tools to maintain our strategic relationships. Our training will become more flexible so staff can still develop the skills they need to thrive. We'll add an online induction and compliance program.



Training priorities in 2021–2022 include:

- ICT
- manager capability
- cultural capability
- cyber security
- regulatory compliance.

Training will be complemented by our continued emphasis on performance, supported by the Performance Management and Development System. It has a focus on IBA values, including understanding and growing cultural capability and respecting diversity.



IBA hosted a National Reconciliation Week breakfast panel discussion with insights into the 2021 theme 'More than a word. Reconciliation takes action.' Pictured left to right: Sean Armistead (IBA), Robert de Castella (Indigenous Marathon Foundation), Mishalia Birch (IBA), Hon Ken Wyatt MP, AM (Minister for Indigenous Australians) and Eddie Fry (Chair, IBA).

Our Galambany Staff Network will continue to support Indigenous staff and work collaboratively across the organisation promoting cultural capability. IBA will also be investing in increasing our ability to assist customers and staff who are dealing with issues relating to family violence. This will include training and accreditation through culturally appropriate service providers who are skilled in this area.

IBA's inaugural 2018–20 Emerging Leaders Development Program has been evaluated and outcomes will facilitate design of leadership development initiatives into 2022.

A strong commitment to Work Health and Safety (WHS) is also key to our operations. We'll monitor

IBA's COVID Safe Plan and call on the Health and Safety Committee and representatives, to identify and mitigate safety risks.

We'll continue to seek feedback from staff to influence people initiatives. Measures will include an all-staff survey and bi-annual Workplace Consultative Committee meetings.

IBA has a large geographical footprint, with 14 offices across Australia. Remote working has allowed employees to work from locations that are more difficult in a purely office-based environment. We're looking to expand into more regional offices – like Karratha – further supporting remote Indigenous communities.

STRONG SYSTEMS



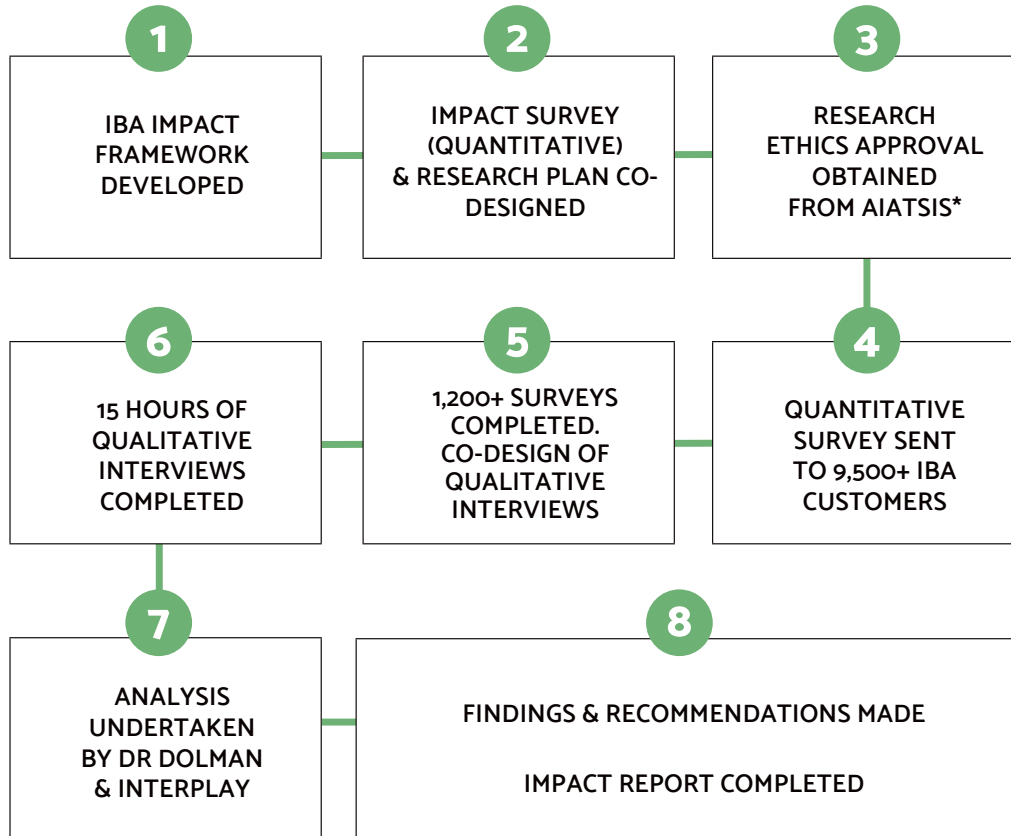
STRONG SYSTEMS: IMPACT AND EVALUATION

The economic landscape has changed significantly for Aboriginal and Torres Strait Islander people over the past 30 years, and so have the expectations and aspirations of our customers and stakeholders. Like many development agencies, IBA once focused its reporting primarily on outputs rather than outcomes. But as data capture, analysis tools and monitoring and evaluation frameworks continue to rapidly improve, so has our

ability to understand the short, medium and long-term impacts we deliver for our customers, communities and wider Australian landscape.

In partnership with Dr Kevin Dolman (Eastern Arrernte) and Professor Sheree Cairney from the Interplay Project, IBA undertook an inaugural impact research project throughout 2020. Over 1,200 customers participated in this ground-breaking research which is already playing a significant role in helping IBA understand how the social, economic and cultural well-being of Aboriginal and Torres Strait Islander people is impacted by our products and services.

