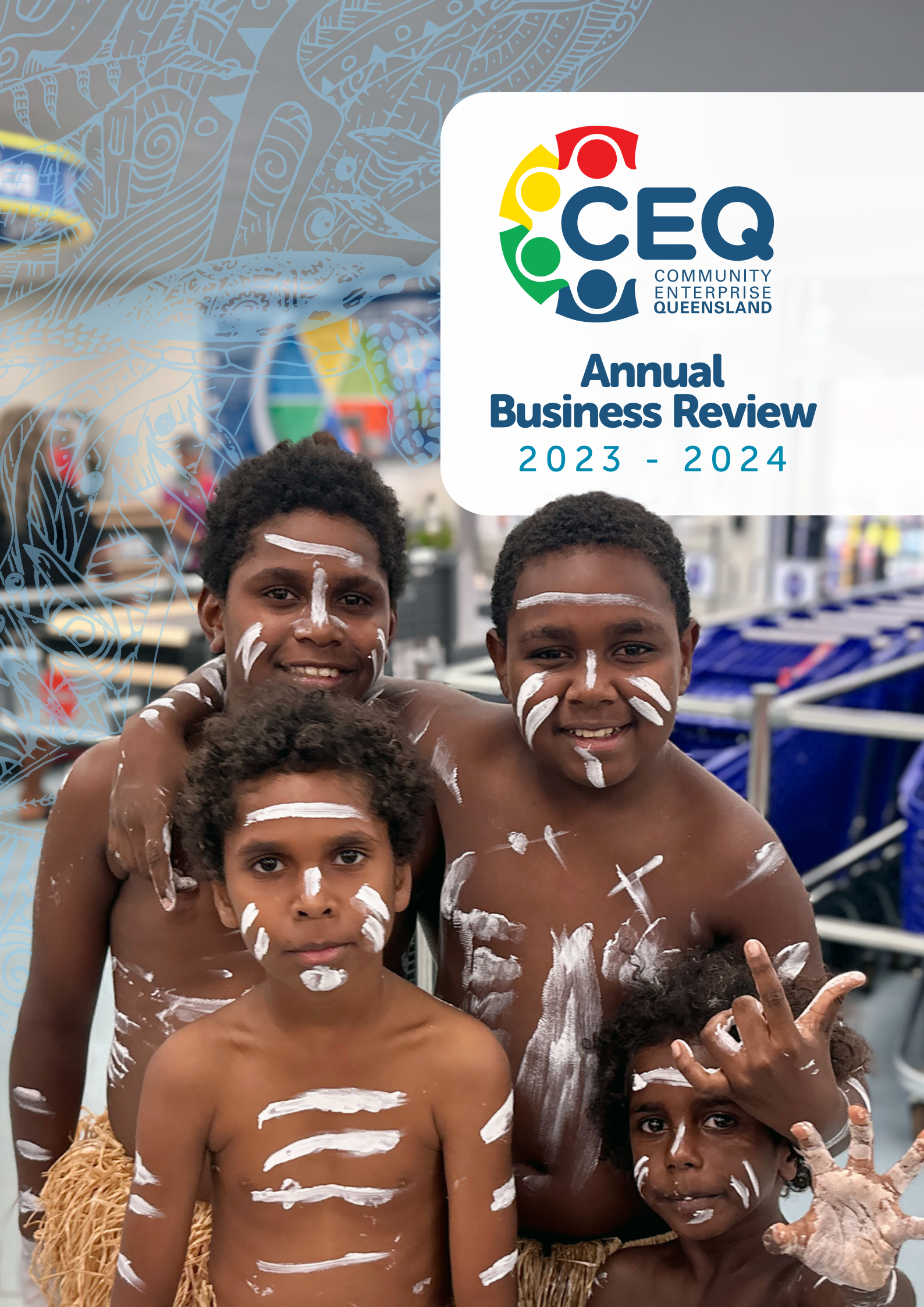




Annual Business Review

2023 - 2024



Acknowledgement of country

Community Enterprise Queensland (CEQ) acknowledges our business impacts Country, and we acknowledge the traditional owner groups and knowledge holders who maintain the law and custom for looking after lands and waters.

We recognise Aboriginal and Torres Strait Islander people, the First Nation Peoples of Australia, as distinctly diverse groups with unique languages, lore/law, knowledges, histories, traditional practices, and spiritual connections to Country.

We respect and acknowledge the key role of Elders, past and present, for they are the custodians of their traditional ways of being and doing. The Elders are the knowledge keepers guiding and supporting the aspirations of future generations.

