FRONTLINE

PROJECTS AUSTRALIA

Indigenous Procurement Policy

Revision History

Version	Title	Name	Date
V1.0	Initial	RK	04042024
V1.1	Revised branding	JK	20072026
V2.0	Full rewrite of scope, roles and targets	JK	27072026

Contents

Title	Page Number
Purpose	3
Scope	3
Policy and Legislative Framework	4
Definitions	4
Principles	5
Objectives and Targets	5
Roles and Responsibilities	6
Implementation	6
Grievance and Complaints	7
Compliance and Review	7

Purpose

Frontline Projects Australia Pty Ltd is committed to increasing economic opportunities and participation for Aboriginal and Torres Strait Islander businesses, communities and individuals through the way it procures goods, services and construction works.

This policy sets out how Frontline will identify, engage and support Indigenous businesses across its own supply chain, and how Frontline will meet the Indigenous participation commitments it makes in tenders – including tenders to Commonwealth entities and the Department of Defence, where Indigenous participation requirements are frequently a mandatory, evaluated, and contractually binding element of the offer.

Scope

This policy applies to:

- ✓ All Frontline employees, directors and contractors involved in procurement, subcontracting, tendering or business development activity;
- ✓ All goods, services and construction work procured by Frontline, regardless of contract value, including subcontractor and consultant engagements;
- ✓ All tenders and contracts Frontline enters into with Queensland Government, other state or territory governments, Commonwealth entities, and the Department of Defence, where Indigenous participation is a policy requirement, evaluation criterion, or contractual condition; and
- ✓ Any Indigenous Participation Plan (IPP), Indigenous Participation Requirement, or similar instrument that Frontline commits to as part of a contract award.

This policy does not itself impose obligations on government agencies or clients – it describes Frontline's own commitments and internal controls in response to their requirements.

Policy and Legislative Framework

This policy is designed to operate consistently with, and support Frontline's compliance with, the following external frameworks. Staff preparing tender responses must confirm the current version of each instrument at the time of bidding, as targets and thresholds are periodically revised.

- ✓ Commonwealth Indigenous Procurement Policy (IPP) – applies to Commonwealth entities including the Department of Defence; sets mandatory minimum requirements for Indigenous participation on eligible contracts, including a mandatory set-aside for contracts below a set value threshold and mandated minimum Indigenous participation requirements above it.
- ✓ Defence Indigenous Procurement / Indigenous Participation Plan (IPP) requirements – contract-specific requirements issued by Defence (directly or through prime contractors) that may mandate an approved Indigenous Participation Plan as a condition of contract, with reporting against agreed targets.
- ✓ Queensland Procurement Policy and Building and Construction Procurement Policy – apply to Queensland Government procurement and set targets and mandatory consideration thresholds for Indigenous suppliers on Queensland Government work.
- ✓ Supply Nation certification – the verification standards Frontline relies on to confirm a supplier meets the definition of an Indigenous business for the purpose of this policy and of counting spend toward targets.

Definitions

In this policy:

a. "Indigenous business" a business that is at least 50% owned by an Aboriginal and/or Torres Strait Islander person or persons and is certified as such by Supply Nation or otherwise verified in accordance with the criteria of the relevant client's Indigenous procurement policy.

b. "Supply Nation" Australia's primary certification and directory body for verified Indigenous-owned businesses.

c. "Indigenous Participation Plan (IPP)" a plan, required by a client (commonly Defence or another Commonwealth entity) as a condition of contract, setting out how the contractor will maximise Indigenous employment, training and supply chain participation on that contract, together with targets and reporting obligations.

d. "Mandatory set-aside" a Commonwealth procurement rule requiring certain lower-value contracts to be offered only to Indigenous businesses in the first instance.

Principles

- ✓ Economic empowerment – using Frontline's procurement activity to build capacity, jobs and wealth in Indigenous communities.
- ✓ Genuine partnership – engaging Indigenous businesses as capable commercial partners, not as a compliance exercise.
- ✓ Fairness and transparency – fair and equitable treatment of all suppliers, with transparent and competitive processes.
- ✓ Cultural respect – recognising the cultural heritage, knowledge and practices of Aboriginal and Torres Strait Islander peoples in how Frontline conducts procurement.
- ✓ Accountability – verifiable, auditable records of Indigenous spend, participation and outcomes that can withstand client and government audit.