IMPACT REPORT PROCESS

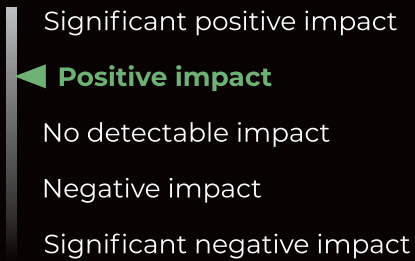


*Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS)

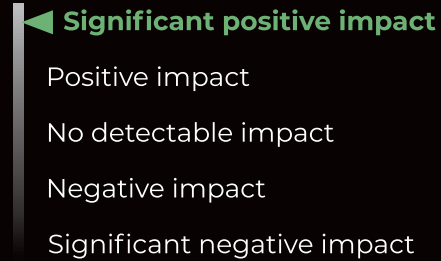
IBA 2020 Impact Report (iba.gov.au/impact-report-2020)

HOME OWNERSHIP IMPACT

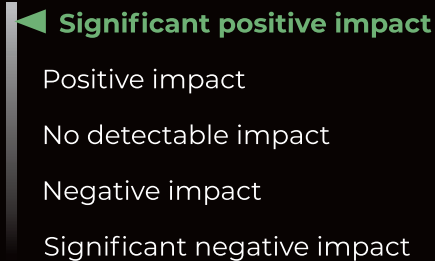
SOCIAL IMPACT BAROMETER



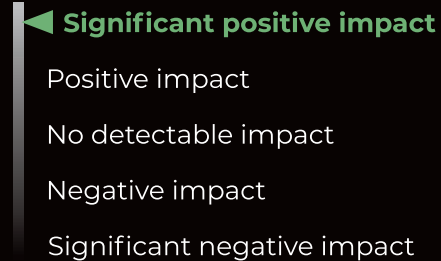
CULTURAL IMPACT BAROMETER



ECONOMIC IMPACT BAROMETER

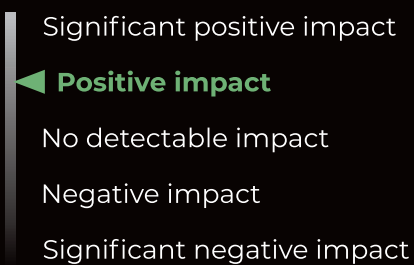


OVERALL IMPACT BAROMETER

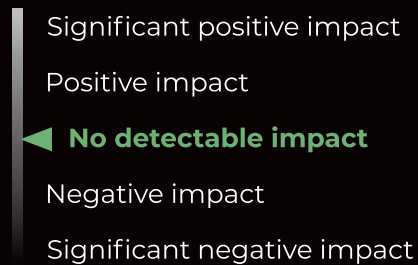


BUSINESS SOLUTIONS IMPACT

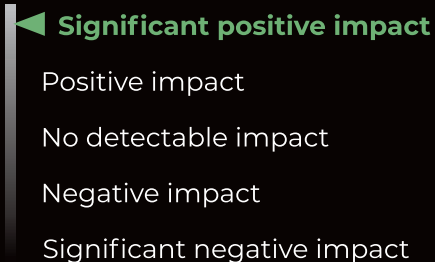
SOCIAL IMPACT BAROMETER



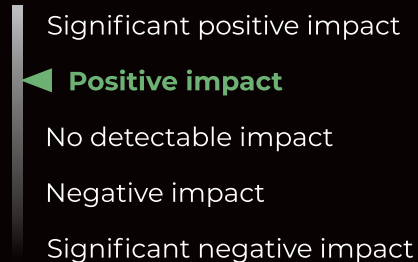
CULTURAL IMPACT BAROMETER



ECONOMIC IMPACT BAROMETER

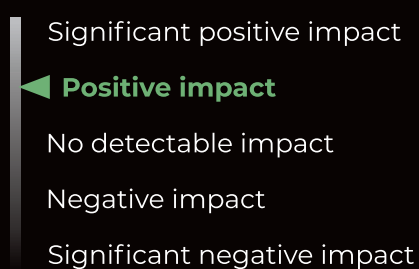


OVERALL IMPACT BAROMETER

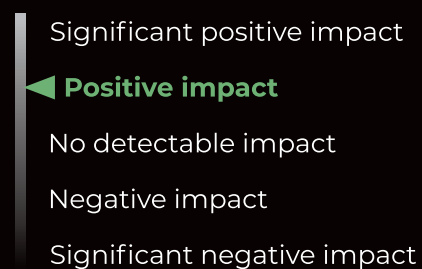


INVESTMENTS AND ASSET MANAGEMENT IMPACT

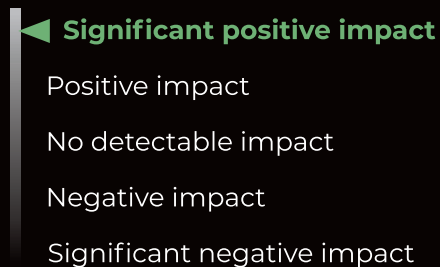
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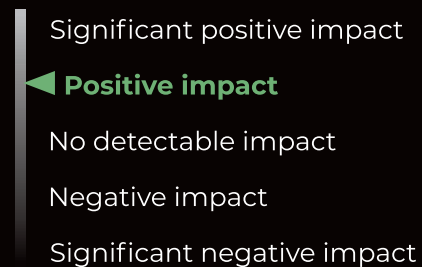
CULTURAL IMPACT BAROMETER



ECONOMIC IMPACT BAROMETER



OVERALL IMPACT BAROMETER



Note: This rating provided by the evaluation team is based on recent reports and analysis of the Investments and Asset Management program and interviews conducted by the evaluation team with Investments customers. Research will be undertaken in 2021 to understand these impacts further in order to calculate attribution to IBA.

