

OUTBACK
Stores
Working With Communities

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**CORPORATE PLAN
2022 - 2025**
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INTRODUCTION

This Corporate Plan for Outback Stores Pty Ltd was prepared during 2021-22 and covers through to 2024-25, as required under subsection 95⁽¹⁾ of the Public Governance, Performance and Accountability Act 2013. The Corporate Plan incorporates, and will build upon, Outback Stores' strategic and operational plans.

Outback Stores is a Commonwealth owned company with an independent Board of Directors, providing retail management and support services to Indigenous owned stores.

The Corporate Plan is endorsed by the Outback Stores Board and is developed considering the overall contribution expected of Outback Stores in maintaining food security in remote communities by the Prime Minister & Cabinet portfolio, through the National Indigenous Australians Agency (NIAA).

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ABOUT OUTBACK STORES

OUR PURPOSE

To be a sustainable business that makes a positive difference in the health, employment and economy of remote Indigenous communities by improving food affordability and availability, nutrition and community services.

OUR VALUES

INTEGRITY

We are ethical in everything we do and people trust us to deliver on our promises

EMPOWERMENT

We provide the tools for communities and employees to achieve their own goals

RESPECT

We show respect for all and treat others with dignity, valuing their views and cultures

EXCELLENCE

What we do, we do to the best standards possible

COLLABORATION

We work with our customers, employees and stakeholders to achieve our aligned purpose

ORGANISATION HISTORY

Outback Stores was established in November 2006 and emerged from a need to improve the health of Indigenous people in remote Australia by addressing nutrition-related health problems, unreliable food supplies and store closures.

Outback Stores was set up as a Commonwealth Company with an independent board of directors. The company's primary focus is on delivering food security while operating on sound commercial principles to deliver sustainable social outcomes.

Over the past fourteen years the business has assisted 54 remote community stores. Of those it has halted the closure of 14

stores, managing 11 of these stores out of administration, 3 out of liquidation and a further 10 stores through significant financial challenges.

Outback Stores has invested \$6.5m in infrastructure improvements and \$19.6m in ongoing financial support to maintain food security.





KEY ACTIVITIES

STORE MANAGEMENT & SERVICES

Outback Stores provides retail store management and support services on a transparent fee for service basis to Indigenous owned community stores, working with Aboriginal and Torres Strait Islander people in a holistic way to improve health, nutrition, employment, training and economic outcomes for First Australians.

HEALTH & NUTRITION

Outback Stores encourages healthier purchases through nutrition promotion and affordable pricing, while not restricting a person's individual choice. Success is measured by the reduction in sales of sugary drinks and tobacco, while increasing the sale of water, fruit and vegetables.

The company is focused on improving affordability of healthy food, with fruit and vegetable prices maintained as close as possible to major metropolitan retailers. Outback Stores' pricing policy considers and promotes mechanisms to keep healthy product prices as low as possible.

Outback Stores supports the Australian Government's commitment to providing meals to school children in the Northern Territory through the School Nutrition Programme (SNP). Outback Stores' involvement in the SNP includes working with schools to ensure enough meals are prepared and delivered daily throughout the school terms.

TRAINING

Outback Stores is a Registered Training Organisation (RTO Code 70040) offering nationally recognised qualifications in retail services. We offer Certificate II, III and IV in Retail to all eligible store staff and store managers.

Outback Stores is committed to increasing the level of employment of Indigenous employees and providing pathways for career progression.

OPERATING CONTEXT

ENVIRONMENT

Outback Stores operates in unique, complex and remote environments, which bring significant internal and external environmental challenges. Managing stakeholder expectations is the key internal challenge, while the geographic inaccessibility of remote communities is the significant external challenge. (See risk control framework on page 22)

