

CORPORATE PLAN 2023-24

AND STRATEGY TOWARDS 2028

Driving financial inclusion and economic
empowerment with Aboriginal and
Torres Strait Islander people.



Australian Government
Indigenous Business Australia



A note on terminology

The United Nations Permanent Forum on Indigenous Issues estimates there are more than 370 million Indigenous people spread across 70 countries worldwide.

In considering the diversity of Indigenous people, an official definition of 'indigenous' has not been adopted by any United Nations (UN) system or body.

According to the UN, the most fruitful approach is to identify, rather than define, Indigenous people. This is based on the fundamental criterion of self-identification as underlined in several human rights documents.

Australia's Indigenous people are two distinct cultural groups made up of Aboriginal and Torres Strait Islander people. But there is great diversity within these two broadly described groups exemplified by more than 250 different language groups spread across the nation.

Indigenous Business Australia (IBA) uses the primary term of Aboriginal and Torres Strait Islander people to

refer to our customers, in line with the *Aboriginal and Torres Strait Islander Act 2005* (ATSI Act), which acknowledges the distinct cultural differences and diversity across Australia. In recognition of the societal shifts occurring in Australia, IBA has adopted the secondary term of First Nations.

Indigenous Business Australia corporate plan

As the accountable authority of IBA, the Board presents the IBA Corporate Plan 2023–24, 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 in IBA's enabling legislation, the ATSI Act. It is in accordance with the *Public Governance, Performance and Accountability Rule 2014*. This plan was prepared for the 2023–24 reporting period and includes information that covers the 2023–24 to 2026–27 reporting periods. It replaces IBA Corporate Plan 2022–23.

Disclaimer


The design of our brand was inspired by artwork from Gamilaraay/Gomeroi artist Penny Evans.

IBA has taken all reasonable steps to ensure this publication's content 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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ISSN 1446-9804 (Print)
ISSN 2206-7329 (Online)

For more information, visit iba.gov.au or call 1800 107 107.



IBA acknowledges the continuing
connection of Aboriginal and Torres Strait
Islander people to their law, land, waters,
community, and culture.

We pay our respects to those who have paved
the way for change. We acknowledge those
who continue to lead from a place of strength,
resilience and courage. We look to the future with
hope while keeping our eyes on the present.

We honour those who are no longer
with us – it is on their shoulders
we stand.




Acronyms

APS	Australian Public Service
COAG	Council of Australian Governments
EFA	Export Finance Australia
EOI	Expression of interest
ESG	Environmental, social, and governance
ILSC	Indigenous Land and Sea Corporation
IMMP	Impact Measurement and Management Plan
MoU	Memorandum of understanding
NAIF	Northern Australia Infrastructure Facility
NHFIC	National Housing Finance and Investment Corporation
NIAA	National Indigenous Australians Agency
PBS	Portfolio Budget Statements
PM&C	Department of the Prime Minister and Cabinet
SDG	Sustainable Development Goals
UN	United Nations

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Saibai, Torres Strait Islands.
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‘From assisting families to buy their first home, to supporting businesses to grow and secure contracts worth millions of dollars, our activities have a significant positive impact on the lives of many.’ - IBA Chair.

Message from the Chair

On behalf of the IBA Board of Directors, I would like to express how proud we are to govern an organisation that plays a crucial role in helping Aboriginal and Torres Strait Islander people achieve financial independence and long-term economic self-sufficiency.

From assisting families to buy their first home, to supporting businesses to grow and secure contracts worth millions of dollars, our activities have a significant positive impact on the lives of many.

It is an honour to lead as Chair, with a dedicated workforce focused on excellence and deeply invested in delivering tangible benefits for our people. During a period of unprecedented uncertainty in Australia and around the world, we have almost doubled our net assets from \$1.15 billion in 2014 to now more than \$2 billion by remaining agile, flexible, and responsive to the changing needs of our customers.

Managing, growing, and strengthening our asset base is the cornerstone of our mandate. This enables us to invest in significantly more Aboriginal and Torres Strait Islander people over time.

Our new strategy and corporate plan will continue to build on this strong foundation by engaging and collaborating with Aboriginal and Torres Strait Islander people, businesses, and communities, and investing in sustainable commercial ventures. We are committed to further expanding our impact and sphere of influence by identifying new sources of capital and finance and channelling these towards new projects and initiatives led by Aboriginal and Torres Strait Islander people.

Fundamental to our vision to help Aboriginal and Torres Strait Islander people build their financial and economic capacity is to measure our effectiveness and impact. Strong customer feedback on our impact praised our performance in this approach as a key element for fostering economic development in areas such as education, employment and housing.

Our ongoing journey is for our customers. I look forward to seeing IBA realise new and increasing outcomes adding value to the lives of our customers and families, so they continue to prosper.

Mr Edward (Eddie) Fry
Chair of the IBA Board



Message from the CEO



Kaya!¹

I am pleased to present IBA's new five-year strategic plan and our corporate plan for the next year, my second corporate plan as Chief Executive Officer.

I am fortunate to work, live and raise my family on Whadjuk Noongar Boodja in Boorloo (Perth). I am deeply grateful for the ongoing custodianship of this land by the Whadjuk people and pay respect to their Elders, past and present. I extend that respect and gratitude to all Aboriginal and Torres Strait Islander people whose wisdom and ongoing connection to land, water, culture, and community provides a guiding light for all Australians.

We walk alongside Aboriginal and Torres Strait Islander people, their families, businesses, and communities to achieve financial inclusion and economic empowerment.

We provide a safe and stable platform for our customers—one from which they can plan and aspire for a more positive future and build a better life for themselves and their families.

Our new strategy aims to strengthen this approach by focusing on the needs and wellbeing of Aboriginal and Torres Strait Islander people. That is why, from 1 July 2023, we began implementing an entity-wide performance framework that is more customer centric and gives a more holistic view of our performance and impact.

The strategy and performance framework has four overarching goals:

1. Provide choice and access to money, knowledge, and networks.
2. Focus on financial and economic inclusion.
3. Champion intergenerational wealth and home ownerships.
4. Value partnerships and service excellence.

Investing in these areas ensures we continue to achieve positive economic, social, and cultural impacts for our customers.

We know from our own research and customer feedback that demand for our products and services continues to grow. During the next five years, we will facilitate new investment opportunities and new partnership arrangements that increase wealth and assets for Aboriginal and Torres Strait Islander people. We have started this work through recent partnership activity with the Northern Australian Infrastructure Facility (NAIF), National Housing Finance and Investment Corporation (NHFIC), and Export Finance Australia (EFA), and in our strategic banking partnerships with Australian Unity and Bank Australia. Importantly, we will continue to partner with organisations who share our values—respectful, connected, informed, responsive, and invested.

1. Kaya/Kiya means hello in the official language of the Aboriginal people of the south-west of Western Australia, the Noongar people. Kaartdijin Noongar (noongarculture.org.au)

We are developing new products and services that respond to customer needs, such as our new shared equity product we recently launched to increase eligible customers' purchasing power without more loan repayments. We also launched a new customer contact centre to enhance our service to business customers.

We acknowledge that the world is rapidly changing. In response, we are adopting a more agile business model that responds to emerging challenges and opportunities. We are also refining our risk management framework, so we have the right balance between managing risks and taking opportunities that benefit our customers and help them achieve their hopes and aspirations.

We are continuing to upgrade our technology and systems. In the past few years, we have shifted our IT infrastructure to a cloud-based environment and have implemented a Core Business System and online

customer portal. These new systems are helping us to improve the customer experience. They are providing customers with more information about their accounts and streamlining the application process. A new Chief Information Technology Officer has been appointed to lead our digital transformation into the future.

Focus areas for the next year include:

- embedding our new strategic plan
- enhancing IBA's offering with innovative finance solutions
- expanding our footprint and presence, including through digital channels
- reviewing and updating our partnership and sponsorship strategies
- co-designing a Financial Inclusion and Wellbeing Action Plan in partnership with Aboriginal and Torres Strait Islander people.

Finally, I want to thank all our staff who turn up each day to help deliver on our purpose. On behalf of the Executive team, I recommit to supporting your growth, and to fostering a diverse, inclusive, and high-performing team grounded in strong values. I look forward to working with you to deliver the commitments outlined in this corporate plan and strategy so that more Aboriginal and Torres Strait Islander people can participate in the economy and experience financial independence.

Ms Kirsty Moore

CEO

Purpose

Our purpose and the regulatory environment

IBA was established under the ATSI Act. We exist to enable Aboriginal and Torres Strait Islander people to engage with economic and wealth-building activities when they choose. We continue our original intent to 'engage in commercial activities and to promote and encourage Indigenous self-management and self-sufficiency'.

The act specifically sets out our purpose:

- To assist and enhance Aboriginal and Torres Strait Islander self-management and economic self-sufficiency.
- 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.

As a Corporate Commonwealth Entity, we also pursue better practice with the evolving policies set by the Australian Government such as the:

- Commonwealth Risk Management Policy
- Australian Public Service (APS) Net Zero policy
- *Modern Slavery Act 2018*.

We regularly review and adjust our policies and procedures to continue to meet the high standards of corporate governance expected by the Australian Government and the community. We have a control framework to ensure compliance with all relevant legislation.

Dylan and Jen wanted a bigger home for their growing family and were weary of the insecurity of renting. Since getting in touch with IBA, they haven't looked back.



Our key activities and pathways to prosperity



HOUSING

- Capability and skills workshops
- Home loans
- Shared equity
- No establishment fees
- Lower deposits
- Longer loan terms
- No early payment fees
- No requirements for mortgage insurance



BUSINESS

- Capability and skills workshops
- Access to resources, referrals, business support and industry experts
- Business loans, start-up finance package, producer offset loan, equipment finance, invoice finance and performance bonds
- Natural disaster and state of emergency support



INVESTMENTS

- Capability and skills workshops
- Access to governance, strategic planning, due diligence, business and industry experts
- Residential development with Aboriginal and Torres Strait Islander organisations
- Manage assets and funds to generate money back to communities



PARTNERSHIPS

- Partnerships with Aboriginal and Torres Strait Islander businesses to co-design and deliver capability building workshops
- Event sponsorships
- Social enterprise grants for First Nations women
- First Nations businesses to co-design and deliver capability building workshops
- Financial services sector, including like-minded banks to help customers transition to and access the benefits of mainstream finance
- Government agencies serving Aboriginal and Torres Strait Islander people

Overview

— Known traditionally as Angkerle Atwatye, meaning 'Gap of Water', Northern Territory's spectacular Standley Chasm is Aboriginal owned and run, and trains local cultural guides to share the site's rich history with visitors. —

Paving the way for long-term change and impact

We work with Aboriginal and Torres Strait Islander people, organisations, and communities to establish their own economic security, create jobs, and grow wealth. Through home ownership, business financing and commercial activities, investment and asset management activities and partnerships, we play a critical role in enabling Aboriginal and Torres Strait Islander people to achieve economic self-determination.

Over time, what has changed is the way we achieve our legislative purpose in the ATSI Act. Some changes were driven by policy priorities of the government of the day. Others reflect a long history of emerging knowledge about how best to drive sustainable economic development alongside Aboriginal and Torres Strait Islander individuals, families, businesses, and communities.

Our commitment

We know economic independence is possible and our vision will be realised. We know because we work with a strengths-based model of design, engagement and delivery, grounded in the technical and cultural capability of talented people. Plus, there is plenty of proof confirming how valuable Aboriginal and Torres Strait Islander people's contribution is to the economy.

Our evolving ways of working reflect the need to balance our multiple roles as:

- a statutory authority
- an organisation led by a mainly Aboriginal and Torres Strait Islander Board
- a financial services provider.

