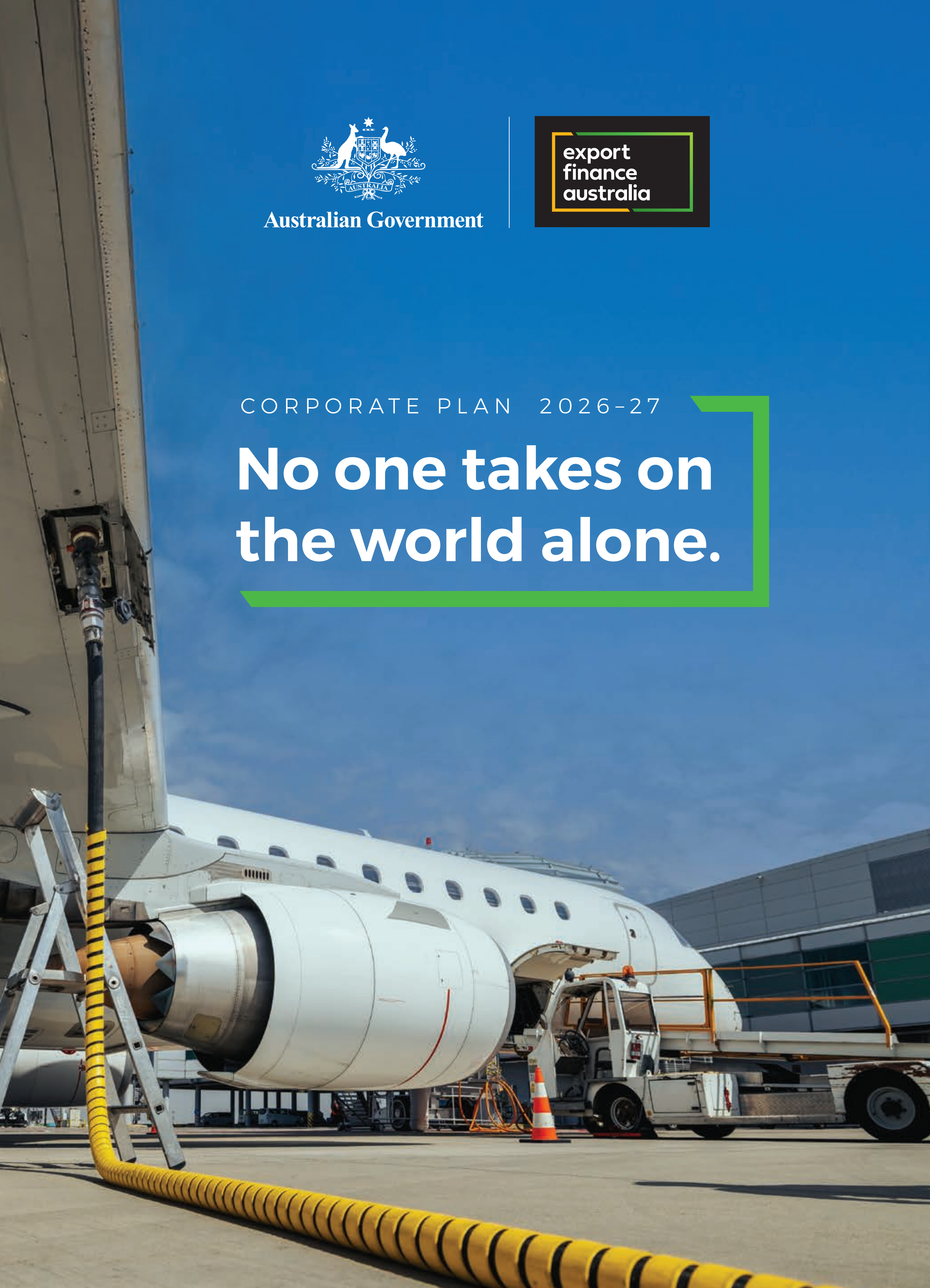
Australian Government

export finance australia

CORPORATE PLAN 2026–27

No one takes on the world alone.



CONTENTS

Acknowledgment of Country

Export Finance Australia acknowledges the Traditional Custodians of Country throughout Australia and their continuing connection to land, sea and community.

We pay our respects to them, their cultures and Elders past and present.

Our Ministerial Statement of Expectations is available on our website.

INTRODUCTION

As Chair of Export Finance Australia (EFA) and on behalf of the Board as the accountable authority, I am pleased to present our 2026–27 Corporate Plan.

The plan covers the 4-year period 2026–27 to 2029–30, as required under paragraph 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). It also incorporates the requirements of section 49 of the *Export Finance and Insurance Corporation Act 1991* (EFIC Act).

Debra Hazelton
Chair,
Export Finance Australia

ABOUT US

EFA is the Australian Government's trade and strategic finance agency, backing exporters and deploying finance to strengthen Australia's trade and economy.

That matters to all of us because Australia is a trading nation. Trade powers half of our gross domestic product and supports 1 in 4 jobs. Our security and economic resilience depend on our ability to win trade and build strong partnerships beyond our borders. We have an important role to play in that effort.

For almost 70 years, we've financed Australia's trade with the world as Australia's export credit agency (ECA). We provide finance solutions such as loans, guarantees and bonds to help Australian businesses win work overseas, expand into new markets, participate in global supply chains and find opportunities for investment in the Indo-Pacific region. These are the transactions we fund through our Commercial Account (CA), where we take on the risks and the profit covers our operations.

As Australia's needs have grown and evolved, we're also doing more to advance Australian interests on the global stage.

In support of the Australian Government, we are financing significant projects and companies in Australia's national interest.

These national interest priorities include projects relating to strategic materials (such as critical minerals, fuel and fertiliser), defence exports, overseas infrastructure and energy and projects supporting the clean energy transition. These priorities are often financed on the Australian Government's National Interest Account (NIA), at the Government's direction and on its acceptance of risks and returns.

We're here to finance an economically resilient Australia, confident in its place at the heart of world trade – because no one takes on the world alone.