CEQ Acknowledgement & Commitment

We recognise it is our collective efforts and responsibility as individuals, communities, all levels of government and non - governments to ensure equity, recognition, and advancement of Aboriginal and Torres Strait Islander people across all aspects of society and everyday life.

We are committed to improving and promoting our services by building the knowledge and skills of Aboriginal and Torres Strait Islander team members. CEQ will contribute to creating healthier, more resilient communities and provide a better environment for social and economic outcomes by forming collaborative partnerships to embrace opportunities.

As we reflect on the past and strive for a better future, we walk together on a shared journey and vision of reconciliation where all Queenslanders are equal and

the diversity of Aboriginal and Torres Strait Islander cultures, languages, traditions, and communities across Queensland is recognised and valued by all Queenslanders and is embedded across our organisation. We will build relationships through consultation and shared goals.

CEQ acknowledges all team members of diverse backgrounds working collaboratively as a family unit to deliver a culturally inclusive service to our families within the communities we serve.

CEQ applauds all team members currently living in remote communities who continue to be empowered through their work experiences and skills acquisition whilst delivering essential services to those communities.

Aboriginal and Torres Strait Island peoples should be aware that this publication may contain images or names of people who have since passed away. CEQ respects the right of families and communities to request the removal from subsequent publications of any image or name that causes distress.

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CEQ's complete Annual Report is available through
www.ceqld.org.au/about/governance



About Us

Who We Are and
The Communities We Serve



Community Enterprise Queensland (CEQ) is responsible for providing goods and essential services to the Torres Strait, Northern Peninsula Area (NPA), and mainland Indigenous remote communities through its 30 stores.

CEQ is governed by the Aboriginal and Torres Strait Islander Communities (Justice, Land and Others Matters) Act 1984, with the Board being appointed through Ministerial appointment.

CEQ stores deliver fresh, healthy food choices to communities, as well as general grocery, household items, appliances, furniture, hardware, fuel, and services such as ATM facilities and air travel bookings.

CEQ manages IBIS (Islanders Board of Industry and Service) and ABIS (Aboriginal Business, Industry and Service) remote stores, as well as other stores including Col Jones, Mona's Bazaar, and Mitre 10 under its Community Home and Hardware (CHH) banner on Waibene (Thursday Island).

CEQ operates 30 stores under an aggregate model to provide services in remote communities. The number of our stores enhances CEQ's buying power which in turn allows all stores to share in the pricing benefits.

The store support mechanism allows for many of the operational services required to operate stores efficiently and effectively to be managed through the Cairns based Store Support Office. This support includes purchasing, finance, training, people and workplace culture services, payroll, IT and store maintenance.

CEQ aims to be an employer of choice in Queensland, with our diverse workforce of over 480 team members from a variety of professions including retail, procurement, logistics, administration, and training. CEQ is committed to promoting Indigenous employment. As of 30 June 2024, Indigenous representation was 87% within our remote store operations.



- CEQ is committed to developing our Indigenous store teams through internal and external training programs that offer a career and pathway to accredited qualifications and senior positions.
- CEQ supports the health and wellbeing of communities by providing affordable, healthy food choices.
- CEQ is a part of the social and economic fabric of the communities we serve.
- CEQ has a strong history of partnering with community, government and non-government organisations through sponsorship and donations of local and regional events.
- CEQ is a registered charity and a not-for-profit Queensland Government Statutory Body.

Our History

CEQ's origins were manifested from the work of Reverend Fredrick Walker, a former missionary who established Papuan Industries Limited (PIL) in 1904 with the intention of aiding the people of Papua and the Torres Straits.

Stemming from these roots, since 1930 there has been an overseeing body responsible for the government and welfare of Torres Strait Islanders, although changes to legislation or passing of new legislation have changed the identity of the overseeing body through the years.

1904 – 1930

Papuan Industries Limited (PIL)

Established by Rev. Frederick Walker on Badu Island. PIL sought to promote local enterprise by encouraging Torres Strait Islanders to cooperatively rent or purchase their own pearl luggers.

1930 – 1939

Aboriginal Industries Board (AIB)

In July 1930, Papuan Industries was taken over by the Queensland Government and renamed the Aboriginal Industries Board, managed by the Aboriginal Protector on Thursday Island before a new Aboriginal Industries Board was constituted in 1934.

1939 – 2016

Island Industries Board (IIB)

In 1939 the work of the AIB was continued on by the IIB, establishing many of the stores that now trade under the Island Board of Industry and Services (IBIS) brand name.