This corporate plan demonstrates the change management required to continue to transition our organisation to ensure we maximise the wellbeing of customers with a heightened focus on:

- the community we serve and the value of their voice and visibility
- our ability to respond to the changing needs of Aboriginal and Torres Strait Islander people
- adopting better practices as a government entity to manage ongoing constraints and navigate the regulatory environment as a provider of financial services, including the need to have financial controls in place.

This plan explains why we are choosing to keep our finger on the pulse of those factors that could affect the way we respond to the needs of our customers, although it is not an administrative requirement of the organisation.

Our pathways to change

We continue to partner with and serve Aboriginal and Torres Strait Islander people 30 years after our creation.

We do this by fostering economic empowerment and delivering financial services (investment, lending, and management of money and assets). We create pathways with Aboriginal and Torres Strait Islander people to access the economy. We will continue to assess those pathways so they lead to useful products and services that support economic participation and the growth of wealth.

Governments around the world are starting to use social and environmental indicators alongside traditional economic measures to assess their programs' and initiatives' impact on overall community wellbeing. The Australian Government has committed to releasing a new standalone 'measuring what matters statement' in 2023—Australia's first national framework on wellbeing. The framework is expected to evolve over time. Government agencies will at some point have to report on how their programs contribute to wellbeing.

Measuring what matters through wellbeing

Our 2028 strategy seeks to embed impact on wellbeing into our performance framework. Taking a wellbeing approach shows an understanding of where our target outcomes fit within the broader needs of the people we serve. This may help inform what else we can do or how else we can assist.

It does not mean we are accountable for every aspect of people's lives. Where we identify unmet needs beyond our remit, we can give these insights to government and other stakeholders as evidence of what needs to be done for Aboriginal and Torres Strait Islander people's empowerment more broadly.

Impact measures in our corporate reporting will also align our approach with the enhanced Commonwealth Performance Framework introduced on 1 July 2015 under the PGPA Act. It requires Commonwealth entities and


companies to move past an overreliance on input- and output-focused performance measures. Instead, it places attention on demonstrating the value created when public resources are used well.

When reflecting on what success looks like in the years ahead, success must not just focus on the delivery of outputs. Our programs and service delivery must also create a net positive impact on the lives of Aboriginal and Torres Strait Islander people and, where possible, maximise their wellbeing.

We also note that our purpose is not an end in itself. Financial inclusion and economic empowerment contribute to Aboriginal and Torres Strait Islander people's overall wellbeing. Identifying wellbeing as the end goal aligns with the recent recognition of government that wellbeing must be measured alongside economic progress to understand performance overall.

Further, recognising wellbeing as the overall measure of impact appears as Principle 1 to measuring social impact in Standard Australia's 'Measuring and Valuing Social Impact' Handbook. Feedback, analysis, discussion, and consideration were part of ensuring that our 2028 strategy and performance measures:

- place customers at the centre
- focus on service excellence to improve customer experience and outcome while investing in our people
- move towards an entity-wide performance framework to articulate the full picture of IBA's contribution
- deepen our understanding of impact on customers and communities
- demonstrate a much stronger link between IBA's purpose, strategy, and performance.



We recognise 80,000+ years of Aboriginal and Torres Strait Islander people's unbroken connection with Country.

We honour all that exists above, within, and as part of the world views and systems that underpin Aboriginal and Torres Strait Islander people's wellbeing.

We believe in and support economic justice and self-determination as defined by our customers and the importance of redefining what success means through their views and voices.

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Azra and Elandra, happy at their new home.
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In 2022, we reviewed our strategic, performance and impact models. As a result, we are clear on our rationale for the change and transition. In the same year, we published the Business Intelligence and Continuous Improvement Framework. The framework combined three key elements which work together to support the delivery of our mandate:

1. Performance measurement framework
2. Evaluation framework
3. Impact framework

These provide the means for our staff to prepare impact reporting, performance measurement and evaluation, using each step to inform the other.

Our 2028 strategy places customer impact and wellbeing at the heart of everything we do. In 2023–24, we will deliver our third comprehensive impact study. The study will confirm the needs of our customers to inform co-design and delivery, and further demonstrate the links between wealth and wellbeing. We will also co-design and deliver a financial inclusion and wellbeing action plan in partnership with Aboriginal and Torres Strait Islander people and the broader financial services and banking sector.

Centring change around our customer's voice

Aboriginal and Torres Strait Islander people are in the best position to make decisions for themselves and for the sustainable prosperity of community and Country.

The following guiding principles inform how we work with Aboriginal and Torres Strait Islander people to understand and meet their needs.



We remove barriers, build capability, and create the opportunity with Aboriginal and Torres Strait Islander people to be empowered in decisions that affect them.



We continually improve the way we collaborate and respond to grow the wealth and wellbeing of Aboriginal and Torres Strait Islander people through innovation, value, and quality.



We shape real wealth of Aboriginal and Torres Strait Islander people in ways that focus on meeting the needs of present generations without compromising the ability of future generations to meet their needs.



We seek opportunities to have the greatest impact with available resources, maximising the wealth and wellbeing of Aboriginal and Torres Strait Islander people.

Demand for our products and services is strong and continues to grow. In the 2021 Census, the population of Aboriginal and Torres Strait Islander people increased to 984,000. The Census also showed the home ownership rate for Aboriginal and Torres Strait Islander people was 41%, compared with 66% for the rest of Australia. The rate of home ownership for Aboriginal and Torres Strait Islander people has grown since 2016. It is still, however, decades away from home ownership parity.

The rate of Aboriginal and Torres Strait Islander business ownership has also grown but is still less than half the rate of business ownership by the wider community.² Our role remains essential to closing the gap as the demand remains mostly uncatered to by commercial markets.

We must manage the level of capital available to us and ensure we have a sustainable funding model to meet the growing demand.

Aboriginal and Torres Strait Islander people continue to demonstrate leadership, courage and wisdom when exercising self-determination. They 'are the only ethnic group in Australia, consistently associated with financial exclusion, irrespective of their location.'³ This has caused a huge lack of intergenerational wealth transfer.

Our legislation clearly places an expectation and responsibility on us to improve economic participation, financial independence, and self-sufficiency alongside Aboriginal and Torres Strait Islander people.

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Arltunga Bush Pub and Eco Retreat is settled within scenic bushland in the heart of Australia. Pictured: business owners, Belinda and Brad.
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². Based on internal analysis of Australian Bureau of Statistics (ABS) Census of Population and Housing 2021 data.

³. ANZ (2004) Summary Presentation: Research on Financial Exclusion in [Australia Financial Exclusion Summary Presentation](#).

Managing change for impact

To respond to the changing needs of Aboriginal and Torres Strait Islander people, we must have effective change management systems in place. As a result of our 2028 strategy, we have refined our impact framework into a new Impact Measurement and Management Plan (IMMP). The revised framework will bring together impact and business performance metrics. It will also help to streamline reporting, both internally and externally, to government and community.

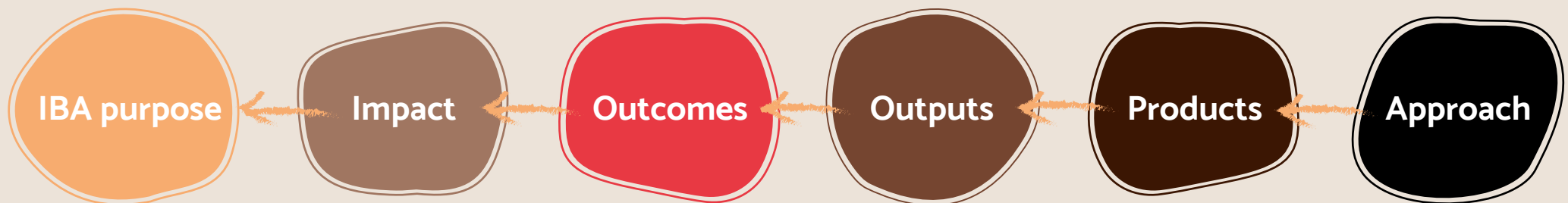
The IMMP embeds impact into our business so insights can inform decisions across the organisation to have the most impact on Aboriginal and Torres Strait Islander wellbeing. During the reporting period, we will do our third comprehensive impact study. Through this process we will develop an updated impact thesis for each of our services. This will help us to know:

- which services are best for achieving the outcomes in line with our purpose
- ways to refine or pivot.

This approach aligns with the UN Sustainable Development Goals (SDG) Impact Measurement and Management Standards. It draws a clear line of sight between the outcomes achieved and how these are needed for our purpose. It also supports ongoing measurement to continuously:

- show how well services are tracking with required outcomes
- identify opportunities
- maximise impact.

Figure 1: Our 2023 impact thesis structure



As part of embedding impact into our business and following the process outlined on the previous page, we reviewed our Impact Framework 2020 to ensure it was still fit for purpose.

The following table highlights the key updates to our impact framework.

Table 1: Key updates to our impact framework

ITEM	2020 IMPACT FRAMEWORK	2023 IMPACT FRAMEWORK
IMPACT PATHWAYS	Defines three stages of IBA's impact but is separate to the IBA Impact Thesis.	Defines the impact pathway as the goals to achieving IBA's purpose and directly incorporates the goals into the IBA Impact Thesis.
IMPACT THESIS	Impact thesis takes a left to right approach.	Impact thesis takes a right to left approach.
IMPACT MANAGEMENT	Measures and reports impact separately to business performance.	Synchronises impact and business performance measurement and reporting.
INDICATORS	Outputs to outcomes—recognising IBA as a development agency, the framework moves IBA from a focus on outputs to outcomes.	Impact and outcomes—introduces an overall measure of impact.
OUTCOMES CATEGORIES	Categorised outcomes in terms of social, cultural and economic.	Organises outcomes under the goals necessary to achieve the purpose.

Our 2028 strategy

OUR VISION IS FOR A NATION IN WHICH ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLE ARE ECONOMICALLY INDEPENDENT AND AN INTEGRAL PART OF THE AUSTRALIAN ECONOMY.

Our strategy draws on the wisdom of Aboriginal and Torres Strait Islander people. We take lessons from the past to improve their financial wellbeing and build prosperity. Using the concept of a journey, our plan honours the cycles and changes experienced by our customers and is centred on maximising the impact our activities have on their wellbeing through what we do and how we do it.

Building on past achievements, keeping customers at the heart of what we do and ensuring strong change management provides the balance needed to respond in a timely and appropriate way while managing the impacts of external and internal factors. Our approach is about structural excellence.

Figure 2: Our strategic goals



What we will do

The journey to economic independence, self-management and self-sufficiency relies on us looking after and growing the money under our management. By growing our net assets to \$2.5 billion we will be able to support more than 10,000 Aboriginal and Torres Strait Islander people on their journey to own a home, own a business or invest for the benefit of their communities over the next five years. Our role in this story is to join our customers on their journey and provide greater choice through our products and access to economic opportunities.