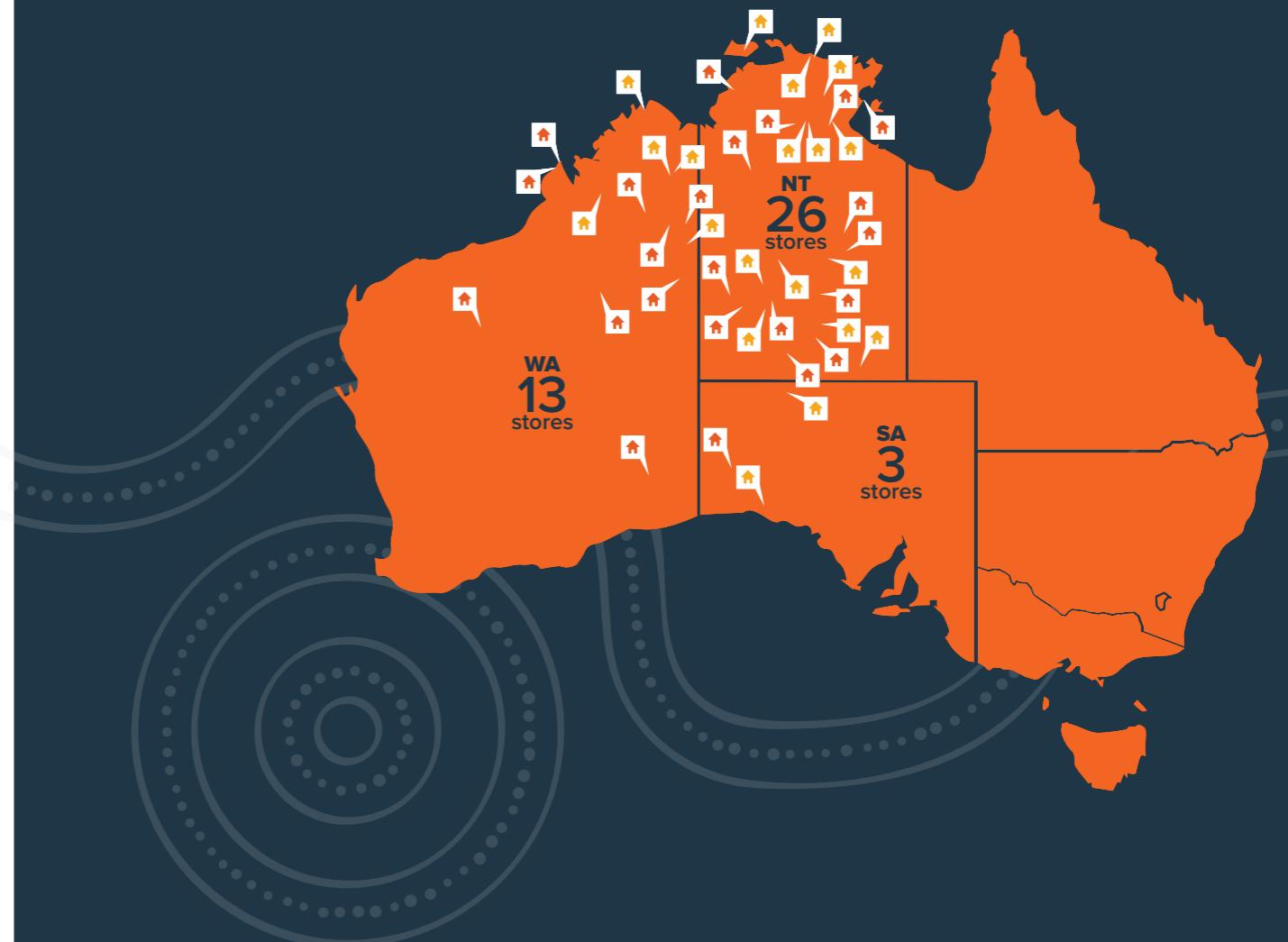
The communities in which Outback Stores work are some of the most remote in Australia, with the closest regional centres sometimes hundreds of kilometres away. It is not uncommon for communities to be inaccessible by road for weeks or even months during wet season. Stock is often required to be flown in by light plane or helicopter during this time. Despite this, the range and quality of fresh fruit, vegetables and other healthy staples remains at a consistently high standard all year round.

Working in a cross-cultural environment where values, obligations and priorities differ can present many challenges. Communities have comparatively small populations and can be very transient in nature. Seasonal weather, along with cultural commitments can lead to significant population shifts.

Outback Stores works closely with communities to forge strong long-term relationships built on trust, respect and integrity. Contemporary approaches to business are adapted to incorporate and embrace Aboriginal culture and values.

STORE LOCATIONS

Outback Stores is currently engaged with 42 stores across three states. These locations are supported by two offices located in Darwin and Alice Springs.



CAPABILITIES

FINANCIAL SUPPORT

Over the past 5 years Outback Stores has seen the following invested in ongoing financial support to maintain food security:

FUNDING TO SUPPORTED STORES	\$7.51M
FUNDING FOR INFRASTRUCTURE IMPROVEMENTS	\$1.53M
LOCAL EMPLOYMENT WAGES	\$27.8M

PEOPLE

- ▶ 42 stores across NT, WA and SA employing 324 local staff in remote communities
- ▶ 83 store managers
- ▶ A workforce of 58 highly skilled employees within the support offices located in Darwin and Alice Springs
- ▶ 87% Indigenous employees in remote communities

To successfully deliver the Outback Stores' strategic priorities, a diverse, skilled, talented and highly engaged team is required to drive the strategic direction of the business.