2016 TO PRESENT

Community Enterprise Queensland (CEQ)

With the merger of six Queensland Government owned remote retail stores with the stores managed by IIB, Community Enterprise Queensland became the new body responsible for providing essential goods and services to these communities.

CEQ Good Pasin (Give-back)

Recognising the cost of living challenges faced by our communities, throughout the year CEQ has focused on alleviating cost burdens where possible.

Various initiatives have included advocacy, partnerships, absorbing product and supply chain price increases, cost of living assistance to our team members and our Good Pasin (Give-back) Program whereby we have donated over \$600K to community organisations, schools, families and individuals.

CEQ's focus will remain on supporting the community members we serve.

Caring, every day, always.

Remote Retail Stores



IBIS (Islanders Board of Industry and Service) operates 19 retail grocery stores, 2 large supermarkets, 1 service station and 5 fuel outlets associated with outer island stores. Primarily providing communities a place to buy fresh fruit and vegetables, meat and groceries, IBIS stores also offer general merchandise such as whitegoods and electrical appliances, housewares, furniture, clothing, power cards, fuel and gas.

21
LOCATIONS



ABIS (Aboriginal Business, Industry and Service) operates 6 supermarkets in remote Aboriginal communities. ABIS is committed to providing fresh, healthy food and groceries at the best price possible. ABIS stores stock fresh fruit and vegetables, meat and groceries, as well as whitegoods and electrical appliances, housewares, furniture, clothing, power cards, fuel and gas.

6
LOCATIONS



CHH is a combination of CEQ branded 'Col Jones Homewares' and T.I. Hardware. 'Col Jones and Monas' are iconic local retail stores (founded 1978) in the Torres Strait and NPA which offers quality homewares, furniture, whitegoods, electrical, and traditional island clothing.

Waibene (Thursday Island) Hardware is a Mitre 10 supplier for all things hardware and outdoor related to both the domestic and trade segments of the market.



This year, our **Wis Wei cafe** concept was developed to roll out a convenient, mostly healthy self-service cafe into our stores. The cafes will contain family and individual grab-and-go meals for breakfast, lunch and dinner, freshly squeezed juice, fruit, BBQ chicken, pies, sausage rolls, sandwiches, snacks, tea and coffee.

Nutritious "heat and eat" ready meals are also being trialled.

Wis Wei Cafe will be installed in stores in the future as part of our store refresh programme.



CEQ eMarket kiosks are being rolled out to provide our customers with a range of goods above the regular store offer via an online shopping portal, purchasing directly from the CEQ distribution centre.

This brings convenience to our customers, enabling them to shop online in our stores for household needs not available in their store location.

Customers can collect their purchases from within the store, and the freight is included in the purchase price, negating the need for customers to shop with online suppliers, arrange delivery themselves, or pay additional freight.

Products currently offered include furniture, whitegoods, household appliances, gardening equipment, camping gear, sporting needs, bulk products and more.





Chairperson's Message

On behalf of
the Board of
Management

Dear Readers,

As Chairperson of this Board of Management, I am honoured to share our significant achievements from the past year.

Throughout this financial year, the Board and Management teams worked closely to advance the strategic plan, address risks, and explore sustainable opportunities. We also focused on the presence of CEQ across the Torres Strait, NPA, and mainland Aboriginal communities, including Cape York, Doomadgee, and Palm Island.

I am proud of our governance and crisis response capabilities. This year, Cyclone Jasper and severe flooding had a major impact on the north, particularly in Kowanyama and Wujal Wujal. CEQ's quick and caring, every day, response demonstrated the organisation's strength and unity in addressing community needs.

The Board and Management also oversaw opening four new stores in Bamaga, Kirriri (Hammond Island), Mapoon, and Wujal Wujal. The new stores' presentations emphasise CEQ's commitment to healthy nutrition. This reflects CEQ's ongoing commitment to increasing its positive impact in communities.

At the same time, CEQ is becoming more aware of its environmental responsibilities to Country. This year, we calculated our carbon footprint as part of the organisation's required Environmental, Social and Governance (ESG) strategy. This included supporting community recycling initiatives.

CEQ has also driven impactful community development projects to help address critical issues such as the cost of living, nutrition, and what we can do regarding cultural preservation.

Working alongside community leaders, government agencies, and other stakeholders, CEQ launched programs aimed at improving the quality of life for customers and residents.