HIGHLIGHTS

IN THE PAST 10 YEARS, WE'VE:

PROVIDED

$19.1 b

in finance

SUPPORTED

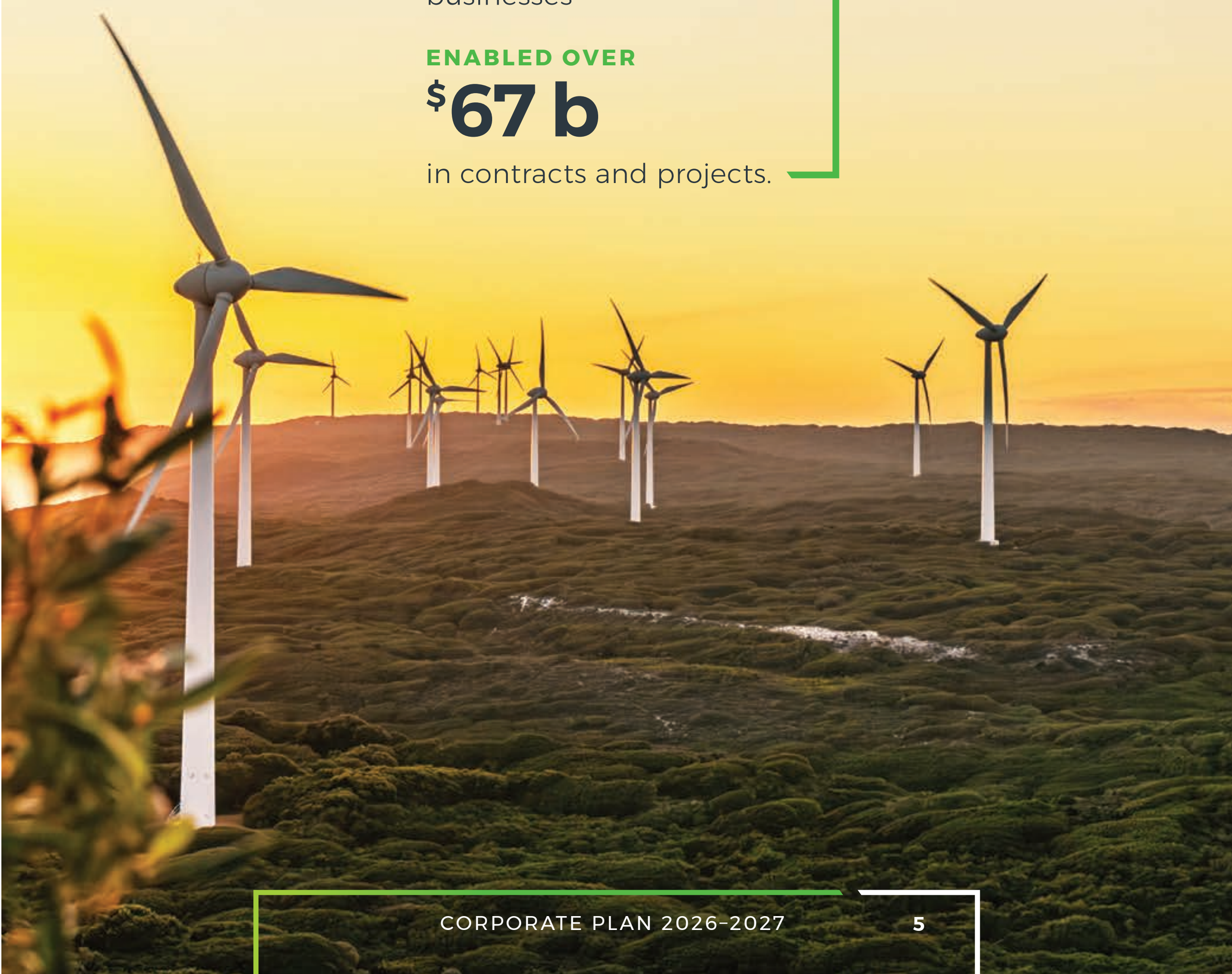
792

businesses

ENABLED OVER

$67 b

in contracts and projects.



PURPOSE

Our purpose is to support Australian export trade and investment in international markets, as well as overseas infrastructure development that benefits Australia.

Our finance is intended to enable Australia's participation in international markets, support economic growth and strengthen Australia's economic resilience and security. Our financing tools include loans, bonds, guarantees, insurance and equity. In performing our functions, the Government requires us to cooperate, not compete, with private financiers.

We deliver on our purpose by:

- providing finance, guarantees, insurance, information and advice to support Australian export trade, overseas investment and infrastructure development
- mobilising private sector and partner finance where market solutions are unavailable or insufficient
- administering financing and payment arrangements on behalf of the Commonwealth and supporting other Commonwealth entities
- encouraging and facilitating activities that strengthen Australia's economic resilience, security and net zero transformation, including securing supplies of strategic materials critical to Australia's national and economic security.

Consistent with our Ministers' Statement of Expectations and at the direction of the Minister for Trade and Tourism, we are also responsible for delivering strategic financing priorities on behalf of the Government through the NIA.