Launched by the Hon. Ken Wyatt, Minister for Indigenous Australians, the research found that, across the board, the majority of IBA's products and services are generating positive social, economic and cultural impacts. The research was very useful in identifying – with evidence – how critically this success depends on strong relationships between our customers and us. When customers feel supported and heard, success increases.

IBA is strongly committed to continuing our impact research and strengthening our performance and connection to customers, through informed analysis. Within each Impact Report, a series of recommendations are put forward for IBA to consider. IBA will ensure that each of these recommendations are reviewed and, where appropriate, changes implemented to our programs, services and policies to help ensure we continue to maximise our positive impact in future years.

To complement this, we're investing in an evaluation framework to help us ensure continuous improvement of products and services. This will help us assess whether programs are delivering on their purpose and achieving their desired outcomes in the most effective and efficient way possible. It will integrate with our performance management framework and help us continue delivering on our strategic pillar of organisational success through strong systems.

STRONG SYSTEMS: POLICIES AND PROCEDURES

An important part of IBA's approach to strong systems is ensuring that our policies and procedures are continuously reviewed and up-to-date.

A large focus in 2021-22 will be the development of a new Performance Measurement Framework and update to our Data Governance policies and procedures, reflective of our new digital futures project. This focus, along with our existing mechanisms for monitoring and updating existing policies, will help to ensure we are capturing and storing the right information at the right time and that it is stored safely and securely in line with best practice.

STRONG SYSTEMS: ICT

Strong systems is a core pillar in IBA's 2018–23 strategic plan. IBA's Digital Futures program is driven by our ICT Strategic Plan. Our ICT capability is aimed at delivering success for internal and external customers and our program is made up of three significant sub-projects, designed to:

- enhance customers' online experience
- ensure our IT systems, applications and infrastructure are secure and fit for purpose
- provide all staff with a suite of tools to deliver products and services more effectively.

1. Core business solution (CBS)

Under the CBS project, we'll replace several aging business applications with a single solution, which will bolster our commitment to maintaining the safety and security of our customers' data and personal information as well as improving their overall experience. We'll deliver contemporary online services and mobile access for customers and streamline our internal customer service and product management processes. The CBS is due to go live in 2021.

2. Business intelligence and data analytics

In line with the CBS, IBA is implementing data warehouse and report writing tools. This project will provide a single source of reporting for the CBS as well as Finance, Strategy and Innovation, People, Performance and Culture and other business functions – improving data quality and reducing manual reporting.

3. Transition to Cloud

The Cloud transition project sees IBA moving to Microsoft Azure and using Microsoft's Office 365 cloud-based environment, in line with the Australian Government's Cloud-First policy. The project will see us take advantage of rapid advances in cloud-based services and is expected to deliver more agile digital services, allowing staff to better serve customers.

STRONG SYSTEMS: RISK

Effectively managing risk plays an important role in shaping IBA's strategic direction. By contributing to evidence-based decision-making, it is critical to the successful delivery of IBA's vision of a nation where Aboriginal and Torres Strait Islander peoples are economically independent and an integral part of the economy. Risk management has become even more critical with the challenges posed by COVID-19 and its impacts on our customers, our staff and our strategic direction and desired outcomes.

While IBA proactively manages risk, we accept that certain risks are likely from time to time in the markets where we operate. We promote an organisation wide culture of risk awareness where the identification and appropriate treatment of risk is the responsibility of all employees.

RISK IN FOCUS

The Risk Management Framework identifies specific responsibilities for key personnel across IBA, including acceptable tolerance levels for identified risks.

The Board, in conjunction with the Audit, Risk and Performance Committee, annually reviews and aligns IBA's risk appetite and these tolerance levels in light of changes and challenges within the internal and external operating environment.

In addition to the detailed Risk Management Framework, IBA continues to review its exposure to the physical and transition risks caused by climate change, applying the recommendations of the Financial Stability Board's Taskforce for Climate-related Financial Disclosure. Our work will be incorporated into IBA's Risk Management Framework as appropriate, in the 2021–22 financial year.

IBA has also developed a Modern Slavery Risk Framework. This framework explains the activities we undertake to identify, assess, and mitigate risks and sets guidelines for reporting. Our work reflects IBA's commitment to contributing to the reduction of global modern slavery and ensures we comply with legislative requirements.

The below table highlights the key risk categories that IBA manages across the organisation, including controls to mitigate the instances, or effects, of risks when they occur.