The Senior Leadership Team is led by the Chief Executive Officer. The group is responsible for implementing the strategic direction of the business and ensuring key objectives are delivered.

To maximise the ability of staff to contribute to organisational objectives, Outback Stores seeks to:

- ▶ Provide clear and obtainable career pathways for aspiring staff
- ▶ Retain and develop its workforce
- ▶ Attract skilled staff, whose values align with the company's objectives

CORPORATE GOVERNANCE

Outback Stores is a wholly owned Commonwealth company with an independent Board of Directors, sitting within the Prime Minister and Cabinet Portfolio.

Outback Stores' Board is comprised of non-executive directors that control and monitor the framework of the business and acts to ensure it is run in line with corporate governance requirements of a Commonwealth company and Outback Stores' objectives.

The Board members bring strong experience and expertise in retail, logistics, supply chain, finance, health and understanding of Indigenous culture. They meet on a quarterly basis to discuss progress and strategy. Each director is appointed by the Minister for Indigenous Australians.

STRATEGIC FOCUS

STRATEGIC PILLARS

Guiding principles for delivering our purpose.



STRATEGIC PRIORITIES FOR 2022-2025

What we will do to achieve our purpose.

- 1** Strive to provide **best practice** in remote retail management
- 2** Focus on improving the **health and nutrition** outcomes for Indigenous Australians
- 3** Deliver positive **economic results** for remote communities
- 4** Deliver **employment, training and personal development** opportunities for local community members
- 5** Work with **commercial principles** to support the longevity of the Outback Stores business

COOPERATION

KEY PARTNERSHIPS IN 2021 - 2022

FOOD SECURITY	TRAINING
<p>OBJECTIVE Maintain supply of essential goods throughout the year</p> <p>APPROACH Ongoing engagement with representatives from communities, suppliers, freight providers, state/territory governments and federal government. Ongoing assessment and planning for weather and other environmental impacts</p> <p>STAKEHOLDERS NT Government SA Government WA Government National Indigenous Australians Agency (NIAA) Suppliers Freight Providers Individual remote community stores</p>	<p>OBJECTIVE Offer meaningful employment and career pathways</p> <p>APPROACH Provide accredited training as RTO and opportunities for career development</p> <p>STAKEHOLDERS Group Training Northern Territory (GTNT) Group Australian Government: - Australian Skills Quality Authority - Department of Education, Skills and Employment Northern Territory Government of Australia: - Department of Industry, Tourism and Trade - Department of Education Western Australia Government: - Department of Training and Workforce Development.</p>
<p>OBJECTIVE Reduced sugar and tobacco consumption and increased sales of fresh fruit, vegetables and water</p> <p>APPROACH Promotion of healthy lifestyle choices and improving the affordability of nutritious food</p> <p>STAKEHOLDERS Fruit and vegetable suppliers Indigenous Eye Health/Melbourne University Menzies School of Health Research Monash University Uncle Jimmy Thumbs Up! University of Queensland Sunrise Health</p>	<p>OBJECTIVE Assist local communities in maintaining and improving store infrastructure</p> <p>APPROACH Ongoing assessment and investment in identified infrastructure projects. Assist stores in carrying out regular refurbishment and maintenance work</p> <p>STAKEHOLDERS Individual remote community store owners State and Federal Governments NIAA Equipment suppliers Building and maintenance contractors</p>



PERFORMANCE MEASURES

Outback Stores is committed to ensuring a wide range of nutritious and affordable grocery items in stores that we manage on behalf of remote communities.

We will continue to improve the performance of stores through offering sound retail management, Indigenous employment and training and a focus on the sale of healthy foods.

We will deliver these objectives by working closely with our stakeholders, understanding the environments in which we work, whilst empowering others to achieve improved outcomes. The performance criteria in this Corporate Plan will be reported upon in Outback Stores' Annual Report for 2020-21.

STRATEGIC OBJECTIVES AND ACTIONS

The table below outlines Outback Stores' strategic priorities with their accompanying objectives, and the strategic pillars to which they relate. The corporate performance indicators and measures of success relate to the broader strategic priorities and provide a clear way to remain focused on our strategy and track outcomes.