HOW WE PROVIDE FINANCE

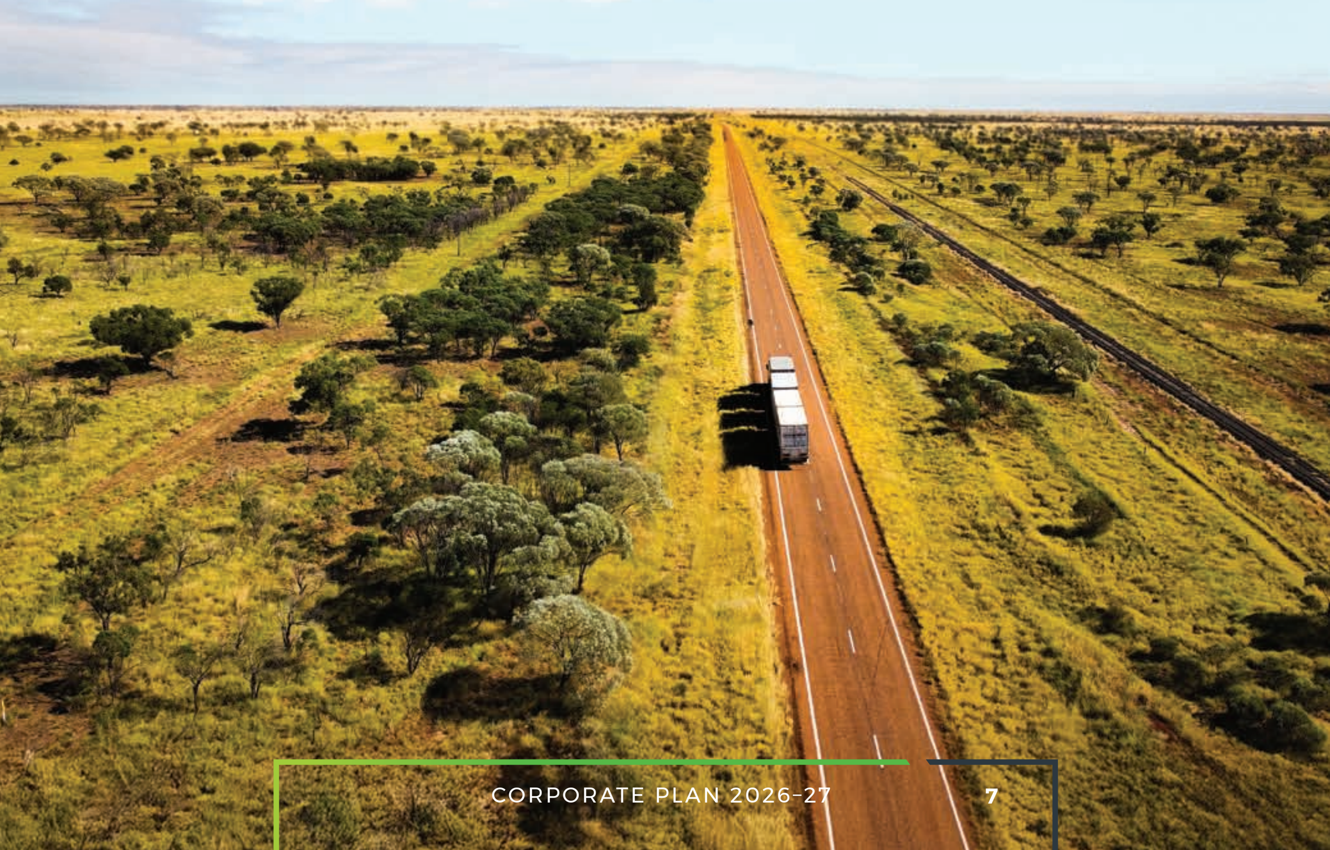
We provide a range of finance solutions through 2 financing pathways: our CA and the Government's NIA. The NIA is only considered when CA criteria cannot be met. Transactions on the NIA are typically outside the risk appetite of the CA, as determined by our Board. NIA transactions support Government policies and objectives.

Commercial Account

On the CA, we operate on a commercial basis. We retain transaction income and take responsibility for all risks and losses. We are a self-funded corporate Commonwealth entity and over the past 20 years have paid the Commonwealth a dividend and other tax-equivalent charges from our operational profit. Our Board and management team are responsible for making decisions under the CA.

National Interest Account

On the NIA, the Minister for Trade and Tourism can direct us to support classes of transactions that are in the national interest. We can also refer transactions to the Minister for Trade and Tourism for NIA consideration based on their size, risk and return profile, tenor or factors relevant to the national interest. The NIA has dedicated financing facilities that support current Government objectives, including the Fuel and Fertiliser Security Facility (FFSF) and the Critical Minerals Strategic Reserve (CMSR) delivered through our Strategic Reserve function; the Critical Minerals Facility (CMF); the Defence Industry Growth Facility (DIGF); the Southeast Asia Investment Financing Facility (SEAIFF); and the Australian Infrastructure Financing Facility for the Pacific (AIFFP). It is also how we provide finance in support of Future Made in Australia (FMA) projects and transactions. The Commonwealth receives all income from NIA transactions. It also takes responsibility for all risks and losses.



KEY ACTIVITIES

Helping Australian businesses to grow and diversify their export trade

We support businesses across a wide range of industries, from advanced manufacturing and renewable energy to mining and agriculture.

We support small and medium-sized enterprises (SMEs) and large corporates by providing finance and investment to support their export growth. We also support Australian exporters, investors and businesses that are part of export supply chains, and are enhancing our partnerships with commercial banks to mitigate the risks associated with exporting to emerging markets.

To support more businesses, we work to:

- refine our existing products and delivery of finance
- establish new products where market gaps are identified
- pursue distribution partnerships with banks and industry lenders
- create opportunities across key sectors
- grow awareness of our financing solutions.

Australian investment in Southeast Asia and infrastructure across the Indo-Pacific region

We are helping Australian businesses and investors to expand into Southeast Asia and are deepening Australian support for infrastructure development across the Indo-Pacific region.

As part of the Southeast Asia Investment Deal Teams,[1] our finance specialists are based in Indonesia, Singapore and Vietnam to support Australian businesses and investors to seize the economic opportunities of this dynamic region.

Our finance, delivered on the CA as well as through the Government's $2 billion SEAIFF, is helping Australian exporters to expand their market access. It is supporting increased outbound corporate investment and crowding in Australian institutional investment to enhance the region's infrastructure growth and energy transition.

We also provide finance for high-quality and sustainable infrastructure across the broader Indo-Pacific region, including in India and the countries of the Pacific.

We are leveraging our growing overseas footprint in North and Southeast Asia and the United States to deepen our collaboration with key like-minded partners in areas such as defence and security, infrastructure development and the global energy transition.