RISK TYPE	DESCRIPTION	MANAGING THE RISK
Strategic	<p>Risks related to IBA's business model and how IBA positions itself in the commercial, social, political and Indigenous affairs environment.</p> <p>Key risks to be managed:</p> <ul style="list-style-type: none"> • ongoing capital constraints • business continuity – COVID-19 • political/stakeholder engagement. 	<p>Strategic risks are those that affect, or are created by, IBA's business and strategic objectives. Given strategic risk is complex and often dependent on the external environment, IBA's strategic risks are closely monitored through a strategic risk register to ensure synergy with the organisation's long-term goals and strategic direction.</p>
Reputational	<p>The risk of negative perceptions of IBA on the part of stakeholders, including government, customers and the wider community.</p> <p>Key risks to be managed:</p> <ul style="list-style-type: none"> • adverse/negative media exposure • customer complaints • negative feedback from the Minister or Minister's office. 	<p>IBA has a well-established complaints management system that is complemented by the recently revised Customer Service Charter, ensuring we act with integrity and deal with customers promptly and in a respectful manner.</p> <p>Creating and maintaining a positive risk culture by fostering strong relationships with our customers and other stakeholders is paramount to IBA and enables the effective management of this risk.</p>
Operational	<p>Risks arising from inadequate or failed internal processes, people or systems, or from external events.</p> <p>Key risks to be managed:</p> <ul style="list-style-type: none"> • risks associated with internal practices, policies, and procedures • security, systems, and IT risks • breaches of the IBA code of conduct, values and behaviour framework. 	<p>IBA manages a detailed Operational Risk Register that seeks to mitigate the potential for loss from inadequate or failed procedures, systems, policies or other control weaknesses.</p> <p>A robust mandatory Employee Compliance Training program is supported by an established Quality Assurance Framework and an internal and external audit/ review program.</p> <p>Risk oversight and management controls are reported to relevant accountable authorities.</p> <p>Annual customer and employee surveys are undertaken to drive continual process improvement and inform the Executive of any control weakness.</p>
Legal, governance and legislative compliance	<p>Risks arising from the failure of IBA or other parties to comply with relevant laws or regulations, policies, guidelines or contractual agreements.</p> <p>Key risks to be managed:</p> <ul style="list-style-type: none"> • instances of fraud against IBA and its subsidiaries • significant breaches of law, contracts and/or IBA policy. 	<p>IBA monitors the legal and regulatory environment on an ongoing basis to ensure compliance with relevant laws and regulations.</p> <p>A suite of policies and procedures, including a Fraud Control Plan and Fraud Risk Register provide guidance and instruction to staff on a range of processes, procedures, governance arrangements and responsibilities.</p> <p>Employee awareness programs and mandatory annual training are in place to ensure legal and governance requirements are understood, adopted and reported on.</p> <p>IBA also provides all staff and contractors with whistle blower protection, enabling the making of confidential and anonymous disclosures.</p>

RISK TYPE	DESCRIPTION	MANAGING THE RISK
Financial	<p>Risks arising from failure to obtain, allocate and manage financial resources effectively.</p> <p>Key risks to be managed:</p> <ul style="list-style-type: none"> • actual to budgeted financial performance • working capital level (cash available to meet expenses and short-term liabilities). 	<p>Timely and accurate forecasting, monitoring and reporting provides strong assurance measures in managing financial risks. This in turn complements the constant analysis of funding opportunities to address the organisation's ongoing capital constraints.</p> <p>Regular financial reporting is provided to the Board, Audit Risk and Performance Committee, Finance Investments, Credit, Asset and Liability Committee and Products Committee and the Executive for oversight and management.</p>
Credit	<p>Risks of losses due to counterparty failure or customer default.</p> <p>Key risks to be managed:</p> <ul style="list-style-type: none"> • credit related policy, product, and delegation breaches • security coverage • customer loan serviceability • investment concentration in a particular sector/industry. 	<p>Policies and procedures, including strong systems that govern credit risk. These cover all areas of the credit life cycle of IBA's product offerings, including:</p> <ul style="list-style-type: none"> • product structuring • risk grading • initial application approvals • provisioning • debt management. <p>A risk aware culture coupled with a skilled workforce further strengthens IBA's approach to, and subsequent management of, credit related risks.</p>
Market	<p>Risks arising from adverse movements in market interest rates, prices and economic conditions.</p> <p>Key risks to be managed:</p> <ul style="list-style-type: none"> • RBA cash rate • housing values – increase or fall in capital cities and regional markets • GDP growth rate. 	<p>Ongoing monitoring of external interest rates, prices and economic conditions, through IBA's Strategic and Operational risk registers, coupled with internal portfolio reviews and reporting, provides assurance that market risk is being managed appropriately.</p>
Equity	<p>Risk of losses due to adverse movements in the value of IBA's investments/assets.</p> <p>Key risk to be managed:</p> <ul style="list-style-type: none"> • maximum negative variance in actual to budgeted consolidated net assets/equity. 	<p>A solid platform for managing this risk is provided by:</p> <ul style="list-style-type: none"> • prudent due diligence • informed risk-based decision making • asset management and diversification of asset classes • regular reviews of operating businesses and investment markets.

RISK TYPES

Strategic

Reputational

Operational

Legal

Financial

Credit

Market

Equity



STRONG SYSTEMS: RISK (COVID-19 – AGILE AND ADAPTIVE)

When the COVID-19 pandemic took the world by surprise, IBA reacted swiftly and decisively to ensure the health and wellbeing of our staff and also meet our customers' needs. Supported by IBA's Risk Management Framework and in conjunction with the Business Continuity Plan, key risks were identified and appropriately measured

strategies executed. The organisation continues to rally together, finding ways to service our customers, while adapting to a new way of working.

As the impacts of COVID-19 continue into 2021–22 and beyond, IBA is committed to further enhancing, refining and building upon our system of internal controls, risk management principles, fraud prevention measures, WHS requirements and business continuity measures for the continued benefit of both staff and customers.

OUR COVID-19 RESPONSE



PURPOSEFUL PARTNERSHIPS

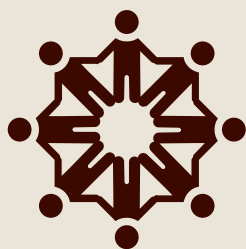


As a relatively small organisation with only 200 employees to service thousands of customers, partnering with other organisations to deliver important products and services is an important part of our success. It helps us to achieve our purpose, extend our reach, provide important program co-design opportunities and deliver vital products and services to our customers.

Our Partnerships Framework, launched in 2020, clearly articulates how when done well, purposeful partnerships are an incredibly powerful way to deliver IBA's mandate. The Partnership Framework provides guidance to IBA on how it will liaise and work with entities that represent or impact the Indigenous economic landscape, and who can assist IBA achieve its purposes.

We believe strong partnerships are built on a foundation of:

- strong communication
- clear goals
- aligned values
- co-designed processes
- equal accountability
- shared resources, risks, governance, reporting and outcomes.