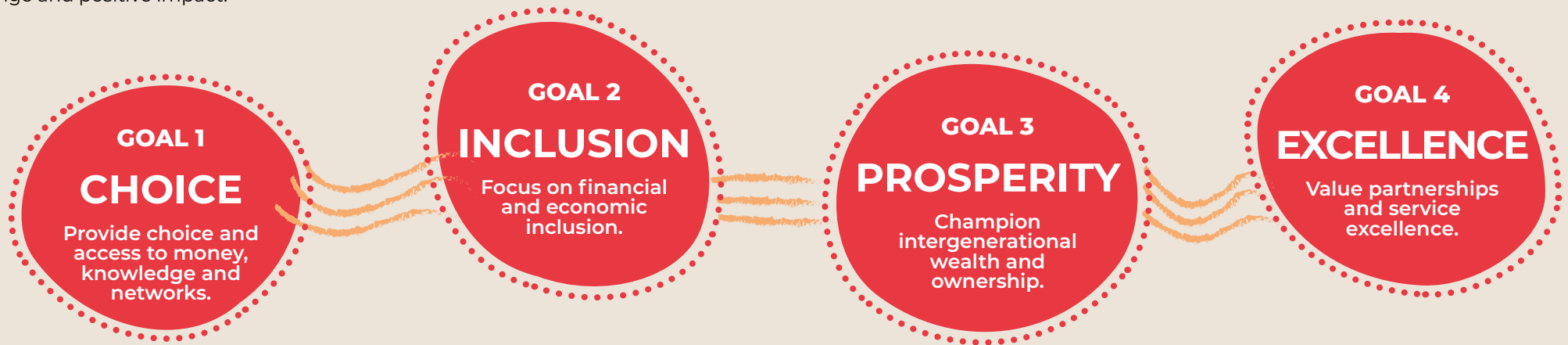
Where we will go

We believe it is critical to support the economic independence of Aboriginal and Torres Strait Islander people to successfully participate in the economy and to support their fulfilment of cultural values and aspirations on their terms. Our goals, where we want to go, and what we will focus on along the way are explained below.



Performance measures

The journey to economic independence, self-management and self-sufficiency is different for everyone and we want to make sure the journey was worth it, not just in terms of outputs but positive outcomes in the lives of Aboriginal and Torres Strait Islander people, generation after generation. Our performance is reported every year through the Portfolio Budget Statements (PBS) measures and show that when we deliver on the priorities in this strategy, we move closer to creating long-term change and positive impact.



PBS MEASURES

1. Total annual number of Aboriginal and Torres Strait Islander people provided with access to capability building, knowledge and networks directly by IBA and indirectly through partnerships.
2. Total annual number of Aboriginal and Torres Strait Islander people provided with an IBA product or the opportunity to access the economy through a job or procurement opportunity.
3. Total annual sum of capital and capability development support distributed by IBA specifically for the benefit of Aboriginal and Torres Strait Islander people.
4. Annual reported levels of resilience and financial wellbeing.
5. Social and financial impact and returns to Aboriginal and Torres Strait Islander people, organisations and businesses.
6. Launch Environment, Social and Governance (ESG) strategy and establish a baseline measure and target.
7. Total proportion of Aboriginal and Torres Strait Islander first home buyers.
8. Average conversion rate from enquiry into a home, business or investment outcome.
9. Total rate of efficiency of IBA in achieving its purpose.

Our operating environment

Operating environment and the shift towards systemic change

This corporate plan outlines:

- what we will do to achieve our strategy
- the different parts of the broader policy settings and system that we must work with.

It explains the link between our purpose and performance measures, and shows the steps to realising our vision for financial and economic inclusion for Aboriginal and Torres Strait Islander people.

Key challenges

We have seen more frequent climate-related events and shifts in the Australian and global economies driven by modern technology and changing demographics. They have influenced the dynamic, complex, and rapidly evolving environment we operate in.

The following factors affect how we operate and our ability to respond to the needs of Aboriginal and Torres Strait Islander people—our main stakeholders.

Table 2: Our response to changes in our complex operating environment

FACTOR	OUR RESPONSE
ECONOMIC	<p>Our ability to support Aboriginal and Torres Strait Islander people with home and business ownership and the investment returns we can deliver for them are impacted by:</p> <ul style="list-style-type: none">• changing economic and market conditions• rising interest rates• increasing cost of living pressures• high property prices (in many locations)• increasing levels of demand applying pressure on a long-term funding model. <p>We regularly review and adjust our products and policies in response to changes in the economy.</p>
TECHNOLOGY	<p>Changing customer expectations, privacy concerns, and recent high-profile data breaches mean financial service providers are under growing pressure to innovate and stay on top of technological advances. We have a strong focus on cyber security, data governance and management, and digital transformation.</p>
GEOGRAPHIC LOCATION OF CUSTOMERS	<p>More than 60% of Aboriginal and Torres Strait Islander people live outside Australia's capital cities, compared to around 30% of the wider community. Aboriginal and Torres Strait Islander people living in regional and remote areas are more likely to face barriers to accessing the financial services and assistance they need. These areas are also affected by increasing extreme weather events such as bushfires, floods, and cyclones. IBA has a network of offices located across Australia to support and respond to local needs, particularly in northern Australia.</p>
REGULATORY REQUIREMENTS	<p>It is important for IBA to be informed of and prepared to respond to the impact of current and proposed reforms across government. For example, we work in partnership with the National Indigenous Australians Agency (NIAA) and others in relation to informing policy advice on matters related to financial and economic empowerment and prosperity. This will be important to give voice to our customers' experiences and the way we offer financial services in a more coordinated and culturally capable way.</p>
EFFECTIVE CHANGE MANAGEMENT	<p>Equipping our organisation and people with the right tools, systems and training to effectively manage change as we transition to implementing our 2028 strategy is important. Educating our staff, stakeholders, and customers on how our strategy relates to our performance measures and key activities is an ongoing challenge that must be carefully considered and culturally appropriate. There is an urgency to ensure that the current and forecasted demand is met in a way that supports Aboriginal and Torres Strait Islander people to engage with us and equally for our response to be grounded in culturally safe and technically sound solutions.</p>

Key risk: Managing capital to meet customer demand

Our operations are mainly financed by:

- self-generated revenue from interest on home and business loans
- returns from investment portfolios
- funding from government.

Our Board approves our budget. It is then included in the Commonwealth Portfolio Budget Statements and Portfolio Additional Estimates statements process in the Department of the Prime Minister and Cabinet (PM&C) portfolio.

To expand our impact and deliver more outcomes, we receive annual appropriations and capital injections from government. Over the 2023–24 financial year, this includes:

- an annual appropriation of \$9.4 million in government funding to cover some of the costs with delivering the home ownership program
- a capital injection of \$22.85 million annually to finance more housing loans
- annual grant funding contribution of \$27.5 million from the NIAA to support the business solutions program.

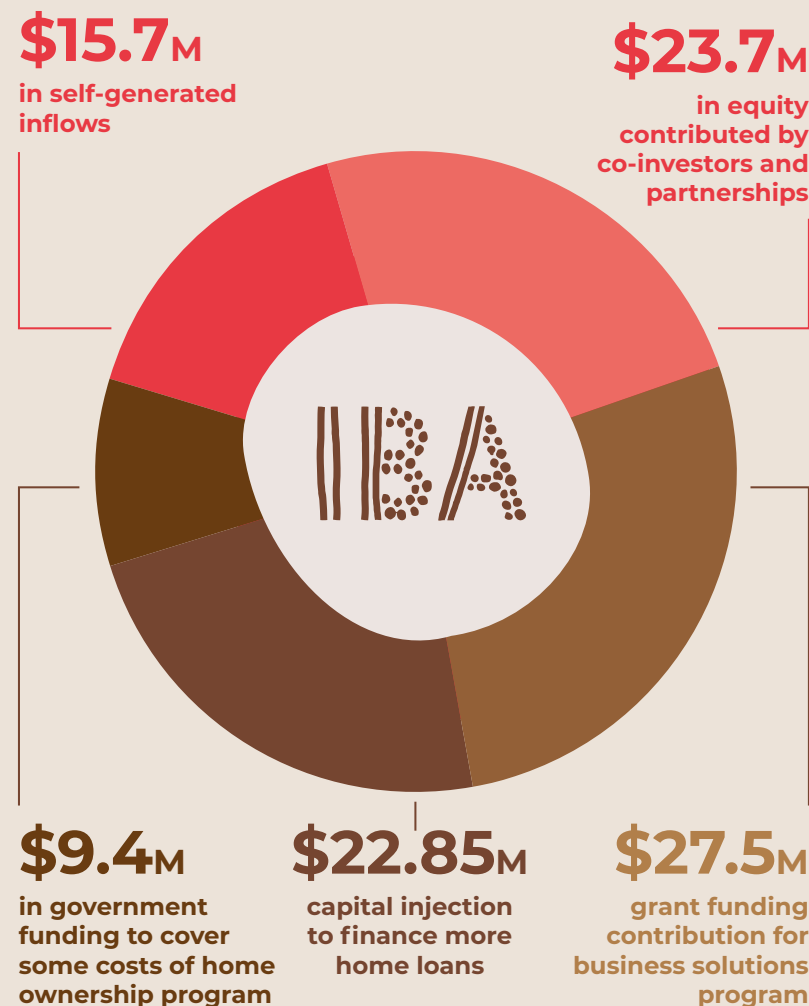
Other ways we manage the flow of capital to meet demand includes:

- self-generated inflows estimated to be \$15.7 million in 2023–24
- partnerships expected to deliver \$23.7 million in equity contributions from Aboriginal and Torres Strait Islander co-investors (net of distributions paid).

Increasing and managing our expected capital will enable us to grow our net assets to more than \$2 billion.

By recycling our capital and profits from housing and business loan portfolios and investments, and with additional funding from government, IBA can distribute more money for the benefit of Aboriginal and Torres Strait Islander people.

Figure 3: Sources of capital in FY 2023–24



Key risk: Balancing risk and opportunity

We are committed to having strong processes that align with:

- Commonwealth Risk Management Policy
- section 16 of the PGPA Act.

We have internal controls and governance arrangements to manage risk efficiently and effectively across the organisation.

We must identify and assess risks and work out what is needed to reduce them to an acceptable level. In doing this, we can:

- avoid potential threats and minimise their impact should they eventuate
- ensure better accountability for our actions
- improve our performance and enhance delivery of our services using innovative solutions
- achieve value for money.

Our Risk Management Policy and Framework integrates risk management into our significant activities and functions, including the activities set out in this plan. To do this well, we must engage with risk and balance the opportunity to achieve great things with the need to understand and manage possible negative outcomes. The full list of key risks identified that affect our ability to deliver on purpose and strategy are set out in the risk table in Appendix A.

Our approach to risk management is guided by three main documents. These give us a structured approach to managing risk. They allow us to identify, analyse, evaluate, and manage risk in a consistent, fit-for-purpose manner.

1. Risk Management Policy and Framework:

Policy and framework for risk management intent and organisational arrangements.

2. Risk Management Guide:

Guide for a tailored, structured approach to understanding, communicating, and managing risk in practice.

3. Risk Appetite Statement:

A Board-endorsed document that describes the nature and levels of risk taking appropriate to us.



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Martuwarra (Fitzroy River) in WA. The river and its 20 tributaries flow over the lands of at least nine Aboriginal nations, crossing Ngarinyin, Worla, Bunuba, Gooniyandi, Kija, Walmajarri, Mangala, Warrwa and Nyikina Country.
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Risk appetite

Our Board regularly reviews and aligns our risk appetite and risk tolerance levels. We consider changes and challenges in our operating environment in Australia and globally. The Board also oversees performance through monitoring risk appetite indicators.

Risk appetite statement

At IBA we undertake a professional approach to managing risk in relation to our financial affairs as well as compliance, governance, reputation, and operational matters. In order to achieve our objectives, and to allow for opportunities in innovation, by developing our products and strategies we tend to have a greater appetite for risk than mainstream lenders or investors. However, we seek to lend and invest responsibly, with the benefit of prudent due diligence.