Supporting Australia's economic and national security

In administering the NIA on behalf of the Commonwealth, we play a key role in delivering projects that support Australia's economic resilience and security, and deepen Australia's economic engagement in the Indo-Pacific region.

Under our Strategic Reserve function, we can support the supply of strategic materials into Australia when supply chains are disrupted. We work with importers and businesses to secure materials to support Australia's economic resilience, such as diesel and jet fuel, and fertiliser. The financial support mechanisms enabling fuel and fertiliser imports are provided under the FFSF.

[1] The Investment Deal Teams was a recommendation of *Invested: Australia's Southeast Asia Economic Strategy to 2040*. We work with the Department of Foreign Affairs and Trade (DFAT) and the Australian Trade and Investment Commission (Austrade) in key Southeast Asian markets to drive greater two-way investment between Australia and Southeast Asia.

Critical minerals

We are delivering the commercial and financial functions of the Government's CMSR, which enables the Government to buy, sell and stockpile the critical minerals and rare earths vital for Australia's economic and national security and to support the security of our international partners. The priority minerals under the Strategic Reserve are:

- antimony
- gallium
- rare earth elements.

The CMSR builds on our positive track record of financing the Australian mining and critical minerals sectors, and deploying of finance for this sector on both the CA and NIA.

Our critical minerals financing is key to:

- diversifying critical mineral supply chains and moving Australian businesses further along the value chain to downstream processing
- building stronger partnerships with Australia's closest allies and trading partners, including crowding in like-minded international finance
- providing finance to support exporters of critical minerals on our CA, where possible
- supporting SMEs within the supply chain of critical minerals projects
- supporting the Australian Government's Critical Minerals Strategy and administering the $5 billion CMF, including $1 billion provided through the CMSR.

Supporting a Future Made in Australia

Under the FMA mandate, we can build major domestic projects that support Australia's economic resilience and enable the net zero transformation. We are working with other specialist investment vehicles (SIVs) and key Government agencies to provide finance to support Australian industrial capability and supply chains, drive the domestic energy transition and build out Australia's commercial resilience and competitive advantage.

We are leveraging our growing international footprint and network of global export credit agency (ECA) and finance counterparts to crowd in investment into FMA priority sectors and projects.

Supporting Australia's defence industry

Australia's defence industry is critical to national security and growing defence exports is an important element of the Australian Government's strategy to enhance resilience and strengthen the defence sovereign industrial base.

We administer the US$3 billion DIGF and work to identify opportunities to leverage finance for strategically significant projects and crowd in private investment.

We support defence exporters pursuing direct sales overseas, as well as those in the supply chains of defence primes and major projects by:

- helping Australian defence businesses invest in their growth and pursue contracts overseas, including leveraging our overseas presence in key markets
- providing buyer finance to purchases of Australian defence exports
- offering tailored financing solutions, including for businesses involved in defence infrastructure projects in Australia and the Indo-Pacific region.

OUR STRATEGY

2026–27 Enterprise goals and activities

Strategic priority: Deliver CA transactions to support our customers and enable strategic finance solutions for Government through our management of the NIA.

GOAL 1: DRIVE COMMERCIAL GROWTH

ACTIVITIES

1. Sustain growth in transactions to strengthen our CA portfolio.
2. Ensure our financing activity aligns with established risk appetite and governance standards.

GOAL 2: STRENGTHEN KEY MARKETS

ACTIVITIES

1. Embed our presence in key international markets to sustain and grow pipelines across our mandates.
2. Collaborate with commercial financiers, ECAs, multilateral institutions and other Commonwealth financiers to drive greater cooperation and investment.

GOAL 3: DELIVER OUR MANDATES

ACTIVITIES

1. Enhance our offering and capabilities to effectively implement our mandates and enable our people.
2. Use our capability to increase brand awareness to generate further demand for our offering.

GOAL 4: ENSURE SUSTAINABILITY

ACTIVITIES

1. Align our governance, risk, capability and reporting with Government climate policy and trade investment priorities.
2. Enhance relationships with First Nations organisations to finance more First Nations businesses.

GOAL 5: ACCELERATE DIGITALISATION

ACTIVITIES

1. Implement our artificial intelligence (AI) strategy to streamline service delivery and enhance employee experience, aligned with Australian Government AI principles and guidance.
2. Modernise systems and tools to futureproof our organisation and enhance operational resilience.

Strategic enablers

People and culture

- Recruit and retain the capability we need, and provide our people with a best-in-class employee experience.