COLLABORATIONS AND RELATIONSHIPS

A partnership will:

Provide IBA with opportunities to build meaningful and long term relationships with key organisations that represent or impact the Indigenous economic landscape.

Provide IBA with opportunities to collaborate and co-design with other Indigenous organisations with insights, knowledge and expertise useful to our customers.

REACH AND DELIVERY

A partnership will:

Expand IBA's reach in order to assist more Aboriginal and Torres Strait Islander people.

Assist in bridging IBA's geographic, capacity, knowledge and cultural gaps.

INTEGRITY AND REPUTATION

A partnership will:

Improve IBA's reputation by improving efficiencies, effectiveness, and generate measurable impacts.

Support IBA in building and maintaining our goal to be a deeply invested 'go-to' agency that is transparent and accountable to our stakeholders.



IN 2021-22 IBA WILL INCREASE OUR PARTNERSHIP PRESENCE AND DELIVER GREAT OUTCOMES FOR OUR CUSTOMERS THROUGH EXPANDING RELATIONSHIPS.

In 2021-22 IBA will increase our partnership presence and deliver great outcomes for our customers through expanding relationships.

A strong focus in the year ahead will be working on partnership opportunities to assist Aboriginal and Torres Strait Islander people impacted by family violence.

Further to this, we are excited to continue working on our existing partnerships with key organisations including Australian Unity, Bank Australia, First Nations Foundation, University of Melbourne, Outback Academy, Kimberly Birds, Western Australian Indigenous Tourism Operators Council (WAITOC) and more. These partnerships will be focused on helping IBA and our customers seize opportunities in the rebound and recovery phase of COVID-19.

STAKEHOLDER LIST

To achieve our purpose, IBA engages regularly with a significant number of organisations right across Australia. It would not be practical to provide an exhaustive list, however examples of the stakeholders we regularly engage with are provided below:

GOVERNMENT (FEDERAL, STATE AND LOCAL)

- Minister for Indigenous Australians, the Hon Ken Wyatt AM MP and key advisors
- National Indigenous Australians Agency (NIAA) and other relevant portfolio agencies
- Department of Prime Minister and Cabinet
- Department of Finance, Agency Advice Unit, Financial Reporting, Performance Reporting
- Department of Treasury
- National Housing Finance and Investment Corporation
- Department of Industry, Science, Energy and Resources Government organisations and bodies



IBA partnered with Kimberley Jiyigas to host the East Kimberley Aboriginal Leaders and Women in Business Forum (Ngarinngas in Business) on Jaru Country, WA.

- ILSC and its associated entities (Voyages, NCIE)
- AIATSIS
- Office of the Registrar of Indigenous Corporations
- Office of Township Leasing
- Parliamentary Standing Committees on Indigenous Affairs, Northern Australia
- Productivity Commission
- Northern Australia Infrastructure Facility

UNIVERSITIES AND EDUCATION BODIES

- ANU
- University of Melbourne (Melbourne Business School – Murra Program)
- University of Western Australia

LAND COUNCILS AND PEAK BODIES

- NACCHO
- Reconciliation Australia

- Native Title Representative Bodies
- Supply Nation
- State and Territory Indigenous Chambers of Commerce and networks
- Aboriginal Housing Office NSW
- Local community groups
- Aboriginal Housing Victoria
- Indigenous community housing organisations
- Community organisations
- Partners and investors
- All IBA Investment partners

PRIVATE SECTOR ORGANISATIONS

- Private-sector banking organisations
- Private-sector finance and investment organisations

HOW WE'RE TRACKING AGAINST OUR STRATEGY



CUSTOMER SUCCESS

We are a go-to agency for Aboriginal and Torres Strait Islander people, providing them with products and solutions designed for their success. We make ourselves available to support our customers and celebrate their success.

GOAL 1



Support Aboriginal and Torres Strait Islander entrepreneurs and businesses to build business knowledge, skills and capabilities.



CURRENT: 4,078

2023 TARGET: 5,000 CUSTOMERS

GOAL 2



Build useful and smart pathways for Aboriginal and Torres Strait Islander people to buy a home.



CURRENT: 65,302

2023 TARGET: 70,000 PEOPLE

Assisting 70,000 people into safe and stable housing across IBA's lifetime.



DEADLY PEOPLE

IBA's employees are culturally capable, technically capable and deliver results. Our customers trust that our staff have the right skills and are the best people for the job.

GOAL 3



Employ more Aboriginal and Torres Strait Islander people and buy more from Aboriginal and Torres Strait Islander businesses.



2023 TARGET: 40%
INDIGENOUS EMPLOYMENT

CURRENT: 51.2%



2023 TARGET:
\$10M IN INDIGENOUS
PROCUREMENT

CURRENT: \$29.1M



SMART MONEY

Invest with our customers so their dreams become a reality. We will reinvest and build long-term wealth for Aboriginal and Torres Strait Islander communities.

GOAL 4



Keep making smart choices with our money so more Aboriginal and Torres Strait Islander people benefit.



CURRENT: \$175M

2023 TARGET:
\$250M CO-INVESTMENT

GOAL 5



Partner with Aboriginal and Torres Strait Islander people to find new and innovative ways to invest in their future.



CURRENT: 61

2023 TARGET:
100 PARTNERSHIPS



STRONG SYSTEMS

Our customers experience at IBA is positive and consistent.

GOAL 6



Use our technology and systems to ensure we provide the best possible customer experience online, over the phone or in person.

CORE BUSINESS
SYSTEM SOLUTION
IMPLEMENTED FOR HOUSING
AND BUSINESS PROGRAMS,
CLOUD INFRASTRUCTURE
TRANSITION COMPLETED.