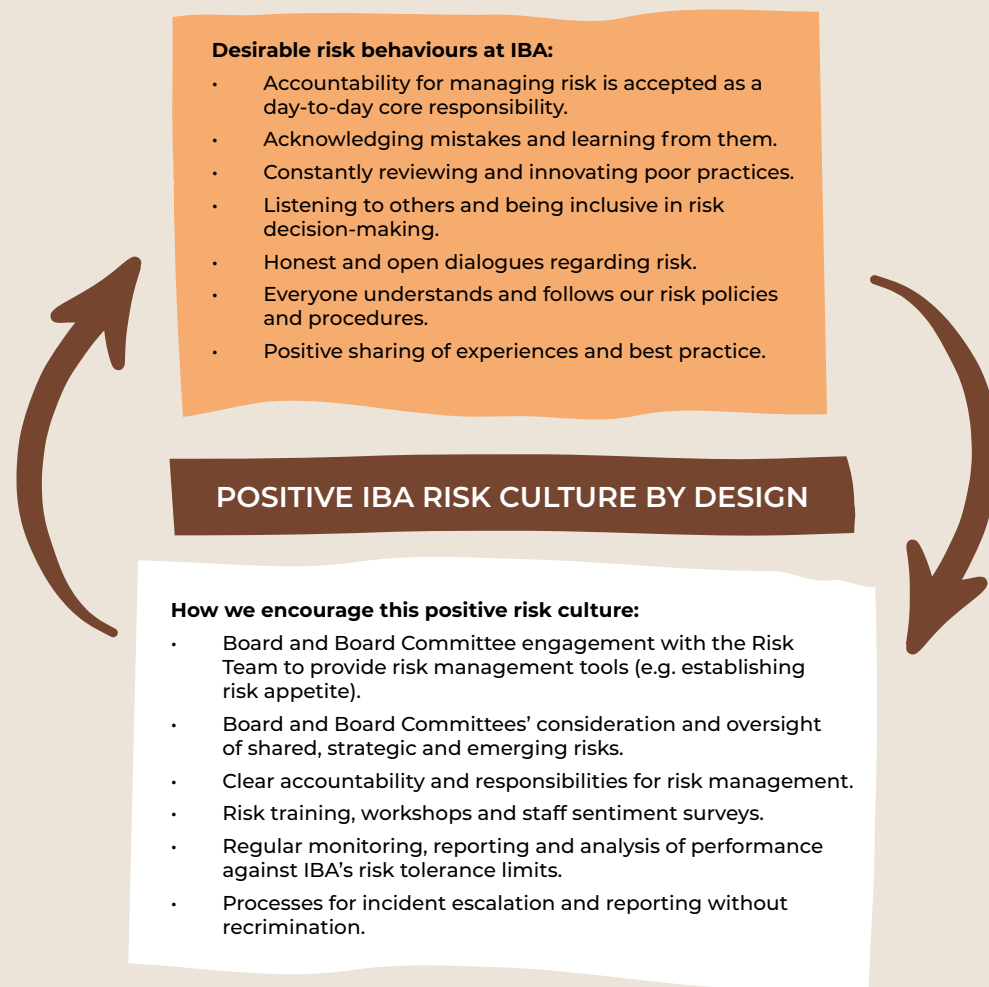
We aim to promote and build a risk culture that:

- encourages an open and proactive approach to managing risk
- recognises risk as both an opportunity and threat.

Risk should be part of everyday conversations and engagement. It should promote and encourage workers to look at innovative ways to improve processes.

Our strategic and operational risk registers are discussed at Executive Committee meetings and updated at least annually. Risk profile owners and the Executive Committee review project and business risk registers as required.

Figure 4: Our approach to risk management



Our capability and commitment to collaboration



IBA values partnerships with local Aboriginal corporations. Through our investments program, IBA partnered with Julalikari Council Aboriginal Corporation, in Tennant Creek to own and manage the local IGA shop providing food security and fresh food options in the Northern Territory. Photo credit: Tennant and District Times.

We seek ways to expand our ability to improve the prospects for Aboriginal and Torres Strait Islander people. The following sections explain our strategies and plans that we will implement to have the capability needed to undertake our key activities and achieve our purpose. This includes exploring product innovations and establishing partnerships with government and private sectors. We coordinate with these alliances to leverage opportunities for Aboriginal and Torres Strait Islander people to access more products and services that cater to specific needs.

Product design and development: Responding to customers needs

We recognise the social and economic benefits that home ownership provides. We help to grow home ownership rates of Aboriginal and Torres Strait Islander people by providing:

- concessional home loans
- capacity building workshops that build financial literacy and budgeting skills.

Housing affordability is a big barrier to home ownership for many customers. In recent years, 30% of our pre-approved home loan customers could not find a suitable property within their maximum borrowing capacity.

To meet the changing needs of our customers, we will improve product design and delivery to maximise the number of people we can support into home ownership.

By listening to and responding appropriately, we will explore new products and their features, especially for customers who are priced out of their local market. Examples of this include shared home ownership and changes to pricing policies, among others.

Building financial literacy, especially for women, relies on expanding our reach through partnerships like that with PM&C. Providing Social Enterprise Grants invests directly in female-led initiatives that solve social issues in their communities leading to economic empowerment.

Customer experience: Improved response time and relationship management

We partner and invest with Aboriginal and Torres Strait Islander people in business or wanting to go into business. We help them meet the challenges with difficult economic conditions from growing pressure on margins from higher costs and shifting interest rates. Our business start-up loan will continue to be a main part of our business finance suite. It allows customers to access a grant and loan mix to suit their needs. We also continue to offer invoice finance, leasing, performance bonds and film finance/producer loans.

Our business customers have unique requirements. To ensure a smooth transition and strong customer relationship management, a new customer contact centre will be established. This initiative aligns with our customer service charter to respond to customers in a timely manner. We continue to focus on the ongoing management of our customer loan accounts.

Workforce capability: Culturally proficient and technically sound

Removal of Average Staffing Level (ASL) caps in the October 2022 budget has helped address challenges surrounding previous staffing levels (from government-wide staffing caps). However, like any commercially oriented entity, we need to be able to scale our activities, and therefore workforce, based on customer demand.

During 2023–24, we will continue to find efficiencies and strengthen our ability to deliver outcomes with Aboriginal and Torres Strait Islander people through:

- making sure our workforce reflects the communities we serve
- having a technically competent and culturally proficient workforce
- equipping our people with the systems, tools and workplace to make empowered decisions.

We have highly capable staff dedicated to connecting with customers. They provide a high-quality level of service and are committed to boosting Aboriginal and Torres Strait Islander prosperity.

So our staff continue to develop the skills for consistent, timely, and positive customer experiences, we reviewed and relaunched our learning and development strategy. Training priorities in 2023–24 include:

- cultural capability
- leadership capabilities
- mental health first aid and trauma informed practices
- technical capabilities
- regulatory compliance.

During 2023–24 we will focus on our values, including understanding and growing cultural competencies and building our diversity and inclusion strategy.

The Galambany Staff Network and the Community and Customer Experience team will complement this work. These groups collaborate across the organisation to support Aboriginal and Torres Strait Islander staff and customers. We will continue to place importance on our organisation's health and wellbeing, including with psychological and physical wellbeing programs.



Digital transformation: Customer journey, systems and knowledge management

To deliver contemporary services we must continue to transform our digital capability. We have three key focus areas.

1. Enhance our customers' online experience.
2. Ensure our IT systems, applications and infrastructure are secure and fit for purpose.
3. Provide all staff with a suite of tools to deliver products and services more effectively.

We are implementing an integrated telephony system for our new customer contact centre to better capture customer enquiries and respond to their needs, and improve timeliness. This is complemented by upgraded and integrated digital solutions to improve:

- application processing
- capturing customer journey
- tracking from enquiry through to outcome.

Additional capability extends to improvements in procurement, contract management and security of customer information and data.

We are implementing enhanced data storage to provide a central repository. This will deliver improved data analytics and operational, management and corporate reporting for the organisation—with higher data quality and lower overheads of manual reporting and manual data handling. This transition also helps in quality assurance activities and supports our move to an entity-wide performance framework.

We are also implementing systems to support our people and equip them with resources, information and tools that:

- create seamless on- and off-boarding workflows
- streamline performance processes
- centralise employee data and compliance
- automate reports and get actionable insights.


Policy alignment and collaboration

In line with what the Council of Australian Government (COAG) set out in the National Agreement on Closing the Gap, we partner with Aboriginal and Torres Strait Islander leaders, people and communities. We work alongside a broad range of stakeholders in organisations across Australia and at all levels of government. Our partnerships strengthen outcomes for Aboriginal and Torres Strait Islander people through:

- increased shared decision-making
- achieving co-designed solutions
- realising economic and social development opportunities across local, regional and national levels.

Table 3: Our contribution to the National Agreement on Closing the Gap

CLOSING THE GAP		HOW IBA CONTRIBUTES
OUTCOME 8 Strong economic participation and development of Aboriginal and Torres Strait Islander people and communities.	Provide finance to businesses who in turn employ Aboriginal and Torres Strait Islander people.	Generate returns on investments for the benefit of Aboriginal and Torres Strait Islander organisations to fund training and employment programs.
OUTCOME 9 Aboriginal and Torres Strait Islander people secure appropriate, affordable housing that is aligned with their priorities and need.	Provide finance to a diverse and historically marginalised group of home owners to deliver financing that is aligned with their priorities and needs—first home buyers, single parent and single carer families, regional and remote.	Generate returns on investments for the benefit of Aboriginal and Torres Strait Islander organisations to fund residential development.



During the reporting period, we will update our Purposeful Partnerships Framework and deliver an entity-wide partnerships strategy that aims to:

- strengthen and expand strategic relationships
- demonstrate how our partners contribute to our goals and outcomes
- achieve better quality and faster outcomes by connecting with local organisations who share a commitment to improve Aboriginal and Torres Strait Islander people's wellbeing and economic empowerment.

— **Runway art by Keedan Rigney at Ngali's 'Together We Create' runway show on Wurundjeri Country (sponsored by IBA).** The design encapsulates the levels of influence and diverse experiences everyone brings together to that point in space and time.

—

Cross sector partnerships

We work across sectors to innovate and grow our networks, partnerships and collaborations. Evidence and experience inform our responses to economic challenges as we develop our stakeholder relationships for the benefit of customers.

Our work and reach are national. Maximising our impact requires strong relationships with a diverse group of stakeholders. We will continue to engage with all levels of government including:

- Minister for Indigenous Australians
- NIAA
- PM&C
- Department of Finance
- Department of Treasury.

We also work with multiple universities, land councils, peak bodies, and private sector organisations.

These are some of our latest, most significant partnerships.

Table 4: Significant partnerships

PARTNERSHIP	PURPOSE
MoU between NAIF, IBA, Indigenous Land and Sea Council (ILSC) and NIAA	MoU to jointly explore potential projects and opportunities in Northern Australia.
Victoria's Department of Treasury and Finance and Aboriginal Housing Victoria (AHV)	The Victorian Government provides a shared equity product. Aboriginal and Torres Strait Islander applicants are supported by AHV. IBA is supporting the project through providing home loans within our own credit assessment and scheme parameters.
Torres Strait Island Regional Authority MoU	MoU to support the lifestyle and wellbeing of First Nations people living in the Torres Strait. The aim is to achieve mutually beneficial outcomes that align with the organisation's purpose of benefiting Aboriginal and Torres Strait Islander people.
Banking Panel Partnerships—Australian Unity and Bank Australia	Provides a supported pathway to transition customers to mainstream lenders (refinance, split funded loans).
The BlackCard	Escalates the voice of Aboriginal and Torres Strait Islander women who are participating in home ownership and business attaining financial security through a pod/vodcast series.
Empower Digital	Assists First Nations businesses to establish e-commerce business systems to enhance exposure to new markets and sales.
University of Melbourne (National)	Supports the design and delivery of placed-based business pop-up entrepreneurs' programs and community-based economic development programs, and development of resources for an online business platform.
Export Finance Australia (EFA)	EFA and IBA will explore the potential to collaborate with each other with respect to the provision of finance products, including guarantees, to First Nations-owned businesses in the export market.