Partners and stakeholders

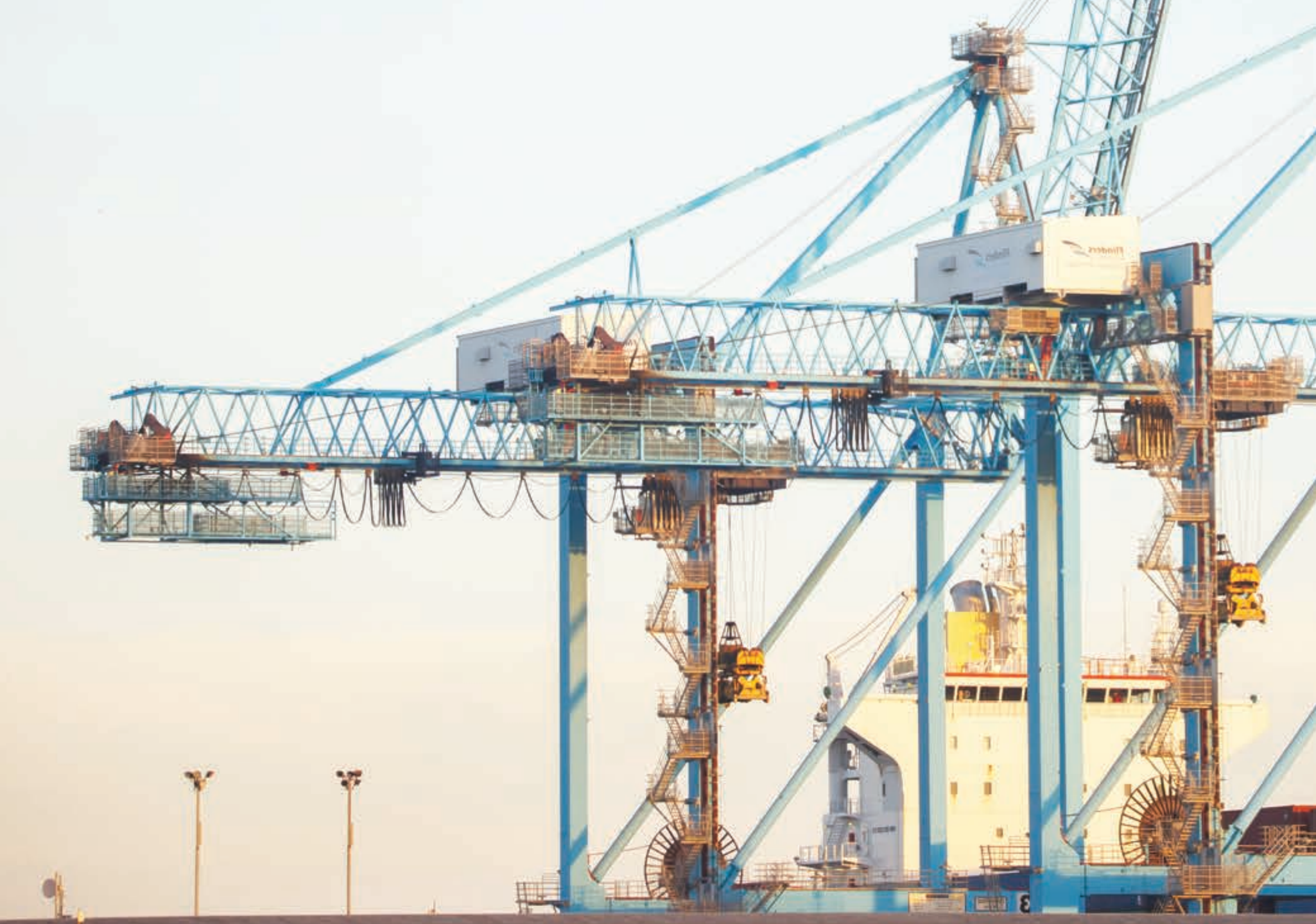
- Prioritise collaboration with partners to support our mandates.

Technology and systems

- Accelerate initiatives to modernise and protect our systems and processes.

Communication

- Deliver effective and engaging communications to inform our people, customers and partners and protect our reputation.



OPERATING CONTEXT

Environment

As a global financier, we operate in a dynamic environment shaped by a range of interconnected factors, including:

- macroeconomic conditions
- Government policies
- technology
- governance and risk.

Macroeconomic conditions

Geopolitical conflict in the Middle East is redefining energy markets and testing the resilience of the global economy.

Damage to critical energy infrastructure and disruptions to shipping routes have spiked energy prices and disrupted the global supply of energy, petrochemicals and other important commodities. The global economic impact will crucially depend on the duration, intensity and scope of this conflict, all of which are inherently unpredictable.

Downside risks remain elevated. A longer or broader conflict, shifting expectations on the productivity outcomes of an AI driven society, or a resurgence of trade tensions could weaken growth and raise fiscal and financial vulnerabilities.

Many of our customers' inputs, sectors and markets have already been negatively affected by geopolitical tensions. However, as the past few years have demonstrated, Australian businesses, aided by free trade agreements, can adapt to disrupted trading conditions and diversify into new markets.

Our finance supports Australian businesses that are navigating complex trading conditions in global markets. As exporters face ongoing economic uncertainty and a slowing global outlook, we continue to work alongside them to help ensure they have access to the finance they need.

By focusing on delivering on our mandates, we strengthen Australia's position in an increasingly competitive global market.

Government priorities

We are focused on delivering our legislative functions and helping to fulfil the Government's strategic finance objectives. This includes our new Strategic Reserve function, which will help build stronger, more resilient supply chains, including for critical minerals, fuel and fertiliser – to shield Australia from global uncertainty, create jobs, and support our economic and national security.

We continue to prioritise supporting Australian SMEs, exporters and projects that drive inclusive, export-led growth and help support FMA policies. This includes working to support First Nations businesses and exporters.

We work closely with other corporate Commonwealth entities, SIVs and government agencies, including the Investor Front Door investment facilitation agency, to support a coordinated and consistent approach to investments made by the Commonwealth.

Technology

The technology landscape is changing rapidly. Advances in AI are reshaping how financial services organisations assess risk, deliver services and support decision making. At the same time, cyber security and information protection expectations continue to rise, particularly for entities handling sensitive commercial and customer information.

Reliable, well governed and adaptable technology is therefore essential to supporting innovation, enabling us to manage risk so we can continue to deliver financing outcomes efficiently and with confidence.

Governance and risk

As a 'market gap' financier, our transactions tend to have higher risk attributes. We apply our risk governance standards to meet our domestic and international obligations on the credit, social, environmental and technical aspects of our financing activities.

We continue to focus on the ongoing implementation of legislative reforms, including in relation to anti–money laundering and counter-terrorism financing, and climate change. Ongoing regulatory change also presents a continuous compliance challenge for our customers, especially small businesses. In this environment, we must ensure our risk management framework and governance processes are robust; support and recognise the challenges our customers face; and quickly account for regulatory developments as they arise.

Our capability, people and culture

As our scale and impact continue to grow, our ability to attract, develop and retain specialist capability remains critical.

Delivering complex financial transactions requires deep expertise from the banking and financial services sector, which is one of Australia's most competitive talent markets. Competition for talent remains strong as domestic and global banks, financial institutions, fintech businesses and consulting firms seek the same highly skilled professionals from a constrained talent pool.

We are responding by positioning ourselves as a purpose led organisation with a distinctive Employee Value Proposition (EVP). Our EVP combines meaningful work on key national priorities, exposure to complex and rewarding transactions, and a strong, inclusive culture that supports flexibility and long-term careers.