GOAL 7



Impact framework in development to demonstrate and improve customer success and product impact.

IMPACT DATA COLLECTION
IMPLEMENTED AND IBA'S
FIRST IMPACT RESULTS
REPORT RELEASED



PURPOSEFUL PARTNERSHIPS

GOAL 8

Partnership
Framework
implemented



GOAL 9

Partnership
Strategy
developed



GOAL 10

10+ purposeful
partnerships
in place



OUR PLANNED PERFORMANCE

As set out earlier, IBA's statutory purpose is:

- to assist and enhance Aboriginal and Torres Strait Islander self-management and economic self-sufficiency; and
- to advance the commercial and economic interests of Aboriginal persons and Torres Strait Islanders by accumulating and using a substantial capital asset for the benefit of Aboriginal and Torres Strait Islander peoples.

Toward this purpose, IBA will continue to deliver products and services through our three programs, each supported by a set of performance measures. We are guided by targets in our Portfolio Budget

Statements. Performance outcomes are reported yearly in IBA's Annual Report. Our approach measures:

- the quantum of services and products we've delivered for our customers (outputs)
- how well we've delivered these services and products (quality and efficiency)
- what the benefits of those services have been (outcomes and impacts).

In 2021–22, we are currently creating a new Performance Management Framework to ensure clarity and consistency in our reporting workflow. This new framework will integrate the important work IBA is doing to strengthen our impact, evaluation and business intelligence services. These play a crucial role in arming the organisation to make swift and timely decisions that benefit our customers.



Fashion label Deadly Denim incorporates Indigenous artwork into denim fashion pieces, with a sustainable focus.

HOME OWNERSHIP

The Home Ownership division contributes to IBA's purpose by supporting Aboriginal and Torres Strait Islander people to grow their wealth and economic self-sufficiency through home ownership. We make available affordable

home financing to provide customers with the capacity to purchase a home. This service is combined with a range of other tailored support and education services to help customers prepare for the home ownership journey.

We will monitor and report on the following performance measures:

Measure 1. Number of home ownership outcomes approved:

How will we measure it?	We'll count the number of loans, guarantees and other finance products approved for home acquisitions (including purchase of residential land), property settlement, refinance and essential home improvements approved in the financial year. The increasing target reflects current financial and economic settings, including recent capital injection of \$150m for new regional construction loans.			
Why will we measure it?	Measuring the number of finance products provided to Aboriginal and Torres Strait Islander customers that we support into home ownership is a direct measure of the outcomes of our work and the potential capacity for Indigenous Australians to build their own wealth. It also demonstrates that IBA is using its capital asset as intended.			
Our targets*	2021-22 560	2022-23 575	2023-24 585	2024-25 600

Measure 2. Percentage of approved customers that are first home buyers:

How will we measure it?	We'll take the number of home loans approved for first home buyers as a percentage of the total number of approved home loans. We request information regarding the first home buyer status of each customer and verify this information against secondary sources. A borrower is a first homeowner if they are purchasing a residential property for the first time. Joint borrowers are also counted as a first home buyer if at least one person has not previously owned residential property.			
Why will we measure it?	We focus our home lending on first-time owners as this is the most direct way to increase the number of Indigenous Australians that own a home, build wealth and become economically self-sufficient.			
Our targets*	2021-22 90%	2022-23 90%	2023-24 90%	2024-25 90%

Measure 3. Percentage of Indigenous home customers who transition or are supported into mainstream lending*:

How will we measure it?	We'll count the number of loans refinanced with a mainstream lender and the number of new split loans approved in the financial year and express it as a percentage of the sum of the opening loan portfolio as at 1 July 2021 and all new loans approved. (Note: 'Transition to mainstream lending' means where an existing customer refinances their IBA housing loan with a mainstream lender. 'Supported mainstream lending' is when a new IBA customer is able to access mainstream lending through IBA co-lending with a mainstream lender (a 'split loan').)			
Why will we measure it?	Transitioning customers to mainstream lending promotes economic self-management. This measure provides a proxy indicator of our lending effectiveness, as the ability for a customer to transition is directly dependent on building a good credit history and the amount of equity they have built in their home (through a combination of their own repayments and any increases in their home market value). Transitioning customers also frees up IBA's home lending capital so IBA can lend to more customers.			
Our targets*	2021-22 4.5%	2022-23 4.5%	2023-24 4.5%	2024-25 4.5%

* Mainstream lending refers to financial institutions, such as commercial banks, savings and loan associations and credit unions, which provide home loan lending products.

Measure 4. Number of people attending housing capability workshops:

How will we measure it?	We'll count the number of people who attend in-person workshops and count the number of computers streaming for each online workshop when presented.			
Why will we measure it?	Customers attending our housing capability workshops are better prepared for home ownership, making successful purchase decisions and managing financial commitments. These outcomes directly align with our purpose to assist Aboriginal and Torres Strait Islander self-management and economic self-sufficiency.			
Our targets*	2021-22 500	2022-23 525	2023-24 550	2024-25 575

Measure 5. Percentage of home customers satisfied or very satisfied with IBA's service:

How will we measure it?	We'll conduct an annual survey of our home lending customers and ask them to give IBA a rating from zero to ten about their level of satisfaction with the overall IBA experience. The number of customers identified as satisfied (6-7) or very satisfied (8-10) will be taken as a percentage of total customers surveyed.			
Why will we measure it?	A central part of supporting Indigenous self-management and economic self-sufficiency is to provide customers with timely and responsible access to home finance. We believe this service needs to be delivered in a tailored and culturally sensitive way that meets their needs and expectations, to better support them into home ownership. This is what makes IBA's service unique.			
Our targets*	2021-22 80%	2022-23 80%	2023-24 80%	2024-25 80%