STRATEGIC PRIORITIES	OBJECTIVES	SOCIAL	CULTURAL	COMMERCIAL	CORPORATE PERFORMANCE INDICATORS	MEASURES
1. BEST PRACTICE	Continue to develop effective pricing strategies to ensure we lead the remote retail industry in affordability				Engage and assist new remote communities in retail management	3 new stores annually
	Provide a safe and secure work environment for both Outback Stores and non Outback Stores' employees, as well as external stakeholders				Lead pricing affordability in remote community stores	Relevant Basket check
	Develop a culturally connected workforce within our organisation that resonates with the retail stores we support and manage					
2. HEALTH AND NUTRITION	Ensure continuous monitoring and improvement of our existing Health and Nutrition Policy				Reduce the comparative purchase of full sugar soft drinks in community stores	2.5% reduction annually
	Increase communication of key social benefits to all stakeholders, regarding health and nutrition outcomes				Reduce the comparative amount of tobacco sticks being purchased in community stores	5% reduction annually
	Partner with industry stakeholders to increase our contribution in assisting with broader health outcomes in remote communities					
3. ECONOMIC RESULTS	Work with supported and managed stores to reinvest profits from their organisations back into their businesses, in line with their objectives				Deliver financial outcomes as agreed and approved by store board/directors in community stores	85% stores
	Develop and offer financial services tailored for remote community organisations to assist with record-keeping and governance					
4. EMPLOYMENT, TRAINING AND PERSONAL DEVELOPMENT	Maintain "RTO" status with the view to expand our qualifications on scope and jurisdiction				Employment of local Indigenous team members in remote retail stores in community stores	85% of the total staffing
	Continue to provide store employees with career development opportunities, to ensure the growth of leadership potential within remote communities				Permanent Indigenous employees enrolled in accredited training programmes	60%
5. COMMERCIAL PRINCIPLES	Seek financial investment opportunities that will maximise commercial benefits for our business				Deliver budgeted outcomes	
	Continually improve business processes with a further view of being more efficient to reduce operating costs					Exceed or meet operating profit/loss number

RISK MANAGEMENT

The Outback Stores Board fosters a strong commitment to address and effectively manage risk. The company integrates risk management practices into all business processes and operations.

Outback Stores recognises that risk is dynamic and is inherent in external and internal operating environments. The company manages this risk by ensuring compatibility between the business strategy, business plan and the risk management framework.

RISK OVERSIGHT

The Audit and Risk Committee supports the Board with fulfilling their obligations under the Public Governance, Performance and Accountability Act 2013 by providing independent advice and assurance to the board. The committee is comprised of Outback Stores Board members and reputable external experts.

Outback Stores requires all Directors, management, employees, volunteers, contractors, consultants, and suppliers acting on its behalf to apply risk management principles and practices in their work areas and to report any risk issues identified.

Within an Enterprise Risk Management (ERM) framework, the following provides a high-level overview of the roles and responsibilities relating to risk management within Outback Stores:

- ▶ Outback Stores Board - Overall responsibility for risk management
- ▶ Audit & Risk Committee (A&R) – Provide independent assurance to the Board on risk management
- ▶ CEO - Compliance with Outback Stores Risk Management Policy and Outback Stores Risk Management Plan
- ▶ CFO - Monitoring of compliance with the risk framework and process
- ▶ All Outback Stores Staff - Active management of risk in accordance with Outback Stores Risk Management Policy and this Risk Management Plan

SENIOR LEADERSHIP TEAM	AUDIT & RISK COMMITTEE	BOARD
Risk identification and documentation	Annual reassessment	Annual reporting from A&R
Monitoring, review and report of register (including identification of emergency risks)	Quarterly review at A&R meetings	Quarterly reporting from A&R
Outcomes of risk identification to form inputs to internal audit and compliance activities	Quarterly review and monitoring of internal audit plan and reports	Quarterly monitoring from A&R

ENTERPRISE RISK MANAGEMENT

Outback Stores works within its Enterprise Risk Management (ERM) framework to minimise the effect of uncertainty on its business and objectives.

Outback Stores risk appetite is articulated through its risk appetite statement, its descriptions of consequence and likelihood, and its matrix for rating risk and its risk register.

Risk tolerances are set at an appropriate level for the company with reference to the company's Risk Management Plan, which outlines the process for monitoring compliance with risk tolerances and any breaches.

ERM is a structured, consistent and continuous process used across Outback Stores at the strategic level, the operational level and the project areas. It is used for identifying; assessing, deciding on, responding to and reporting on opportunities and threats that affect the achievement of Outback Stores business objectives (see figure below). Outback Stores risk management activities fit within all quadrants.