We're investing in our people to achieve our purpose, attracting top talent and maintaining an inclusive culture. By focusing on the skills of the future and equipping our people with the right tools, we create opportunities for them to excel.

Because our people are key to delivering on our purpose in a complex and evolving environment, in 2026–27 we will continue to build a workforce that is highly skilled, adaptable and engaged, with the capability and culture required to deliver our mandates for Australia.

Specifically, we will continue to:

- build future-critical capability by focusing on the skills and experience most essential to our mandate, supported by targeted development and workforce planning
- strengthen a culture that promotes openness, collaboration, accountability and agility
- attract and retain talent through a compelling EVP that includes exciting and purposeful work, opportunities for professional growth and an inclusive and supportive environment
- ensure our people are proficient in AI and applying it in a controlled environment to deliver efficiency and productivity growth.

By investing in our people and culture, we will continue to build an organisation that is capable, focused and well-positioned to deliver on our priorities now and into the future.

Our systems and processes

We are continuing to modernise our systems and processes to improve productivity, resilience and service delivery, while maintaining strong governance and security.

We are enhancing our established, secure and scalable cloud-based platforms to further reduce operational risk and enable more efficient, data-driven ways of working. This includes supporting the delivery of new and evolving financial products and solutions, such as Fuel Supply Facility Agreements to support the ability of companies to procure additional fuel supply for Australia during a time of global crisis.

Strong cyber security and information protection controls underpin our digital environment and are supported by independent assurance.

We are responsibly adopting AI to increase productivity and support better insight and judgement. This includes embedding our AI governance framework, encouraging the use of approved AI tools to assist with everyday work, and pursuing targeted AI use cases with keen assessment of benefits and risks.

To support future capability needs, we are also preparing to implement a modern human resources information system, and planning a broader refresh of finance and procurement systems. These initiatives are focused on operational efficiency and scalability, and ensuring our corporate platforms can support a growing and more digitally enabled organisation.

Subsidiaries

EFA does not currently have any subsidiaries.

CUSTOMER STORY

Stirling & Hinds

> "Export Finance Australia helped us fund the stock we needed to get into America. The support was invaluable. It gave us the ability to move fast and deliver on the opportunity."

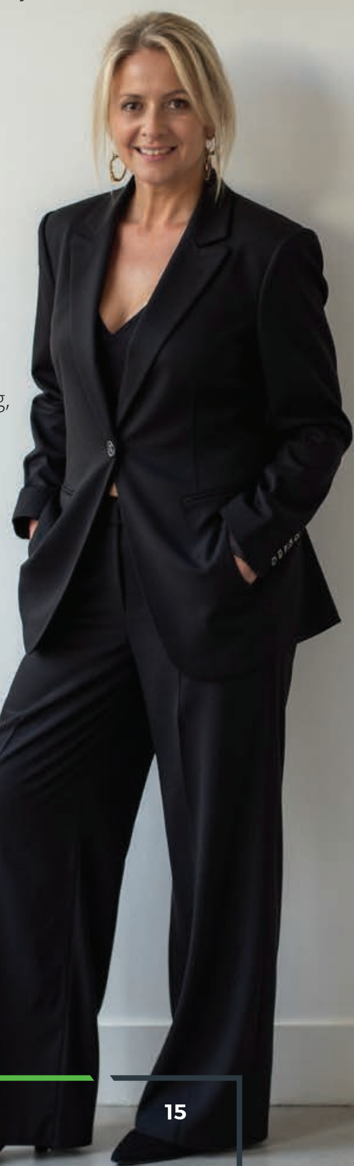
Alanna Hinds
Co-Founder and Director,
Stirling & Hinds

Founded in 2020 by three Australian women determined to do things better, Stirling & Hinds creates lifestyle brands that deliver beautiful, high-quality products at accessible price points. Proudly Australian made, each product is thoughtfully developed over time, created with intention, refined with care, and ultimately made to be something the founders truly love and are proud to stand behind.

In 2025, Stirling & Hinds' skincare brand, Nobody's Nobody, secured a contract to launch into 1,800 stores of a major United States (US) retailer, which was a major milestone for the business.

To meet growing demand in the US, Stirling & Hinds needed additional working capital to fund manufacturing, inventory and long export lead times. With products required on shelves months before payment, bridging the cash flow gap was essential to meeting delivery deadlines.

We provided a $350,000 Small Business Export Loan to support working capital for production, supplier deposits and shipping timelines to support export growth. This enabled Stirling & Hinds to manufacture at scale, maintain inventory buffers and meet the requirements of a major US retailer.



Risk management

Risk management is critical to our commercial activities and Government advisory role, as it supports our financial stability and sustainable growth.

We have an enterprise risk and compliance management framework that identifies key risks facing the organisation, and the controls we have in place, to arrive at a residual risk rating. Our risk management is structured around a '3 lines of defence' model:

1. Business functions take responsibility for risks within their operations.
2. An internal Risk and Compliance function reviews our risk management framework.
3. Audits and reviews by our independent internal auditors provide detailed reports on enhancing our risk management approach.

The Australian National Audit Office and its appointed agent also independently review our financial statements.

Risk management oversight

Our Board is responsible for setting risk-related policies, tolerances and operational limits. The Board Audit and Risk Committee oversees all aspects of risk management and internal control.

Our Executive and senior management teams are responsible for implementing our Board-approved risk and compliance management framework. However, we also emphasise that everyone in the organisation is responsible for managing and reporting risk.

Our internal committees support our risk management processes and demonstrate the individual accountability of the relevant Executive team members.