Measure 6. Cost per dollar lent efficiency ratio for the home loan portfolio:

How will we measure it?	We'll take the ratio of operational expenses to total portfolio value (operational costs divided by home loan portfolio value X 100).			
Why will we measure it?	This efficiency ratio allows IBA to demonstrate the efficiency with which we deliver on our purpose through home lending.			
Our targets*	2021-22 Less than 1.11%	2022-23 less than 1.08%	2023-24 less than 1.04%	2024-25 less than 1.00%

BUSINESS SOLUTIONS

Business Solutions division contributes to IBA's purpose by delivering a range of finance products (including loans, leasing and cash flow finance) and business support services to assist Aboriginal and Torres Strait Islander people to start, develop and grow their own

businesses. By supporting Indigenous business customers to thrive and prosper independently, we're helping them generate economic, employment and social benefits for themselves and the communities they live and work in.

We will monitor and report on the following performance measures:

Measure 7. Four-year survivability of IBA supported business loan customers				
How will we measure it?	We will calculate how many IBA assisted businesses survive for at least four years, comparing their longevity against the Australian Bureau of Statistics' (ABS's) Australia-wide averages. We'll count the number of businesses supported with an IBA loan that have survived the four years up to the end of the reporting period. Survival status is identified through the Australian Business Register and IBA's own information. We'll calculate and compare survival rates against the ABS's average survival rates by employment size. We'll report against an adjusted '0-4 employees' target by consolidating the ABS's 'Non-employing' and '1-4 employees' categories to ensure consistency with IBA's approach to data collection.			
Why will we measure it?	The survival of business customers demonstrates that our lending and support is assisting businesses that go on to become profitable, viable and self-managed. It also reveals that our business lending activities deliver sustained positive socioeconomic impacts for a significant time after lending has occurred.			
Our targets*	2021-22 Australian average business survivability by employment category as reported by the ABS.	2022-23 Australian average business survivability by employment category as reported by the ABS.	2023-24 Australian average business survivability by employment category as reported by the ABS.	2024-25 Australian average business survivability by employment category as reported by the ABS.

Measure 8. Number of business customers financed:				
How will we measure it?	We'll count the number of IBA customers for who IBA approved and committed IBA's business finance products including loans and loan/grant mix, equipment finance, cashflow finance products (invoice financing, producer offset loan, performance bonds) and any other finance products approved in the reporting period.			
Why will we measure it?	The number of business customers financed indicates the level of support we've provided for people to start and grow a business and to help them manage and achieve their own economic independence. It demonstrates that IBA is using its capital asset for the benefit of Aboriginal and Torres Strait Islander peoples.			
Our targets*	2021-22 193	2022-23 193	2023-24 200	2024-25 207

Measure 9. Number of people attending business capability workshops				
How will we measure it?	We'll count the number of people who attend in-person or online run workshops.			
Why will we measure it?	The more customers we deliver our business capability workshops to, the better prepared they are to successfully start, acquire, manage and/or grow a business. This aligns directly with our purpose to assist Aboriginal and Torres Strait Islander self-management and economic self-sufficiency.			
Our targets*	2021-22 500	2022-23 510	2023-24 520	2024-25 530

Measure 10. Percentage of business customers satisfied or very satisfied with IBA's service

How will we measure it?

We'll conduct an annual survey of our business lending customers and ask them to give IBA a rating from zero to ten about their level of satisfaction with the overall IBA experience. The number of customers identified as satisfied (6-7) or very satisfied (8-10) will be taken as a percentage of total customers surveyed.

Why will we measure it?

A central part of supporting Indigenous self-management and economic self-sufficiency is to provide customers with timely and responsible access to business finance. We believe this service needs to be delivered in a tailored and culturally sensitive way that meets their needs and expectations, to better support business ownership and success. This is what makes IBA's service unique.

Our targets*

2021-22
80%

2022-23
80%

2023-24
80%

2024-25
80%

Measure 11. Cost per dollar lent efficiency ratio for the business finance portfolio

How will we measure it?

We'll take the ratio of operational expenses to total portfolio value (operational costs divided by finance portfolio value X 100).

Why will we measure it?

This efficiency ratio allows IBA to demonstrate the efficiency with which we deliver on our purpose, through business lending.

Our targets*

2021-22
Less than 10%

2022-23
less than 9%

2023-24
less than 8.5%

2024-25
less than 8%

INVESTMENTS AND ASSET MANAGEMENT

The Investments and Asset Management division contributes to IBA's purpose by providing Aboriginal and Torres Strait Islanders with access to investment opportunities that generate financial returns and deliver positive social and economic impacts for Indigenous Australians. Through direct investments – where we invest through joint venture partnerships alongside our Indigenous partners – we provide direct management

of businesses with a focus on financial returns as well as employment, training and procurement outcomes. In addition, we provide access to managed fund investment options that deliver commercial returns to grow the wealth of co-investors.

Measurement of the division's performance against IBA's purpose focuses on financial growth and returns on our assets and investments, as well as the socio-economic impacts of our direct investments.