Investments and our subsidiaries

We have subsidiaries (Appendix B) that give eligible organisations access to commercial investment opportunities, consistent with our purpose. We go beyond just investing or managing funds. We connect co-investors with management expertise, entity governance and commercial capability development. This helps our partners succeed. We work with co-investment partners so our subsidiaries have strong governance and oversight in place.

Residential development launched

We support Aboriginal and Torres Strait Islander organisations to activate their land to create housing for the benefit of Aboriginal and Torres Strait Islander people.

Residential development on Aboriginal and Torres Strait Islander owned or controlled land can deliver long-term housing and home ownership outcomes.

It also has the potential for financial returns for Aboriginal and Torres Strait Islander organisations. Plus, the development process enables organisations to build capacity with employment, training and business and enterprise development opportunities.

Table 5: Our subsidiaries and their purpose

SUBSIDIARY TYPE	PURPOSE
Direct investments	<p>Contribution to purpose: Demonstration of our activities that assist and enhance Aboriginal and Torres Strait Islander self-management and self-sufficiency.</p> <p>Activity: Through our direct investments we co-invest with Aboriginal and Torres Strait Islander organisations in commercial ventures to generate financial returns and contribute to cultural and social impact that generate employment, training and procurement outcomes. We aim to unlock large-scale opportunities that may not otherwise have been available, and when the time is right we seek to sell our interest to our partner, supporting self-management and self-sufficiency for First Nations Australians.</p>
Commercial property	<p>Contribution to purpose: Demonstration of our activities that advance the commercial and economic interests of Aboriginal and Torres Strait Islander people by accumulating and using a substantial capital asset for the benefit of Aboriginal and Torres Strait Islander people.</p> <p>Activity: Investment in commercial property enables us to partner with Aboriginal and Torres Strait Islander co-investors to share in the income and capital growth from property assets with local strategic or community significance.</p>
Investment funds	<p>Contribution to purpose: Demonstration of our activities that advance the commercial and economic interests of Aboriginal and Torres Strait Islander people by accumulating and using a substantial capital asset for the benefit of Aboriginal and Torres Strait Islander people.</p> <p>Activity: We provide specialist management services for investment funds including the Indigenous Real Estate Investment Trust (I-REIT) and the Indigenous Prosperity Fund (IPF). The funds allow eligible Aboriginal and Torres Strait Islander people and entities to invest alongside IBA in a diversified portfolio with exposure to Australian and international shares, bonds, property and cash. For some Aboriginal and Torres Strait Islander organisations investment options like these may be inaccessible without IBA.</p>

Performance framework, rationale and impact

This plan is the centrepiece of our planning, budgeting and reporting process. It is underpinned by our entity-wide performance framework. It explains the planning context, interdependencies, and how we will deploy our available resources to have a positive impact on the lives of Aboriginal and Torres Strait Islander people.

Our performance framework aligns with the Commonwealth Performance Framework formed under the PGPA Act. It measures how we delivered on our intended results and tells us if we achieved our purpose.

Our new strategic plan and performance measures respond to feedback and advice from the comprehensive review of our 2018–2023 strategy. They position our organisation to maximise opportunities to align strategy and performance.

Throughout the review, we analysed performance over the prior five years and overlaid this with data from the 2021 Census and demand modelling. This was to make sure our resources and capability would deliver on the revised performance measures. We also completed quality assurance so a move to the consolidated set of performance measures would elevate and give further evidence of a more holistic picture of:

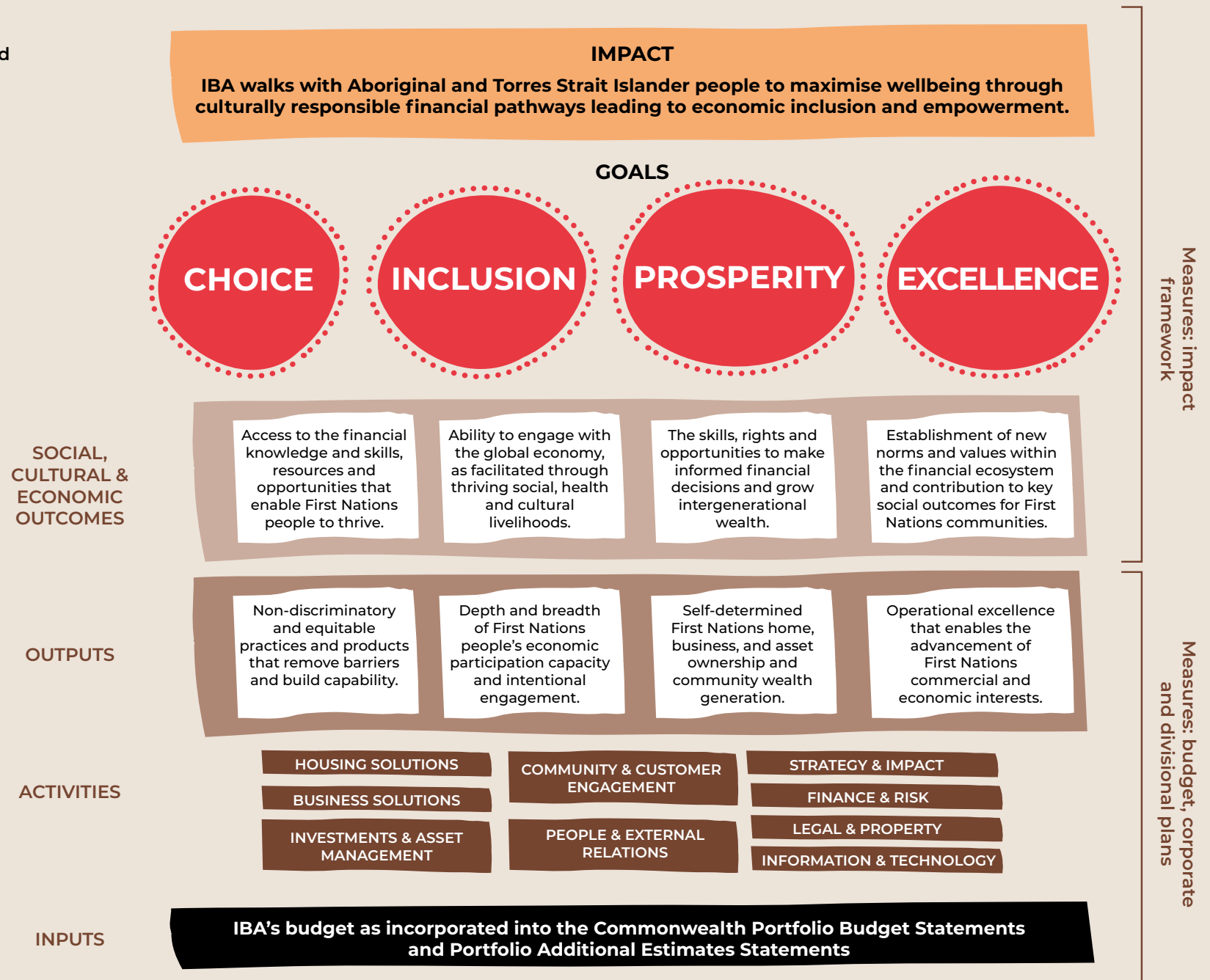
- our contribution
- impact across economic, social and cultural wellbeing of our customers.

Our performance measures and associated targets measure how we delivered against our outcome, activities and overall strategy through:

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

Although we moved to reporting at the entity-level, inputs and source data are still maintained and analysed at a program-level. The opportunity to provide enhanced reporting in 2023–24 that includes program-level results to support transition to the new entity-level performance measures maintain a basis for assessment over time.

Figure 5: Our impact thesis explained



Changes in performance measures

To maximise the wellbeing of Aboriginal and Torres Strait Islander people through our work, we must adapt the way we deliver and what we deliver.

Our 2022 review also revealed how we could:

- improve stakeholders' confidence in the data we use to make decisions
- track performance over time
- change strategic direction as needed
- improve target setting, calculations and methodologies as required.

In some cases, when we capture data during times of significant change for Aboriginal and Torres Strait Islander people there can be a lower-than-expected response rate. This is particularly the case if there are multiple priorities which people are trying to manage day to day. For example, people may be consulted too often or have other personal priorities.

During the pandemic and natural disasters, we saw smaller numbers of customers respond to surveys or take part in focus groups or forums. Because of this, some data are not as reliable as we would like—for example, customer satisfaction data. When this has happened, we highlighted it and explained why, where possible. A key focus is to ensure a minimum feedback rate consistent with a statistically-reliable sample.

As we upgrade our systems to newer platforms, this may affect data migration. Where possible, we have highlighted the impact and what this means for anyone reading this plan or other documents, such as our annual report.

We reviewed and updated our previous set of 20 performance measures. The refined set of nine entity-wide measures now reflect a set of measures and targets that consider:

- the dynamic operating environment
- interdependencies of policies and programs
- our role as an active market player providing financial services.

Changes to targets and calculation are included in the relevant methodology and following data source section. Based on current information, we have made every effort to ensure these sources of information and methodologies are reliable, verifiable, and free from bias.

We see the benefits of both types of measurement and aim to have a balance. We include many of our qualitative measures in our impact report and most of our quantitative measures at a PBS level.

For the 2023–24 reporting period, targets use past performance data (where available). For forward-year forecasts, the data are sourced from systems and tools used to track our performance over time and reported against:

- each month to the Executive Team
- each quarter to the Audit and Risk Committee and Board.

Access to data for reporting purposes is restricted. The relevant Executive Director creates and approves performance management records each month.

Subsection 16EA(e) of the PGPA Rule requires that an entity's performance measures, include measures of the entity's outputs, efficiency and effectiveness if those are appropriate measures of the entity's performance.

The third theme of the ANAO's Audits of Annual Performance Statements of Australian Government Entities report⁴ is related to entities meeting subsection 16EA(e) and distinction between activities and outputs. It stated that measures which are inwardly focused on what is done to enable an output will be assessed as an activity, that is, an activity is a distinct effort undertaken to achieve a specific result.

The performance measures that are under development are better classified as outputs or activities until methodologies and targets are documented (refer to table 6).

Table 6: Future state classification of IBA's performance measures.

PERFORMANCE MEASURE	MATURITY	ACTUAL TYPE	INTENDED FUTURE STATE TYPE
Performance Measure 01	Developed	Output	Output
Performance Measure 02	Developed	Output	Output
Performance Measure 03	Developed	Output	Output
Performance Measure 04	Progressing	Activity	Output
Performance Measure 05	Progressing	Output	Effectiveness
Performance Measure 06	Progressing	Output	Effectiveness
Performance Measure 07	Developed	Effectiveness	Effectiveness
Performance Measure 08	Progressing	Activity	Effectiveness
Performance Measure 09	Progressing	Activity	Efficiency

⁴. Auditor – General Report No.23 2021–22

PBS performance measures

GOAL 1: CHOICE

Aboriginal and Torres Strait Islander people have the skills and freedom to make choices about how and when to access capital (money), knowledge and networks.

Focus area: Grow the number of Aboriginal and Torres Strait Islander people and organisations who access relevant financial services and products.

Measure 1. Total annual number of Aboriginal and Torres Strait Islander people provided with access to capability building, knowledge and networks directly by IBA and indirectly through partnerships.