- **Executive Committee**: Reviews all aspects of our business.
- **Treasury Risk Review Committee**: Reviews Treasury activities, limits, noteworthy transactions and current issues.
- **Transaction Review Committee** *(formerly Credit Committee)*: Reviews large potential transactions, including credit and non-financial risk consideration.
- **Executive Risk and Compliance Committee**: Reviews our risk and compliance management framework, including reviewing policies before they are submitted to the Board.
- **Sustainability Committee**: Reviews, assesses and monitors climate-related risks and opportunities, in addition to managing enterprise-level sustainability issues.
- **Work Health and Safety Committee**: Reviews workplace risks and reports any hazards or safety problems that may cause harm or injury to employees, contractors or visitors.
- **Business Continuity Planning Steering Committee**: Monitors business continuity planning and crisis management.
- **Strategy Delivery Group** *(formerly Strategy Committee)*: Drives the implementation of the strategic plan.

Risk culture

Our risk culture and risk management foundations include:

- a focus on uplifting risk management processes, including promoting the use of data-driven decision making, documented control processes and management reporting, supported by Board oversight and independent reviews
- clear policies and procedures supported by systems and detailed processes
- clear lines of responsibility and accountability
- strategies to recruit, develop and retain employees who have the required specialist skills to support the delivery of our mandates, including climate-related skills and competencies
- an employee performance system that requires robust risk management behaviours
- a culture of consultation and speaking up about potential issues
- an open and transparent risk culture where we aim to anticipate and manage risks and seek to always learn and improve.
- policies to protect individuals making Public Interest Disclosures (whistleblowers) and a Code of Conduct outlining our employees' obligations and responsibilities, including managing conflicts and behavioural standards.

Key risks

We have an enterprise-wide risk management framework that identifies the risks facing the organisation and the controls we have in place.

There are 5 key risk categories and associated mitigation strategies.

Strategic risk

Strategic risk relates to the need to effectively deliver on our strategic priorities and respond to a changing operating environment.

As we pursue sustainable growth and deliver on our expanded mandates, we must ensure our strategy remains aligned with government priorities, stakeholder expectations and EFA's legislated purpose.

We manage this risk through a structured strategic planning process and enterprise-wide risk management framework. Our strategy is regularly reviewed and refined to reflect shifts in our external environment. Strategic initiatives are prioritised, resourced and governed with oversight from our Board.

Credit risk

Providing finance carries inherent risks. We recognise that supporting Australian exporters, overseas investment and infrastructure development involves counterparty credit risk, country risk and associated portfolio and industry risks. Our focus on SMEs and emerging markets increases the likelihood of credit losses. Our credit policies, together with rigorous procedures, provide our framework for managing credit risks.

We assess the impact of environmental and social risks (including transaction safety risks) on the transactions that we support. Failure to identify or manage environmental and social risks can have negative reputational and financial impacts. Our Policy for Environmental and Social Review of Transactions outlines how we manage these risks.

Reputation risk

Reputation risk can emerge from any conduct, transaction, activity or behaviour that is unlawful, unethical or inconsistent with our purpose. Reputation risk may affect our organisation or the Government.

We have a range of policies, procedures and processes in place to protect our reputation and mitigate and manage reputation risks that may arise. This approach also helps to manage our compliance with laws, regulations, policies and Ministerial Directions.

In particular, we test transactions against our mandates and apply anti-money laundering and know-your-customer processes to each transaction.

Market risk

We primarily fund our operations by issuing debt in our name. We also hold domestic and foreign currency–denominated loans and financial instruments to support activity in export markets. These instruments expose our balance sheet to financial risks, including credit and market risks.

We manage market risks to an acceptable level through a framework of quantitative controls. Risks include mark-to-market risk, funding and liquidity mismatch risk, repricing risk, interest rate and foreign exchange risks, and earnings volatility.

Our Treasury Policy sets out a framework for managing market risks and is supported by a wide range of procedural documents.

Operational risk

Operational risk covers a broad range of risks across our organisation. It is divided into 4 sub-categories:

- people
- processes
- data and systems
- external events.

Operational risk is only acceptable at levels required to meet our mandates effectively and efficiently. We have a wide range of policies, procedures and controls in place to manage operational risks, including those related to work health and safety, business continuity, climate risk and cyber risk.

Cooperation

We actively collaborate with banks, international financial institutions, Government agencies and industry groups to share expertise, unlock opportunities and deliver on our purpose.

We work closely with Australian banks and other Government SIVs to share risks and information and explore transaction opportunities, including co-financing arrangements.

We collaborate with our overseas ECA counterparts, development finance institutions, sovereign wealth funds, and international banks and financiers to crowd in like-minded investment and share market insights and risks, which is more important than ever as global market volatility has increased.

As our Government mandates have continued to expand, so too has our collaboration with relevant Government agencies across a range of sectors and policy priorities. As an agency within the Foreign Affairs and Trade portfolio, we have strong relationships with the Department of Foreign Affairs and Trade (DFAT) and the Department of Finance, and work with a range of departments on issues relating to strategic finance for critical minerals, defence, economic security, industry policy, and international trade and investment.

Under the Joint Minister model – in which the Minister for Trade and the Minister for Finance share joint oversight responsibility – we work closely with DFAT and the Department of Finance, including through a three-agency service level agreement for managing the NIA.

We also partner with a range of departments on issues relating to strategic finance for critical minerals, defence, economic security, industry policy and international trade and investment.

Who we cooperate with

Globally, we collaborate with a wide range of government, commercial and strategic partners to provide finance, share knowledge and build capability.

Within Australia, we work closely with various Commonwealth, state and territory government agencies, including:

- Australian Renewable Energy Agency
- Austrade
- Clean Energy Finance Corporation
- Department of Agriculture, Fisheries and Forestry
- Department of Climate Change, Energy, the Environment and Water
- Department of Defence
- Department of Finance
- DFAT, including AIFFP
- Department of Industry, Science and Resources, including the Critical Minerals Office
- Department of the Prime Minister and Cabinet
- Housing Australia
- Indigenous Business Australia
- National Reconstruction Fund Corporation
- Net Zero Economy Authority
- Northern Australia Infrastructure Facility
- relevant state and territory departments and agencies
- Treasury.

We partner with other financiers and professional services firms, including:

- Australian banks
- development finance institutions
- institutional investors
- international banks, ECAs and multilateral partners
- major accounting firms
- select law firms
- select private equity firms
- sovereign wealth funds.

