

OUR STRATEGIC PURPOSE and PRINCIPLES

Our Purpose

To establish viable Traditional Owner led enterprises that support self-determination and great economic outcomes for Aboriginal people and communities.

Federation Enterprises does this in two ways, by:

- Managing existing enterprises
- Finding and developing new enterprises.

Our strategic objectives

The long term strategic objectives of Federation Enterprises are twofold:

- **Return:** To achieve a return on investment that is greater than passive investment
- **Recognition:** To achieve recognition for all Victorian Traditional Owners and respect for their primacy over Country.

Our principles

All enterprises or investments entered into by Federation Enterprises must contribute to our strategic objectives. In addition, enterprises or investments must meet at least one of the following four principles, which are based on the Federation values:

- **Community:** Enterprises that achieve better outcomes for Victorian Traditional Owner communities
- **Culture:** Enterprises that improve respect for Traditional Owners' cultural values, knowledge and practices
- **Country:** Enterprises that improve Country or recognition and respect for Victorian Traditional Owner primacy over Country
- **Collaboration:** Enterprises that increase Traditional Owners' participation in economic opportunities and decision-making processes.

The following kinds of enterprises or investments would be considered ineligible:

- **Not-competitive:** Enterprises that compete with Traditional Owner Corporations
- **Not-damaging:** Enterprises that will have a negative impact on Aboriginal people or lands and waters.

About us

Federation Enterprises is a fully owned subsidiary of the Federation of Victorian Traditional Owner Corporations (the Federation). The Federation was established in 2013 by Traditional Owner Corporations who recognised that by working together, Traditional Owner Groups could be stronger and could advance their shared interests in policy engagement, and in creating economic opportunities and caring for Country.

Federation Enterprises was established by the Federation in September 2013 as a for-profit company, particularly with a view to holding interests in and providing oversight of joint ventures, including a joint venture construction company, Barpa.

We establish joint venture companies with leading businesses to empower and promote opportunity for our people. Federation Enterprises ventures have a non-compete protocol to ensure that it does not take business away from Traditional Owner Corporations.

We are always open to hearing of new opportunities and developing partnerships in different sectors, and welcome the opportunity to enable business relationships and strengthen economic development across our First Nations people.

Our Board

Our board comprises highly experienced directors, with deep knowledge of the Victorian Aboriginal community and Traditional Owners, business and economic development.

Graham Atkinson – Chairperson

Vicki Clark – Deputy Chairperson

Rod Jackson

Casey Majchrzak

Paul Paton - Managing Director

Contact us

For more information or to meet with the Board please contact us.

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See our website: <https://new.fvtoc.com.au/about/federation-enterprises/>

WHAT WE BRING – Strategic Overview

Strategic Outcomes

The Federation Enterprises Strategic Plan 2020-23 sets out three Strategic Outcomes:

- **More connections** – make new and existing connections that could lead to new enterprises
- **Mature governance** – make sure we have oversight and decision making policies and processes needed to enter new enterprises confidently, give partners confidence and be accountable to our shareholder
- **Clear business model** – have clarity about what kinds of business we are and the best model to achieve our purpose

Business Expectations

To give effect to the Federation Enterprises strategy, our business model reflects our strengths and provides a focus on:

- the financial strength to undertake business investment (access to capital)
- the capacity to provide oversight and contribute to businesses at a governance level
- the contribution to the wider Traditional Owner economic growth.

Core strengths

Our core strengths are built around our experience and partner organisations:

- A principles-based organisation, connecting to Traditional Owners and Aboriginal community
- Experience with JV partnerships at governance/board level
- A 'neutral' position capacity to collaborate and aggregate vis-à-vis TOCs or Aboriginal business
- Linkages to emerging areas of economic activity
- Funds to undertake research/due diligence into specific matters.

Value Proposition

Our value proposition is to our clients, business partners and broader stakeholders. It can be summarised as:

- **Investment income is reinvested** in activities and investments that contribute to Traditional Owner economic development and meet Federation Enterprises' strategic principles.
- **To add value to parties involved in a business investment we seek to:**
 - find shared or common ground for business transactions
 - provide the financial or human capital support as an investor, including through our board of directors
 - develop 'scale' for business through business investments
 - to de-risk and enable investment (stability, process, governance issues)
 - broker advisory services to support investors and businesses.
- **We also seek to enable and add value to the broader stakeholders and business sector by:**
 - Strengthening networks
 - link to strategies and government investment and expenditure
 - lift understanding and profile (and relationships with other organisations)
 - advice on Traditional Owner matters, social license to operate
 - providing a face for communication and central point of insights.

BUSINESS MODEL – Current focus

1. Active Investment entity

Federation Enterprises is an active investor – to capitalise on the core strengths and to grow income means Federation Enterprises is not just a passive investor, but an active contributor:

- **governance capacity** and ability to provide insight and manage relationships with JV and business partners
- **supporting businesses** ‘too small’ on their own to capitalise on and develop potential collaboratively.

2. Investment focus areas

Federation Enterprises leverages its strengths and advantages for investment – that means focusing on:

- **Procurement** – bringing the ‘51% Aboriginal Owned’ to JVs to meet government procurement requirements, requiring focus on:
 - Building and construction industry
 - Supporting sectors TOCs are seeking to develop opportunities in (eg local government NRM procurement)
- **Emerging industry** – building on knowledge of TOC business interests and government strategic investment (eg bushfoods, tourism, renewable energy)
 - investing in the corporate capacity as early starter to build linkages and investment knowledge to assist in the ‘cooperative’ approach
- **Enhancing for scale** – bringing opportunity for wider benefits where businesses are too small through capital or aggregation mechanisms, brokering networks that enhance capacity to invest.

3. Adding value through core strengths

Federation Enterprises draws on its core strengths to add value – that means our governance capacity and experience, both in terms of Federation Enterprises and in terms of JVs and other boards is critical to success through:

- **governance oversight and support** - to business partners and JVs, bringing an ‘Aboriginal’ lens, particularly understanding Victorian Traditional Owner sector as well as technical and industry knowledge
- **relationships and governance** level alignment and de-risking new ventures
 - Enabling and attracting capital
 - Aggregating or finding appropriate ways to bring scale
 - Enabling ‘cornerstone’ investment where there are multiple partners to provide comfort and assurance in new business opportunities (eg the risk profile is due to unknown relationships)
- **investment ownership and governance vehicles** - comprising our strengths around:
 - Developing the appropriate structures business partnerships or JVs (including to get to the 51% Aboriginal ownership for procurement)
 - Providing good governance support and oversight into the businesses
- **Insight and promotion** of economic growth potential and value, including through linkages to various agencies, business support organisations, banks etc.