Our target	2023–24 1,350	2024–25 1,400	2025–26 1,450	2026–27 1,500	2027–28 1,550
Methodology: How will we measure it?	<p>Add the total annual number of Aboriginal and Torres Strait Islander people who attended or participated in:</p> <ul style="list-style-type: none"> • housing solutions workshops (previous Measure 4, targets unchanged) • business solutions workshops (previous Measure 9, targets unchanged) • investments workshops (new input) • events sponsored by us (number of people, including First Nations staff, supported to attend) (new input) • capability building initiatives (new input) • training attended by First Nations people (IBA staff). 				
Rationale: Why will we measure it?	<p>Our ability and efforts to create pathways to timely and relevant capability building, knowledge and networks are critical to connecting Aboriginal and Torres Strait Islander people with access and choice about how and when they progress towards economic self-sufficiency and self-management. We respond to customer and stakeholder feedback about the hurdles and barriers to access faced by Aboriginal and Torres Strait Islander people. This means we can respond to evolving and changing needs and stay aligned with our purpose.</p> <p>We expect an annual increase for this measure. This is based on historical actuals and forecasted demand as the world adjusts to higher levels of:</p> <ul style="list-style-type: none"> • travel to attend conferences • workshops to build capability • reconnection across sectors and participation in events. <p>A return to pre-pandemic levels is unlikely for some time. However, the increments forecasted are based on assuming it will be a slow and steady return to those activities listed as inputs.</p>				
Link to purpose	<p>Our purpose requires us to ensure Aboriginal and Torres Strait Islander people have access and a choice to undertake activities that 'enhance self-management and economic self-sufficiency [section 146(a)]'.</p> <p>Through our single portfolio outcome—to improve wealth acquisition and economic independence of Aboriginal and Torres Strait Islander peoples—this measure demonstrates progress through increased capability development that underpins the skills and capability required to achieve economic independence, self-management and self-sufficiency.</p>				

Methodology and data source/s:

- Quantitative assessment (output measure).
- Data sourced internally via IBA controlled and managed systems.
- The period of data used to measure our performance is the current reporting period where data are available on a month-by-month basis, to avoid bias in the results.

New measure. Aggregating existing program data to entity-wide measures and target.

GOAL 1: CHOICE

Aboriginal and Torres Strait Islander people have the skills and freedom to make choices about how and when to access capital (money), knowledge, and networks.

Focus area: Grow the number of Aboriginal and Torres Strait Islander people and organisations who access safe, secure, and relevant financial services and products.

Measure 2: Total annual number of Aboriginal and Torres Strait Islander people provided with an IBA product or the opportunity to access the economy through a job or procurement opportunity.

Our target	2023–24 2,000	2024–25 2,150	2025–26 2,300	2026–27 2,450	2027–28 2,600
Methodology: How will we measure it?	<p>Add the total annual number of people⁵ supported by us through first, second and third order contribution. We calculate the total annual of each.</p> <p>First order contribution (meeting our prescribed purpose of advancing the commercial and economic interests of our customers and co-investors):</p> <ul style="list-style-type: none"> • Number of Aboriginal and Torres Strait Islander people approved for a home loan (previous Measure 1). • Number of Aboriginal and Torres Strait Islander people approved for external business support (new input). • Number of Aboriginal and Torres Strait Islander people approved for business finance (loans, cash flow, finance and asset leasing) (previous Measure 8). • Number of Aboriginal and Torres Strait Islander co-investors (previous Measure 14). <p>Second order contribution (employed by IBA and subsidiaries in achieving our purpose):</p> <ul style="list-style-type: none"> • Number of Aboriginal and Torres Strait Islander people directly employed by IBA and our subsidiaries (previous Measure 16, revised target adjusted to report on actual jobs rather than percentage of jobs). • Number of Aboriginal and Torres Strait Islander suppliers procured directly by IBA (new input). <p>Third order contribution (extra people who benefit from delivering on our purpose—all new inputs):</p> <ul style="list-style-type: none"> • Number of Aboriginal and Torres Strait Islander people in a household which received an IBA loan. • Number of Aboriginal and Torres Strait Islander people in a job because of IBA's external business support, business finance and co-investment. • Number of Aboriginal and Torres Strait Islander suppliers procured through IBA's subsidiaries. • Number of people benefiting from formal partnerships between Aboriginal and Torres Strait Islander organisations and IBA. • Number of Aboriginal and Torres Strait Islander people who transition to mainstream (previous Measure 3, revised to measure actual people rather than percentage). 				

⁵ A 'person' as a legal person (can also capture a company).

Measure 2 continued...

Rationale: Why will we measure it?	<p>This measure gives evidence of IBA meeting its purpose by responding to market demand. It strengthens our direct contribution to results. It also provides a strong focus for forward years, relating to activities in our control through financing, jobs, procurement and partnerships.</p> <p>The size of impact is likely to be different based on the order of contribution. For the purposes of measurement, we chose to count each person without discounting for the order of contribution. As such, in this metric, an Aboriginal and/or Torres Strait Islander child of an IBA home loan customer is just as important to us as the home loan customer and the Aboriginal and/or Torres Strait Islander employee of our subsidiary, for example.</p> <p>This measure gives us a reliable source for and indicates changes in IBA's impact relating to Aboriginal and Torres Strait Islander people's economic self-sufficiency and self-management.</p> <p>We expect an annual increase for this measure, however, acknowledging that external factors will affect our ability to manage such significant change. This is based on historical actuals and forecasted demand of the inputs. Natural movements in IBA's overall portfolio will happen from factors such as:</p> <ul style="list-style-type: none"> • transitioning a home loan to a mainstream lender • acquisition and divestment activity • the growth of co-investment partners over time. <p>We will use some verifiable estimates based on historical observations to estimate third order of attribution. We will also rely on the comprehensive impact study to help determine and confirm IBA's reach.</p>
Link to purpose	<p>Our purpose requires us to do activities which 'advance commercial and economic interests [section 146(b)]' of Aboriginal and Torres Strait Islander people.</p> <p>Through our single portfolio outcome—to improve wealth acquisition and economic independence of Aboriginal and Torres Strait Islander peoples—this measure demonstrates progress through increased numbers of people who directly and indirectly benefit from our products and services, including access to jobs, procurement and indicators of wealth acquisition. This measure provides evidence of commercial enterprise activity, asset acquisition and access to concessional business and home finance.</p>

Methodology and data source/s:

- Quantitative assessment (output measure).
- Data sourced internally via IBA controlled and managed systems.
- Data sourced externally via third parties—subsidiaries, partners and business customers.
- The period of data used to measure our performance is the current reporting period where data are available on a month-by-month basis, to avoid bias in the results.

New measure. Aggregating existing program data to entity-wide measure and target.

Note on changes to the targets: Targets have been adjusted to reflect expected changes to IBA's subsidiaries and procurement pipeline. Where previous inputs to the overall target were identified as cumulative or portfolio calculation, these have been adjusted to an annual figure: the number of people in a household. This reflects current demographic data and avoids duplication.

GOAL 1: CHOICE

Aboriginal and Torres Strait Islander people have the skills and freedom to make choices about how and when to access capital (money), knowledge and networks.

Focus area: Increase total capital distributed to Aboriginal and Torres Strait Islander people.

Measure 3: Total annual sum of capital and capability development support distributed by IBA⁶ specifically for the benefit of Aboriginal and Torres Strait Islander people.

Our target	2023–24 \$275 million	2024–25 \$295 million	2025–26 \$315 million	2026–27 \$330 million	2027–28 \$350 million
Methodology: How will we measure it?	<p>Add the total annual sum of money committed for expenditure and investment in the reporting period. The following explains how we calculate the commitment.</p> <p>The first order of contribution is money distributed by IBA (value of products delivered to Aboriginal and Torres Strait Islander people to meet IBA's purpose):</p> <ul style="list-style-type: none"> • Value of home loans approved (new input). • Value of home loan grants (new input). • Value of co-investment contribution and capital distributed by IBA (new input). • Value of external business support (new input). • Value of partnerships (new input). • Value of business finance (loans, cash flow, finance and asset leasing) (new input). • Value of additional initiatives that respond to natural disasters or state of emergency scenarios (new input). • Value of new, unplanned initiatives IBA delivers not otherwise collected (new input). <p>The second order of contribution (value of procurement by IBA and its subsidiaries in meetings its prescribed purpose):</p> <ul style="list-style-type: none"> • Value of IBA's procurement from Aboriginal and Torres Strait Islander suppliers not otherwise specified above (previous Measure 19). • Value of subsidiary procurement from Aboriginal and Torres Strait Islander suppliers (previous Measure 15). 				

⁶ Includes capital through IBA corporate, through subsidiaries and associate and partner arrangements.

Measure 3 continued...

Rationale: Why will we measure it?	<p>This measure provides evidence that IBA is assisting and enhancing Aboriginal and Torres Strait Islander economic self-sufficiency and self-management. Also, that we do this through fair and transparent distribution of capital and capability development.</p> <p>To better understand our full capital and capability growth commitment to Aboriginal and Torres Strait Islander people, this measure has two orders of contribution:</p> <ol style="list-style-type: none"> 1. The direct value of the products and services IBA delivers to meet its prescribed purpose. 2. The value of procurement with Aboriginal and Torres Strait Islander businesses in delivering IBA's purpose. <p>An important quantitative indicator of IBA's contribution to this target is our ability to show how we manage capital for the benefit of customers, including access to capability support. This will sit alongside our ESG rating.</p> <p>This contribution can differ based on a first or second order of contribution. However, the order of contribution does not need discounting. The approach is in line with the approach applied for Measure 2.</p> <p>This measure also strengthens our ability to show contribution and attribution through providing capital and capability development to the priority areas of:</p> <ul style="list-style-type: none"> • home ownership • business ownership • intergenerational wealth. <p>It relates to the National Agreement on Closing the Gap, emerging economic and market opportunities and evolving policies set by government.</p> <p>We expect an annual increase for this measure based on historical actuals and forecasted demand of those inputs. Natural movements in IBA's overall portfolio will happen because of factors such as:</p> <ul style="list-style-type: none"> • transitioning a home loan to a mainstream lender • acquisition and divestment activity • the growth of co-investment partners. <p>Where initiatives or opportunities to respond to market demand are unplanned, we have allowed for those to be incorporated. Past measures were too explicit and stopped us from incorporating new initiatives as they were created—for example:</p> <ul style="list-style-type: none"> • the \$150 million Regional Construction Loans • the COVID-19 Business Relief Package.
Link to purpose	<p>Our purpose requires us to deliver activities which demonstrate we can 'manage capital [section 146(b)]' for the benefit of Aboriginal and Torres Strait Islander people.</p> <p>Through our single portfolio outcome—to improve wealth acquisition and economic independence of Aboriginal and Torres Strait Islander peoples—this measure demonstrates the different ways we distribute money via capital, equity, debt financing, grants and other financial instruments as evidence of commercial enterprise activity, asset acquisition and access to concessional business and home finance.</p>

Methodology and data source/s:

- Quantitative assessment (output measure).
- Data sourced internally via IBA controlled and managed systems.
- Data sourced externally via third parties where applicable.
- The period of data used to measure our performance is the current reporting period where data are available on a month-by-month basis, to avoid bias in the results.

New measure. Aggregating existing program data to entity-wide measures and target.

Note on changes to the targets: Targets have been adjusted to reflect expected changes to IBA's subsidiaries and procurement pipeline. Where previous inputs to the overall target were identified as cumulative or portfolio calculation, these have been adjusted to an annual figure.

GOAL 2: INCLUSION

Aboriginal and Torres Strait Islander people can engage with and get the most out of economic opportunities.

Focus area: Prioritise building the capability of Aboriginal and Torres Strait Islander people to maximise the reach and impact of economic opportunities.

Measure 4: Annual reported levels of resilience and financial wellbeing.

