Federation Enterprises

Strategic Plan 2024-27

Our Purpose

The Purpose of Federation Enterprises is:

To grow investment benefits and returns in Aboriginal enterprises to empower and enable economic independence self-determination and recognition.

Federation Enterprises does this through application of capital and providing support for new and growing enterprises.

Our Strategic Objectives

The long term strategic objectives of Federation Enterprises are twofold:

- **Return**: To achieve a sustainable return on investment that is greater than passive investment
- **Recognition**: To realise benefits and recognition of Aboriginal enterprise in the economy and Traditional Owner interests in Country.

Our Principles

All 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 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 extend and strengthen participation in economic opportunities and mutual benefits for Traditional Owners and their communities.

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 net negative impact on Aboriginal people, lands and waters, or Indigenous cultural and intellectual property, knowledge and practices.

Note: Aboriginal is used as inclusive of all Aboriginal and Torres Strait Island people and enterprises.

Strategic Focus for 2024-27

During 2023, the Federation Enterprises Board undertook a strategy and performance review and reset. In building on the lessons and business achievements of Federation Enterprises, three core areas that underpin its work and help define its success, with a view to giving focus on the next three years as a continuing connection to the long term purpose, objectives and principles.

- Governance – through good governance and reputation Federation Enterprises can identify and support successful businesses
- Returning benefits – through good business returns on investment to enable and grow successful businesses
- Connecting with business – building recognition and pathways to overcome barriers and access opportunities for our mobs

The strategic priorities over the next three years will contribute to the long term outcomes sought

Strategic focus areas	In the long term	Strategic priorities 2024-27
Governance Confidence of partners and shareholder in value added	Reputation for sound, principles-based governance and financial management increases business investment opportunities	• People – good governance, appointments and acumen • Process – reporting and accountability, risk management • Structure – ownership, roles, responsibilities and functions
Returning benefits Investment enhances financial and non-financial returns	Business and stakeholders seek out Federation Enterprises for investment and support	• Creating value through FE's core strengths of knowledge, relationships and insights • Creating value through investment that is direct, flexible and tailored
Connecting with business Connections to strengthen investment and business growth	Stakeholders and networks seek support and leadership from Federation Enterprises	• Building opportunities by accessing networks across business spectrum • Building recognition through visibility in networks, media, events, program and policy

Performance Measures for reporting

Federation Enterprises is accountable to its shareholder – the Federation. In this regard Federation Enterprises will continue to provide regular board reporting as well as report annually against the key performance measures and progress against the plan – through the strategy's Headline Actions, which provide a basis for the annual planning and reporting cycle.

KPI Governance	2024/25	2025/26	2026/27
• FVTOC confidence • Governance to optimise oversight (skills and knowledge on boards)	• Reporting and agreed plan • Self/key stakeholder insight	• Reporting and agreed plan • External assessment	• Reporting and agreed plan • Self/key stakeholder insight
KPI Returning benefits			
• ROA – annual (income & capital) • Dividend payments to FVTOC • New investments	• ROA 15% • Dividend paid $400k • 1 new business	• ROA 15% • Dividend paid: $500k	• ROA 20% • Dividend paid:$600k • 1 new business
KPI Connecting with business			
• Key network representation and event sponsorship • Value communicated to stakeholders	• 1 key event • Web/marketing increase awareness	• 2 key event • Web/marketing increase awareness • FE sought for support	• 1 key event • Web/marketing increase awareness • FE sought as partner

Headline actions

Strategic areas of focus	Strategic priorities 2024-27	Key Actions		
		2024-25	2025-26	2026-27
Governance Confidence of partners and shareholder in value added	• People – good governance, appointments and acumen • Process – reporting and accountability, risk management • Structure – ownership, roles, responsibilities and functions	Board induction and skills matrix considerations for advisory expertise Focus on increased investment and returns Set service arrangement incl for investment funds Reporting	Tax position from investments Focus on building investment funds Reporting	Consider board composition and advisory Focus on portfolio diversification Reporting
Returning benefits Investment enhances financial and non-financial returns	• Creating value through FE's core strengths of knowledge, relationships and insights • Creating value through investment that is direct, flexible and tailored	Continued enhancement of Barpa value and strategic relationship Consideration of 1 new business or business evolution investment Set and meet dividend expectation	Continued enhancement of investment business value and strategic relationship Consideration of 1 new business or business evolution investment Set and meet dividend expectation	Continued enhancement of investment business value and strategic relationship Consideration of 1 new business or business evolution investment Set and meet dividend expectation
Connecting with business Connections to strengthen investment and business growth	• Building opportunities by accessing networks across business spectrum • Building recognition through visibility in networks, media, events, program and policy	Board connections – strategic alignment Sponsorship 1 event	Board connections Sponsorship 1 event 1 publication	Board connections Sponsorship 1 event Management connections