MONITORING AND REVIEW

Outback Stores' ERM provides a structured approach to the management of risk, ensuring the establishment of systems and processes for ongoing monitoring and review of business risks. This process also ensures that Outback Stores' approach to risk management is centred on continuous improvement in the risk management systems and processes the organisation adopts.

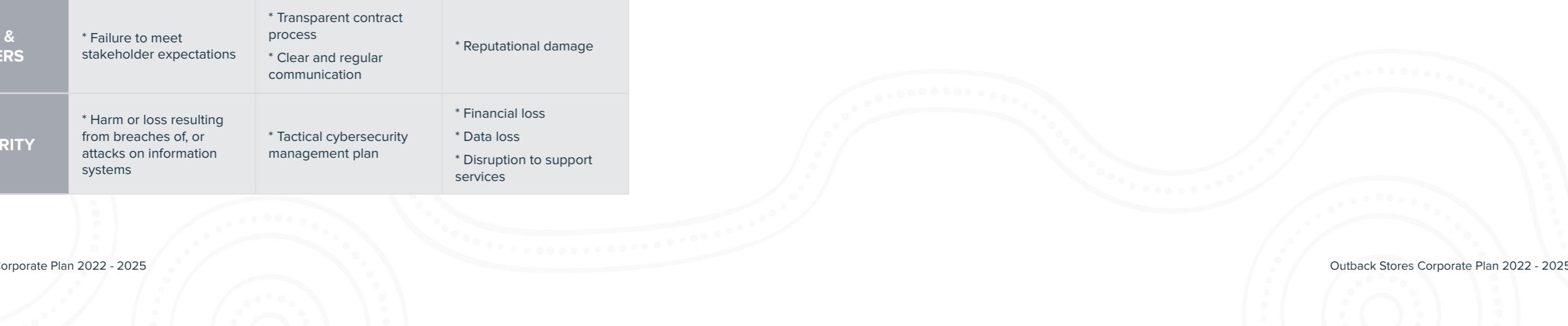
The business' risk register is reviewed quarterly by the Senior Leadership Team and the Audit and Risk Committee, providing assurance and overview of risk management to the Board.

Outback Stores' risk management process is reviewed annually as part of continuous improvement in line with AS/NZS ISO 31000.

The Audit and Risk committee regularly updates the Board of risk mitigation plans and activity. It also provides assurance that satisfactory plans are in place and mitigation activity is being completed in line with the risk register.



RELEVANT LEGISLATION



KEY STRATEGIC RISKS 2022-2025

AREA	RISK	MITIGATION	EFFECTS ON OUTBACK STORES (IF UNMITIGATED)
HEALTH, SAFETY AND WELLBEING	* WH&S regulations	* Regular safety incident reporting, including near misses and accidents	* Critical incidents * Closure of stores
	* COVID-19	* Comprehensive COVID-19 Management Plan	* Inability to effectively manage and mitigate risks of pandemic outbreak * Disruption of supply chains and food security
LOGISTICS	* Seasonal transport difficulties and inaccessibility	* Advance planning and ordering ahead of wet season * Partnerships with state governments for emergency situations	* Insufficient stock * Food Security Compromise
GOVERNANCE, LEGAL AND COMPLIANCE	* Fraudulent and corrupt behaviour	* Robust internal governance processes	* Damage to brand and reputation
PEOPLE AND CAPABILITIES	* Failure of employees to meet operational requirements	* Comprehensive induction process and regular skills development training	* Poor performance and disruption of services
COMMUNITY & STAKEHOLDERS	* Failure to meet stakeholder expectations	* Transparent contract process * Clear and regular communication	* Reputational damage
CYBER SECURITY	* Harm or loss resulting from breaches of, or attacks on information systems	* Tactical cybersecurity management plan	* Financial loss * Data loss * Disruption to support services

The Outback Stores Corporate Plan 2022-2025 is written with regards to:

The Corporations Act 2001 (Cth)
The Competition and Consumer Act 2010 (CCA)
The Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act)
The Aboriginal and Torres Strait Islander Act 2005 (Cth)

The Public Service Act 1999 (Cth)
The Auditor-General Act 1997
The Privacy Act 1988
The Fair Work Act 2009 (Cth)
The Safety, Rehabilitation and Compensation Act 1988
The Work Health and Safety Act 2011

The Public Governance, Performance and Accountability Act 2013



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