Our target	2023–24 Establish baseline	2024–25 Pilot target	2025–26 Improve annually	2026–27 Improve annually	2027–28 Improve annually
Methodology: How will we measure it?	IBA will develop a relevant, fit-for-purpose, culturally informed methodology and appropriate target to measure the extent to which customers, partners and subsidiaries experience and develop resilience with support from and in partnership with IBA.				
Rationale: Why will we measure it?	<p>This measure expands our ability to provide reliable evidence and performance data related to a person's ability to:</p> <ul style="list-style-type: none"> • navigate continuing economic uncertainty • respond to impacts of natural disasters and climate change • navigate a state of emergency, including being able to mitigate losses. <p>There's a growing need to focus on the financial health of people, their families, communities, and businesses as a source of stress or distress. This is critical to understanding what and how to strengthen and nurture resilience and wellbeing.</p> <p>Building resilience into our performance framework is a benefit for Aboriginal and Torres Strait Islander people, their families, and places they call home. It enables them to set up a strong base for growth and success even in an uncertain economic environment.</p> <p>We will ensure the timing for this measure and target is suitable for informing what people's needs are and how to respond to them. We also intend to identify a target that clearly shows improvements in forward years.</p> <p>Current state actual type: activity working towards a final state of output.</p>				
Link to purpose	<p>Our purpose requires us to do activities which enable Aboriginal and Torres Strait Islander people to 'enhance self-management and economic self-sufficiency [section 146(a)]'.</p> <p>Through our single portfolio outcome—to improve wealth acquisition and economic independence of Aboriginal and Torres Strait Islander peoples—this measure demonstrates the different ways we intend to support our customers in sustaining their ability to be economically self-sufficient and be provided with the tools and information to enhance self-management.</p>				

Methodology and data source/s:

- Qualitative assessment (output measure).
- Third party data for the purposes of forecasting and modelling—ABS, CSIRO, Climate Council Australia, CoreLogic.
- Previous Measure 7, business survivability will be used to develop methodology and target.

New measure. Methodology and target to be developed.

GOAL 2: INCLUSION

Aboriginal and Torres Strait Islander people can engage with and get the most out of economic opportunities.

Focus area: Increase rates of economic and financial wellbeing reported by Aboriginal and Torres Strait Islander people.

Measure 5: Social and financial impact and returns to Aboriginal and Torres Strait Islander people, organisations and businesses.

Our target	2023–24 Deliver comprehensive impact study	2024–25 Establish baseline	2025–26 Pilot target	2026–27 Improve annually	2027–28 Improve annually
Methodology: How will we measure it?	<p>This measure has been updated. Adjusting this measure shows our growth towards a deeper understanding of the social and financial impact on and returns to Aboriginal and Torres Strait Islander people, organisations, and businesses.</p> <p>We reviewed our 2020 impact framework, adapted it and adopted an IMMP.</p> <p>We will use qualitative and quantitative sources of data and information to survey, interview and undertake economic and financial modelling and data analysis to deliver our three-yearly comprehensive impact study. The study aims to explore extra elements of IBA's impact to:</p> <ul style="list-style-type: none"> include the relationship between Aboriginal and Torres Strait Islander people and Country refine our understanding of who our customer is. <p>The study will help us describe changes in ecosystems and index the contribution we make to IBA's financial wellbeing and the economy.</p>				
Rationale: Why will we measure it?	<p>Climate change, biodiversity loss and natural disasters are quickly changing the context for decision-making. As a result, this measure acknowledges that there is growing demand in government, industry and the community to assess and account for the environment and its contributions to people.</p> <p>These essential contributions to the wellbeing of Aboriginal and Torres Strait Islander people and prosperity are not always clear. By knowing more about social and financial impacts, we can measure and report:</p> <ul style="list-style-type: none"> the amount, condition and value of environmental assets how Aboriginal and Torres Strait Islander people experience this through the lens of the economic, financial, social, environmental and cultural elements of individuals and communities. <p>The integrated information can also be used for reporting on the UN's SDGs. It could be used to assess natural capital financial risk and design pathways to a sustainable future for the environment and the economy. We intend to identify a target that clearly shows improvements in forward years.</p> <p>Current state actual type: output working towards a final state of effectiveness.</p>				
Link to purpose:	<p>Our purpose requires us to do activities which enable Aboriginal and Torres Strait Islander people to 'enhance self-management and economic self-sufficiency [section 146(a)]'.</p> <p>Through our single portfolio outcome—to improve wealth acquisition and economic independence of Aboriginal and Torres Strait Islander peoples—this measure provides qualitative and quantitative evidence to confirm the impact of our products and services on our customers in pursuit of economic independence, self-management and self-sufficiency.</p>				

Methodology and data source/s:

- Qualitative assessment (effectiveness measure).
- Third party data for the purposes of forecasting and modelling—ABS, CSIRO, Climate Council Australia, CoreLogic.
- Previous Measures 12 and 20 will be reviewed and used to develop methodology and target.

Updated measure. Methodology and target to be developed.

GOAL 2: INCLUSION

Aboriginal and Torres Strait Islander people can engage with and get the most out of economic opportunities.

Focus area: Increase rates of economic and financial wellbeing reported by Aboriginal and Torres Strait Islander people.

Measure 6: ESG Rating

Our target	2023–24 Launch ESG Strategy	2024–25 Establish baseline	2025–26 Pilot target	2026–27 Improve annually	2027–28 Improve annually
Methodology: How will we measure it?	<p>Establish a relevant, fit-for-purpose measure that gives an overall rating or score for IBA's ESG performance including:</p> <ul style="list-style-type: none"> • environmental impact and climate resilience • social impact, human rights initiatives (including choice to exercise self-determination) and contribution to reconciliation • staff and customer wellbeing, particularly as it relates to economic and financial wellbeing • governance, risk culture, and risk management. <p>The first year will focus on integrating ESG into our decision-making, performance and risk frameworks through launching an ESG strategy. We will also establish a baseline ESG rating or score to improve on in forward years.</p>				
Rationale: Why will we measure it?	<p>We will progress towards our intended future state of a more holistic and integrated view of the links between ESG, sustainability and impact. This is set out in:</p> <ul style="list-style-type: none"> • Measure 4 (annual reported levels of resilience and financial wellbeing) • Measure 5 (social and financial impact and returns to Aboriginal and Torres Strait Islander people, organisations and businesses). <p>The measure will strengthen our ability to show our contribution to:</p> <ul style="list-style-type: none"> • the National Agreement on Closing the Gap • emerging economic and market opportunities • evolving policies set by the Australian Government. <p>The financial services sector and wider Australian economy is rapidly adopting ESG frameworks. The measure considers our exposure and performance with respect to longer-term ESG issues. It also aims to go further than mandatory reporting requirements to incorporate, where possible, the lived experiences of Aboriginal and Torres Strait Islander people.</p> <p>It will ensure we keep meeting the high standards of corporate governance and transparency expected by Aboriginal and Torres Strait Islander people, the Australian Government and the community. We intend to identify a target that clearly articulates improvements in forward years.</p> <p>Current state actual type: output working towards a final state of effectiveness.</p>				
Link to purpose:	<p>Our purpose requires us to do activities which enable Aboriginal and Torres Strait Islander people to 'enhance self-management and economic self-sufficiency [section 146(a)]'.</p> <p>Through our single portfolio outcome—to improve wealth acquisition and economic independence of Aboriginal and Torres Strait Islander peoples—this measure provides qualitative and quantitative evidence to confirm the impact of our products and services on our customers in pursuit of economic independence, self-management and self-sufficiency. Contained within Part 1 of the ATSI Act it is noted that 'Parliament seeks to enable Aboriginal persons and Torres Strait Islanders to increase their economic status, promote their social well-being and improve the provision of community services'—this measure seeks to demonstrate our role in delivering on this through our purpose and activities.</p>				

Methodology and data source/s:

- Qualitative assessment (effectiveness measure).
- Data sourced internally via IBA controlled and managed systems.
- Data sourced externally via third parties where applicable.
- Third party data for the purposes of forecasting and modelling—ABS, CSIRO, Climate Council Australia, CoreLogic.
- Previous Measures 5, 10 and 17 will be reviewed and used to develop new methodology and targets.

New measure. Methodology and target to be developed.

GOAL 3: PROSPERITY

Aboriginal and Torres Strait Islander people have greater ownership and control of their financial and economic interests to build wealth and prosperity over time.

Focus area: Invest with Aboriginal & Torres Strait Islander people to grow their wealth by sensibly looking after and growing the capital and asset base under IBA's management.

Measure 7: Total proportion of Aboriginal and Torres Strait Islander first home buyers.

Our target	2023–24 80%	2024–25 80%	2025–26 80%	2026–27 80%	2027–28 80%
Methodology: How will we measure it?	<p>Calculate the total number of home loans approved for first home buyers as a percentage (proportion) of the total number of approved home loans.</p> <p>At the point of EOI (expression of interest), we request information about the first home buyer status of a customer and verify this against secondary sources. A borrower is a first home buyer if they are purchasing residential property for the first time. For joint borrowers, they are a first home buyer if at least one person has not owned a residential property before.</p>				
Rationale: Why will we measure it?	<p>This measure focuses on first home buyers. It gives evidence of a pathway for Aboriginal and Torres Strait Islander people to access home ownership.</p> <p>It allows us to measure the proportion of Aboriginal and Torres Strait Islander people who make the critical step of 'getting into a home'. This measure is the most direct way to grow the number of Aboriginal and Torres Strait Islander people who own a home, build wealth, and become economically self-sufficient.</p> <p>This measure also strengthens our ability to show how we contribute to the priority areas of home ownership and intergenerational wealth.</p> <p>We have reduced the target by 10% compared to previous years because of an expected increase in refinancing. On this basis, we commit to a minimum target of 80% and will assess the impact this reduction has on Aboriginal and Torres Strait Islander people seeking home ownership and adjust to suit year on year.</p>				
Link to purpose:	<p>Our purpose requires us to do activities which 'advance commercial and economic interests [section 146(b)]' of Aboriginal and Torres Strait Islander people.</p> <p>Through our single portfolio outcome—to improve wealth acquisition and economic independence of Aboriginal and Torres Strait Islander peoples—this measure confirms how we are facilitating home ownership outcomes as an indicator of wealth acquisition and independence for multiple generations.</p>				

Methodology and data source/s:

- Qualitative assessment (effectiveness measure).
- Data sourced internally via IBA controlled and managed systems.
- Data sourced externally via third parties for verification purposes.
- The period of data used to measure our performance is the current reporting period where data is available on a month-by-month basis, to avoid bias in the results.

Existing measure (previously Measure 2). Reduced target.

GOAL 3: PROSPERITY

Aboriginal and Torres Strait Islander people have greater ownership and control of their financial and economic interests to build wealth and prosperity over time.

Focus area: Invest with Aboriginal & Torres Strait Islander people to grow their wealth by sensibly looking after and growing the capital and asset base under IBA's management.