We also work with Australian peak industry groups, business councils and sector associations, including:

- American Chamber of Commerce in Australia
- Austmine
- Australia Fiji Business Council
- Australia Japan Business Co-operation Committee
- Australia–Korea Business Council
- Australia Pacific Islands Business Council
- Australia Papua New Guinea Business Council
- Australian Chamber of Commerce and Industry
- Australian Manufacturing Technology Institute Limited
- Business Council of Australia
- Clean Energy Council
- Defence Teaming Centre
- Export Council of Australia
- Supply Nation
- Wine Australia.

CUSTOMER STORY

Kerman Contracting

> “Export Finance Australia’s support was extremely important. Without it we would not be able to pursue some of the projects in our pipeline. So, it really underpins the future growth of the business.”

Mark Nagle
Managing Director,
Kerman Contracting

WA-based Kerman Contracting (Kerman) has been helping support Australia’s mining sector mine, process and transport its materials since 1981, when it first began building infrastructure the sector relies on to handle bulk materials and to service and maintain its mining fleet.

To secure a contract with a major Australian miner and support its growing pipeline, Kerman required a flexible bonding facility to assist with performance and warranty contract security guarantees.

We provided a $25 million bond facility limit to support Kerman in meeting its performance and warranty contract security guarantee obligations, which also helped the business preserve liquidity needed for mobilisation and contract execution.

To help the business secure this contract, we provided Kerman with the bond facility, which also meant the business was well positioned to take on future opportunities, Mark said. Without this support, the growth of the business would have been restricted.

Looking ahead, Mark said that Kerman will be very busy executing its current projects, with its orderbook expected to grow significantly by the end of 2025, providing two to three years of work to deliver opportunities that Mark said Kerman may not have been able to take on without our support.

PERFORMANCE

Our key performance measures and targets seek to drive meaningful outcomes that align with our purpose and mandates. These measures are underpinned by our Strategy and risk appetite, as set and monitored by our Board.

Measuring performance

The financing needs of Australian businesses and the support required for international infrastructure projects can vary significantly each year. We operate in a largely demand-driven environment. Some transactions that we assess may not proceed due to macroeconomic conditions, geopolitical events or inconsistencies with Government policy. These variables can affect the accuracy of future performance forecasts.

Our key performance indicators (KPIs) include quantitative and qualitative metrics. Our targets represent our best calculation of expected quantitative business activity.

Quantitative performance targets

The combined performance targets for the CA and NIA are presented as an aggregate. However, the pre-tax profit only reflects the CA because the Government receives all net income from the NIA and must reimburse us for any losses.

Transactions on the NIA encompass facilities written under the Strategic Reserve, CMF, DIGF, SEAIFF and the AIFFP.

Approximately 77% of our CA facilities are denominated in foreign currencies, with 70% in US dollars.

Balance sheet items are generally hedged for foreign currency risk. However, future foreign exchange income and expenses remain unhedged and may impact future profitability as exchange rates fluctuate. Some transactions such as floating rate loans and short-term loans are managed through natural offsets. Fixed interest rate risk is hedged within tight exposure limit parameters. The exception is our Australian dollar investments in our capital and reserves portfolio, which remains unhedged for interest rate risk, given that this is an investment portfolio.

Table 1 – Quantitative performance targets

Commercial and National Interest Account	2026–2027	2027–2028	2028–2029	2029–2030
Value of facilities signed ($A m)	2,985	3,056	3,132	3,208
Number of customers supported	144	159	174	189
Active customers (customers on risk)	290	295	300	305
Commercial Account profit (pre-tax)*	>$40m	>$45m	>$50m	>$55m

Performance targets are set for each business and aggregated at an organisational level. We use a variety of data and analysis to set quantitative performance targets, including performance, transaction pipeline and other relevant data. These inputs are point-in-time and have limited meaningful application to future years.

* No income is earned from National Interest Account transactions.

Qualitative performance targets

Our quantitative performance targets are important benchmarks that guide our activities for the year ahead. However, they do not fully reflect the breadth of our activities or broader strategic impact.

Our participation in a CA transaction often serves to encourage involvement from other financiers. This objective of crowding in private sector financiers is central to our role and may, at times, require us to reduce our exposure or withdraw from a transaction to facilitate greater market participation.

Similarly, for transactions under the NIA, we engage closely with the Government throughout the assessment process. While the decision to support a transaction on the NIA rests with the Government, we undertake rigorous due diligence and credit assessments prior to any NIA referral to the Minister for Trade and Tourism for consideration.

The performance risks outlined on pages 16-18 should be considered alongside the planned outcomes presented in Table 2.

Table 2 – Qualitative performance targets

Our legislative purpose	Performance indicators
Provide finance that facilitates and encourages Australian export trade, overseas investment and infrastructure development.	Develop a transaction pipeline that meets the requirements of our mandates and supports Australia's economic security and regional resilience.
Provide finance that supports Australia's economic resilience and security, and the net zero transformation.	Provide finance for strategic material imports through the Strategic Reserve and domestic projects that support Australia's economic resilience and security, and the net zero transformation – crowding in private investment where possible.
Encourage banks and other financial institutions to finance exports, overseas investment and infrastructure development.	Collaborate with banks, international financial institutions, ECAs, Government agencies and industry groups to help Australian businesses succeed and grow in international markets.
Provide information and advice about financial arrangements to support Australian export trade, overseas investment and infrastructure financing.	Deliver information and resources through domestic and international business engagement and promotional activities.
Help other Commonwealth entities and businesses to provide finance and financial services.	Provide timely, professional services to entities as directed by the Minister for Trade and Tourism, consistent with service level agreement standards.
Administer payments for certain overseas aid projects financed by the Commonwealth.	Be a trusted adviser to the Australian Government on financial payment solutions, as required.

Accessing this report online

An online version of this report is available on the Export Finance Australia website:
exportfinance.gov.au/corporate-plan

Australian Government

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