We will monitor and report on the following performance measures:

Measure 12. Total value of Indigenous co-investments with IBA (cumulative since 1 July 2015)

How will we measure it?	We'll add the value of funds invested by Indigenous organisations and businesses in partnership with IBA in the IPF and I-REIT, plus IBA's direct investments since 1 July 2015.			
Why will we measure it?	Growth in this value shows the effectiveness of our contribution to assisting and enhancing economic self-sufficiency. It demonstrates that IBA is using its capital asset for the benefit of Aboriginal and Torres Strait Islander peoples.			
Our targets*	2021-22 \$167m	2022-23 \$187m	2023-24 \$207m	2024-25 \$227m

Measure 13. Five-year average annual portfolio returns to Indigenous co-investors

How will we measure it?	We'll calculate the average annual portfolio return to Indigenous co-investors over the past five-years across the IPF, the I-REIT and IBA's direct investments. We include after-tax comprehensive income (including valuation increments and decrements) attributable to Indigenous co-investors' and beneficiaries' interests for the financial year, expressed as a percentage of the aggregate value of Indigenous co-investors' and beneficiaries' holdings.			
Why will we measure it?	The portfolio return to Aboriginal and Torres Strait Islander co-investors provides a direct indication of our ability to support them to accumulate a capital asset, self-manage and become economically self-sufficient.			
Our targets*	2021-22 CPI + 3.0%	2022-23 CPI + 3.0%	2023-24 CPI + 3.0%	2024-25 CPI + 3.0%

Measure 14. Number of Indigenous co-investor partnerships (cumulative since 1 July 2015)

How will we measure it?	We'll calculate the cumulative number of Indigenous co-investor partnerships initiated by the end of the reporting period, since 1 July 2015. A new co-investor partnership is counted when an entity which has not previously made a co-investment in partnership with IBA since 1 July 2015, makes an investment in the IPF, the I-REIT or IBA's direct investments.			
Why will we measure it?	The number of new partnerships provides a direct indication of the growth in Indigenous entities benefiting from services provided by our Investments and Asset Management Division. This is in addition to pre-existing partnerships. It's a measure of our effectiveness in delivering on our purpose to enhance Aboriginal and Torres Strait Islander economic self-sufficiency.			
Our targets*	2021-22 65	2022-23 75	2023-24 85	2024-25 95

Measure 15. Value of goods and services procured from Indigenous suppliers by IBA's subsidiaries and associates

How will we measure it?	We'll add the value of goods and services IBA's associates and subsidiaries procured from Indigenous suppliers – suppliers that are 50% or more Indigenous owned. Value is estimated on a cash basis (not accrual) and includes GST. The calculation utilises data provided by subsidiaries.			
Why will we measure it?	Increasing our procurement spend with Indigenous suppliers means we're directly generating increased income for Indigenous businesses and supporting them to compete, succeed and grow, boosting the economic independence of owners and employees.			
Our targets*	2021-22 \$3.0m	2022-23 \$3.5m	2023-24 \$4.0m	2024-25 \$4.5m

Measure 16. Percentage of jobs supported by IBA's subsidiaries and associates held by Indigenous Australians

How will we measure it?	We'll take a twelve-month average of Indigenous employees of IBA subsidiaries and associates, as a proportion of the twelve-month average of all employees. The twelve-month average is used to adjust for seasonality changes. The calculation uses data provided by subsidiaries.			
Why will we measure it?	The more jobs IBA can support through its subsidiaries and associates, the greater an impact it has on supporting the economic self-sufficiency and independence of Aboriginal and Torres Strait Islander peoples.			
Our targets*	2021-22 23%	2022-23 24%	2023-24 25%	2024-25 26%

Measure 17. Percentage of investors satisfied or very satisfied with IBA's service

How will we measure it?	We'll conduct an annual survey of our investors and ask them to give IBA a rating from zero to ten about their level of satisfaction with the overall IBA experience. The number of customers identified as satisfied (6-7) or very satisfied (8-10) will be taken as a percentage of total customers surveyed.			
Why will we measure it?	A central part of supporting Indigenous self-management and economic self-sufficiency is to provide timely and responsible access to investment opportunities. We believe this service needs to be delivered in a tailored and culturally sensitive way that meets customer needs and expectations, to better support business ownership and success. This makes IBA's service unique.			
Our targets*	2021-22 80%	2022-23 80%	2023-24 80%	2024-25 80%

Measure 18. Investments asset management expense ratio

How will we measure it?	We'll take the ratio of management expenses to the value of assets and funds managed across the IPF, the I-REIT and IBA's direct investments.			
Why will we measure it?	This ratio will allow IBA to demonstrate the efficiency with which we are delivering our investment and asset management services.			
Our targets*	2021-22 Less than 3%	2022-23 less than 3%	2023-24 less than 3%	2024-25 less than 3%

IBA OVERALL

Our organisation as a whole also contributes to IBA's purpose. The performance measures below capture the activities that will be delivered by IBA in 2021–22 and beyond to support the economic independence of Aboriginal and Torres Strait Islander peoples.

Measure 19. Value of goods and services procured from Indigenous suppliers by IBA

How will we measure it?	We'll add the value of goods and services IBA procures from Indigenous suppliers – suppliers that are 50% or more Indigenous owned. Value is estimated on a cash basis (not accrual) and includes GST. The calculation utilises data collected through IBA's financial records system.			
Why will we measure it?	Increasing our procurement spend with Indigenous suppliers means we're directly generating increased income for Indigenous businesses and supporting them to compete, succeed and grow, boosting the economic independence of owners and employees.			
Our targets*	2021-22 \$4.75m	2022-23 \$5.0m	2023-24 \$5.25m	2024-25 \$5.50m

Measure 20. Implementation of IBA's Impact Framework

How will we measure it?	By noting publication of IBA's Annual Impact Report and tracking responses to all previous year's recommendations.
Why will we measure it?	To deepen our understanding of the social, economic and cultural impacts of IBA's work and improve service delivery and outcomes for Aboriginal and Torres Strait Islander peoples, consistent with our purpose.
Our targets*	Annual Impact Report published and all previous recommendations responded to.



Dr Kevin Dolman and
Nini Mills (IBA) at the
2021 AIATSIS Summit.



FUTURES INVESTED