Measure 8: Average conversion rate from enquiry into a home, business or investment outcome.⁷

Our target	2023–24 Establish baseline	2024–25 Pilot target	2025–26 Improve annually	2026–27 Improve annually	2027–28 Improve annually
Methodology: How will we measure it?	Defining a suitable measure for demand (as opposed to desire or interest) will be critical for IBA when developing the methodology and target. We will determine a suitable denominator to define demand in 2023–24 and intend to roll out the measurement from 2024–25.				
Rationale: Why will we measure it?	<p>This measure acknowledges the impact of a changing economy and market on Aboriginal and Torres Strait Islander people. We want to know more about balancing risk and opportunity as they relate to the extra pressure and opportunity for Aboriginal and Torres Strait Islander people because of those evolving economic and market conditions.</p> <p>We must respond to demand in a way that supports customers to take advantage of those opportunities when they arise without the burden of paperwork or slow processes. We also must assess performance against progress. Therefore, we will look to a methodology, rationale and target that incorporate and celebrate continuous outcomes. For example, transitioning a home loan and relationship from IBA to a mainstream bank is just as important as providing pathways to ownership for first home buyers.</p> <p>This measure aims to make a reliable, verifiable source so we can demonstrate we are meeting our purpose—growing the number of Aboriginal and Torres Strait Islander people who can:</p> <ul style="list-style-type: none"> • secure a home loan • access business support or financing • generate acceptable returns that align with their needs and priorities. <p>This measure also strengthens our ability to show how we contribute to the priority areas of home ownership and intergenerational wealth. We intend to identify a target that clearly articulates improvements in forward years.</p> <p>Current state actual type: activity working towards a final state of effectiveness.</p>				
Link to purpose:	<p>Our purpose requires us to do activities which 'advance commercial and economic interests [section 146(b)]' of Aboriginal and Torres Strait Islander people.</p> <p>Through our single portfolio outcome—to improve wealth acquisition and economic independence of Aboriginal and Torres Strait Islander peoples—this measure provides qualitative and quantitative evidence to confirm the impact of our products and services on our customers in pursuit of economic independence, self-management and self-sufficiency. Contained within Part 1 of the ATSI Act it is noted that 'Parliament seeks to enable Aboriginal persons and Torres Strait Islanders to increase their economic status, promote their social well-being and improve the provision of community services'—this measure seeks to demonstrate our role in delivering on this through our purpose.</p>				

Methodology and data source/s:

- Quantitative assessment (effectiveness measure).
- Data sourced internally via IBA controlled and managed systems.
- Data sourced externally via third parties for verification purposes.

New measure. Methodology and target to be developed.

⁷ Directly with IBA and indirectly through transition to mainstream or banking panel arrangements based on total number of eligible people.

GOAL 4: EXCELLENCE

Aboriginal and Torres Strait Islander people are supported by IBA through excellent service, improved coordination and efficiency, and cross sector partnerships.

Focus area: Adopt an agile business model that anticipates and responds to financial, economic, and political challenges and opportunities, simplifies customer offer and focuses on sustainable funding.

Measure 9: Total rate of efficiency of IBA in achieving its purpose.

Our target	2023–24 Establish baseline	2024–25 Pilot target	2025–26 Improve annually	2026–27 Improve annually	2027–28 Improve annually
Methodology: How will we measure it?	IBA will go from a program-level approach and measure of efficiency to an entity-level measure of efficiency. We will assess the best methodology and target to balance evidence of effectiveness and efficiency.				
Rationale: Why will we measure it?	<p>This measure will provide evidence that we assist and enhance Aboriginal and Torres Strait Islander economic self-sufficiency and self-management through effective management and efficient distribution of capital.</p> <p>This will allow us to show:</p> <ul style="list-style-type: none"> • how efficiently we deliver on our purpose • how to improve service delivery that benefits Aboriginal and Torres Strait Islander people. <p>This measure will help us define our contribution to APS reform priorities and the National Agreement on Closing the Gap through partnerships. We intend to identify a target that clearly shows improvements in forward years.</p> <p>Current state actual type: activity working towards a final state of efficiency.</p>				
Link to purpose:	<p>Our purpose requires us to do activities which 'advance commercial and economic interests [section 146(b)]' of Aboriginal and Torres Strait Islander people.</p> <p>Through our single portfolio outcome—to improve wealth acquisition and economic independence of Aboriginal and Torres Strait Islander peoples—this measure provides confirmation of our ability to efficiently deliver our products and services. This measure relates to Clause 3(d) Objects of the ATSI Act, 'to ensure co-ordination in the formulation and implementation of policies affecting Aboriginal persons and Torres Strait Islanders by the Commonwealth, State, Territory and local governments, without detracting from the responsibilities of State, Territory and local governments to provide services to their Aboriginal and Torres Strait Islander residents.'</p>				

Methodology and data source/s:

- Quantitative assessment (efficiency measure).
- Data sourced internally via IBA controlled and managed systems.
- Data sourced externally via third parties for verification purposes.
- Previous performance measures 6, 11 and 18 will be reviewed and used to develop new methodology and target.

New measure. Methodology and target to be developed.

Appendix A: Key risk table

STRATEGIC RISK

Risks related to our business model and position in the commercial, social, political and Aboriginal and Torres Strait Islander affairs environment.

Key risks:

- Ongoing resource constraints.
- Business continuity.
- Political/stakeholder engagement.

MANAGING STRATEGIC RISK

We use:

- a strategic risk register to navigate the strengths, weaknesses, opportunities and threats
- adoption of agile reporting and monitoring to ensure informed and timely decision-making by the organisation.

We also:

- report risk oversight and management controls to relevant accountable authorities
- do annual customer and employee surveys to drive continual process improvement and inform the Executive Team of any control weakness.

OPERATIONAL RISK

Risks arising from inadequate or failed internal processes, people or systems, or from external events.

Key risks:

- Risks from internal practices, policies and procedures.
- Security, systems and IT risks.
- Breaches of our code of conduct, values and behaviour framework.

MANAGING OPERATIONAL RISK

We use:

- an operational risk register to mitigate the potential for loss from inadequate or failed procedures, systems, policies or other control weaknesses
- a robust mandatory employee compliance training program supported by a quality assurance framework and internal and external audit review program.

We also:

- report risk oversight and management controls to relevant accountable authorities
- do annual customer and employee surveys to drive continual process improvement and inform the Executive Team of any control weakness.

EQUITY RISK

Risk of losses from adverse movements in the value of IBA's investments/assets.

Key risk:

- Negative variance in consolidated net assets/equity.

MANAGING EQUITY RISK

We will manage risks through:

- due diligence and informed risk-based decision-making
- asset management and diversification of asset classes
- regular reviews of operating businesses and investment markets.

LEGAL, GOVERNANCE AND LEGISLATIVE COMPLIANCE

Risks arising from our or another party's failure to comply with relevant laws or regulations, policies, guidelines or contractual agreements.

Key risks:

- Instances of actual fraud.
- Significant breaches by IBA of law, contracts or IBA policy.

MANAGING LEGAL, GOVERNANCE AND LEGISLATIVE COMPLIANCE RISK

We monitor the legal and regulatory environment on an ongoing basis to ensure compliance with relevant laws and regulations.

A suite of policies and procedures, including a fraud control plan and fraud risk register guide and instruct staff on processes, procedures, governance arrangements and responsibilities.

Annual training under employee awareness programs ensure staff understand, use and report on legal and governance requirements.

All staff and contractors receive whistle blower protection so they can make confidential and anonymous disclosures.

FINANCIAL RISK

Risks arising from failure to obtain, allocate and manage financial resources effectively.

Key risks:

- Actual to budgeted financial performance.
- Working capital level (cash available to meet expenses and short-term liabilities).

MANAGING FINANCIAL RISK

Timely and accurate forecasting, monitoring and reporting provides strong assurance measures in managing financial risks.

This complements constant analysis of funding opportunities to address the organisation's ongoing capital constraints.

We regularly report finances to the Audit, Risk and Performance Committee; Finance and Investment Performance; and the Executive Team for oversight and management.

CREDIT RISK

Risks of losses from counterparty failure or customer default.

Key risks:

- Credit-related policy, product and delegation breaches.
- Security coverage.
- Customer loan serviceability.
- Investment concentration in a sector/industry.

MANAGING CREDIT RISK

Policies and procedures, including strong systems that govern credit risk, cover all areas of the credit life cycle of IBA's product offerings, including:

- product structuring
- risk grading
- initial application approvals
- provisioning
- debt management.

A skilled workforce with a risk-aware culture further strengthens our approach and subsequent management of credit-related risks.

MARKET RISK

Risks arising from adverse movements in market interest rates, prices and economic conditions.

Key risks:

- Reserve Bank of Australia cash rate.
- Housing values—increase or fall in capital cities and regional markets.
- GDP (Gross Domestic Product) growth rate.

MANAGING MARKET RISK

We manage market risk with:

- ongoing monitoring and reporting of external interest rates, prices and economic conditions through our risk register
- internal portfolio reviews.

CLIMATE RISK

Risk of losses from more frequent climate-related events or non compliance with disclosure obligations.

MANAGING CLIMATE RISK

Ongoing monitoring of emerging climate-related risks and disclosure obligations that may impact our organisation and our customers.

Every year we undertake a deep dive impact study and every three years we deliver a comprehensive impact study to ensure that we are confirming the overall impact our activities are having on the lives of Aboriginal and Torres Strait Islander people given their close connection to Country, including fresh and salt water Country.

REPUTATIONAL RISK

The risk of negative perceptions from stakeholders, including government, customers and the wider community.

Key risks:

- Adverse/negative media exposure.
- Customer complaints.
- Negative feedback from the stakeholders.

MANAGING REPUTATIONAL RISK

We have a well-established complaints management system and outcome-focused customer service charter. This ensures we act with integrity and deal with customers quickly and with respect.

To manage this shared risk, we must create and maintain a positive risk culture and foster strong relationships with our customers and other stakeholders.

A customer satisfaction survey is conducted annually to measure customer satisfaction and gather feedback.

Appendix B: Active subsidiaries

CDC Nominees (TCTP) Pty Limited *

Crocodile Hotel Pty Ltd

Darwin Hotel Holdings Pty Limited *

Darwin Hotel Holdings Trust

Darwin Hotel Partnership

Dominican Indigenous Education Trust

Fitzroy Lodge Investments Pty Limited

Gagadju Lodge Cooinda Trust

Ikara Wilpena Enterprises Pty Limited

Ikara Wilpena Holdings Trust

IBA Asset Management Pty Limited

IBA Northam Solar Pty Limited *

IBA Northam Solar Trust

IBA Retail Asset Management Pty Limited

IBA Retail Property Trust

IBA Wilpena Solar Pty Ltd

IBA Wilpena Solar Trust

Indigenous Economic Development Trust ^

Indigenous Prosperity Fund – Growth Fund

Indigenous Prosperity Fund – Income Fund

Indigenous Real Estate Investment Trust

IREIT Sub Trust

Kakadu Tourism (GCH) Pty Limited

Kakadu Tourism (GLC) Pty Limited

Marlba Maya Pty Ltd #

Northam Solar Partnership

Performance Bonds Trust

Port Hedland Investment Trust #

Tennant Creek Enterprises Pty Limited *

Tennant Creek Enterprises Trust *

Tennant Food Barn Partnership

Tennant Creek Land Holding Trust

Tjapukai Aboriginal Cultural Park Partnership *

Wilpena Pound Aerodrome Services Pty Limited

* Non-trading

^ This is a discretionary trust whose beneficiaries are First Nations Australians. While IBA does not hold units in the trust, as trustee all decisions are made by IBA demonstrating control.

Notwithstanding IBA owning 70% of the units in this Trust, IBA does not consolidate this entity as it is unable to demonstrate control. The power to make decisions and influence returns requires approval by the trustee (Marlba Maya Pty Ltd) which is jointly held with the Port Hedland Aboriginal Corporation.

APPENDIX C:

RMG132 reporting requirements

This corporate plan has been prepared in accordance with the requirements of:

- subsection 35(1) of the PGPA Act
- subsection 16E(2) of the PGPA Rule 2014.

The table details the requirements met by the IBA Corporate Plan and the page reference(s) for each requirement.

REQUIREMENTS	PAGE(S)
Introduction <ul style="list-style-type: none"> • Statement of preparation • The reporting period for which the plan is prepared • The reporting periods covered by the plan 	inside front cover
Message from Chair and CEO	1-3
Our purpose	4
Overview	6
2028 strategy and key activities	15
Operating context	19
Key challenges	19
Financial sustainability	20
Risk oversight and management	20
Capability and co-operation	23
People and learning	25
Technology	24
Partnerships and stakeholders	27
Subsidiaries (where applicable)	29 and 47
Performance <ul style="list-style-type: none"> • Performance measures • Targets for each performance measures 	33