Objectives and Targets

Frontline's Indigenous procurement objectives are to:

- ✓ Increase the proportion of company-wide spend directed to certified Indigenous businesses year on year;
- ✓ Meet or exceed every Indigenous participation target Frontline commits to in an awarded tender, including any Commonwealth/Defence Indigenous Participation Plan;
- ✓ Build the capability of Indigenous businesses in Frontline's supply chain through mentoring, early contractor involvement and staged payment terms where appropriate; and
- ✓ Create genuine employment and training pathways for Aboriginal and Torres Strait Islander people on Frontline projects.

Company-wide and contract-level targets are set out below. These are reviewed and updated by the Compliance Manager and approved by the Managing Director at least annually, and on a per-contract basis wherever a client sets its own mandatory target.

Metric	Target	Measured against
Annual spend with certified Indigenous businesses (company-wide)	10%	Total addressable procurement spend
Indigenous participation on Commonwealth / Defence contracts subject to a mandatory Indigenous Participation Plan	As set out in the approved IPP for each contract	Contract-specific IPP targets agreed with the client
Indigenous employment on projects with an approved Indigenous Participation Plan	1 headcount	Project workforce reporting

Roles and Responsibilities

Role	Responsibility
Managing Director	Owns and approves this policy; approves the Indigenous procurement target and receives annual reporting on performance.
Compliance Manager (Policy Owner)	Maintains this policy, tracks legislative/policy currency, coordinates annual review, and is the escalation point for grievances raised under this policy.
Bid / Tender Manager	Ensures Indigenous Participation Plans (or equivalent) are prepared for every tender that requires one, and that tender submissions accurately reflect Frontline's Indigenous procurement performance and commitments.
Contracts Staff	Apply this policy when engaging subcontractors and suppliers; verify Indigenous business status before counting spend toward targets; maintain supporting records.
Project Director / Site Manager	Implement approved Indigenous Participation Plans on individual projects and report actual Indigenous spend and employment outcomes against plan.
All Staff	Comply with this policy and raise concerns about non-compliance through the channels set out in Section 9.

Implementation

Identifying and verifying Indigenous businesses

Before counting a supplier as an Indigenous business for reporting or target purposes, procurement staff must confirm current Supply Nation certification (or the verification standard specified by the relevant client) and retain evidence of that verification on the project or procurement file.

Supplier engagement

Frontline will actively seek out certified Indigenous businesses when scoping subcontract packages and supplier panels, including through the Supply Nation directory and relevant industry associations, and will consider Indigenous businesses in accordance with any mandatory consideration or set-aside threshold that applies to the contract.

Indigenous Participation Plans (Commonwealth and Defence contracts)

Where a tender or contract requires an Indigenous Participation Plan, the Bid/Tender Manager will ensure a plan is prepared that:

- ✓ Sets specific, measurable Indigenous employment, training and supply chain targets for that contract;
- ✓ Names the person accountable for delivering the plan on that project;

- ✓ Is approved internally before submission and, once the contract is awarded, is treated as a binding project document; and
- ✓ Is reported against at the frequency required by the client, with variances escalated to the Compliance Manager.

Supply chain flow-down

Where Frontline engages subcontractors on a project subject to an Indigenous Participation Plan, Frontline will flow down relevant Indigenous participation obligations into its subcontracts and monitor subcontractor performance against them.

Capability development

Frontline will support the growth of Indigenous businesses in its supply chain through measures such as mentoring, staged or accelerated payment terms, and early and transparent communication of upcoming work packages.

Records and reporting

The Compliance Manager will maintain a consolidated record of Indigenous spend, certification evidence and Indigenous Participation Plan performance, and will report this to the Managing Director at least annually and to individual clients at the frequency their contract requires.

Grievance and Complaints

An Indigenous business, employee or other stakeholder who considers they have been treated unfairly in relation to this policy may raise the matter with the Compliance Manager. Frontline will acknowledge the complaint within five business days, investigate, and provide a written response. Complaints relating to a specific government or Defence contract may also be raised directly with the relevant contract administrator in accordance with that contract's dispute or complaints procedure.

Compliance, Monitoring and Review

The Compliance Manager is responsible for monitoring compliance with this policy and for confirming, at least annually, that it remains aligned with the current Commonwealth Indigenous Procurement Policy, applicable Defence Indigenous participation requirements, and the Queensland Procurement Policy and Building and Construction Procurement Policy. This policy will also be reviewed whenever Frontline is preparing a Defence or Commonwealth tender that carries Indigenous participation obligations, to confirm it reflects the current requirements of that tender.

Non-compliance with this policy will be managed in accordance with Frontline's disciplinary and performance management processes, as applicable.

FRONTLINE

PROJECTS AUSTRALIA

VETERAN OWNED BUSINESS CERTIFIED