A notable achievement was CEQ's partnership with local schools to improve nutrition and health for young people. Through the school breakfast program with Foodbank, we are helping to ensure that the community's youngest members have the nutrition they need to succeed in school. CEQ is also committed to supporting and developing local CEQ team members by offering employment and career opportunities to those interested.

In addition, CEQ's Management Team's advocacy with the Government resulted in key developments, including a 20% increase in the Remote Communities Freight Assistance Scheme. The Power Savvy program provided energy-efficient appliances to Torres Strait and Northern Peninsula residents, often at no cost. The Board played a significant role in launching the Good Pasin (Give-back) program, which supported over 400 families and events this year.



Our commitment to incorporating culturally sensitive and inclusive governance practices has strengthened our business model. We aim to align these practices with Indigenous priorities, including the Closing the Gap and Thriving Communities' reforms, focusing on strong relationships with the communities we serve.

I am proud that our Board and Management Teams have committed to the business model that puts communities first, supported by store teams, supported by the Gimuy (Cairns) support centre, supported by Management Team leadership and the Board. Together with cultural capability for all, it is a challenging organisational and leadership model different from what you usually see. Sincere thanks for the care, courage, and leadership of our CEO.

Looking ahead and thinking about communities, we acknowledge pressures and challenges on the horizon.

However, through the strategic plan, focus on community outcomes, and collaboration with partners and stakeholders, I am confident that the upcoming third year of our strategic plan will continue to create positive futures for communities, our teams, and CEQ overall. The Board values the lessons we have learned from feedback and reflection; our Board and Management Teams' commitment to continuous improvement strengthens the foundation and our determination to achieve quality outcomes for the communities we serve.

With respect,

Joann Schmider
CEQ Chairperson



The CEQ Board





First Nations peoples are now among the most excluded, marginalised, and disadvantaged sectors of society. For many decades, decisions have been made for communities rather than with communities which has not addressed the social challenges of the past.

As per the United Declarations on the Rights of Indigenous Peoples Article 3 the duties to consult with First Nations peoples and to obtain their free, prior, and informed consent are crucial elements of the right to self-determination.¹ In recognition of this, CEQ utilises several engagement strategies including our website, public information sessions by our Engagement Team and our Happy or Not feedback kiosks in all stores. CEQ

also supports the formation of community-led advisory committees placing communities at the forefront of locally-led decision-making and solutions. As a result, strong tangible stakeholder and community working relations have been developed, creating opportunities, whilst gaining greater acceptance of CEQ as part of community.

CEQ has mapped out and developed strategic pillars that are closely aligned with the Queensland and Commonwealth Government’s key policy focus areas. CEQ’s ‘Good Pasin’ (Give-back) reinvestment strategy has strong links to support working towards addressing sections 60(B) and 60(Y) of the Aboriginal & Torres Strait Islander JLOM Act 1984,² the Queensland Government’s Integrated Development Framework under ‘Thriving Communities and 17 of the 19 National socioeconomic ‘Closing the Gap’ targets.³

The four frameworks of CEQ’s governing JLOM Act, CEQ’s 2023-2027 Strategic Plan, the Council of Australian Government’s Closing the Gap Priority Reform and the Queensland Government’s Local Thriving Communities Reform:



¹ Right to self-determination: Rights and Freedom, Australian Human Rights Commission.
² Aboriginal and Torres Strait Island Communities (Justice, Land & Other Matters) Act 1984, Part 7A, s60., p. 43 – p. 58.
³ 2023 Commonwealth Closing the Gap Implementation Plan (National Agreement), National Indigenous Australians Agency – Australian Government.

Council of Australian Government's Closing the Gap Priority Reforms and Targets



Formal Partnerships and Shared Decision Making



Genuine partnership is critical to accelerating policy and place-based progress towards Closing the Gap.

Governments commit to sharing decision making with Aboriginal and Torres Strait Islander people and organisations.

Transforming Government Organisations



Effective mainstream organisations should understand and recognise what is happening in communities; recognising and understanding the skills that Aboriginal and Torres Strait Islander people hold.

Governments commit to systemic and structural transformation of mainstream government organisations to improve accountability, and to respond to the needs of Aboriginal and Torres Strait Islander people.

Building the Community-Controlled Sector



Aboriginal and Torres Strait Islander community-controlled services usually achieve better results, employ more Aboriginal and Torres Strait Islander people, and can be given preference over mainstream services.

Governments commit to building formal Aboriginal and Torres Strait Islander community-controlled sectors to deliver services to support Closing the Gap.

Shared Access to Data and information at a Regional Level

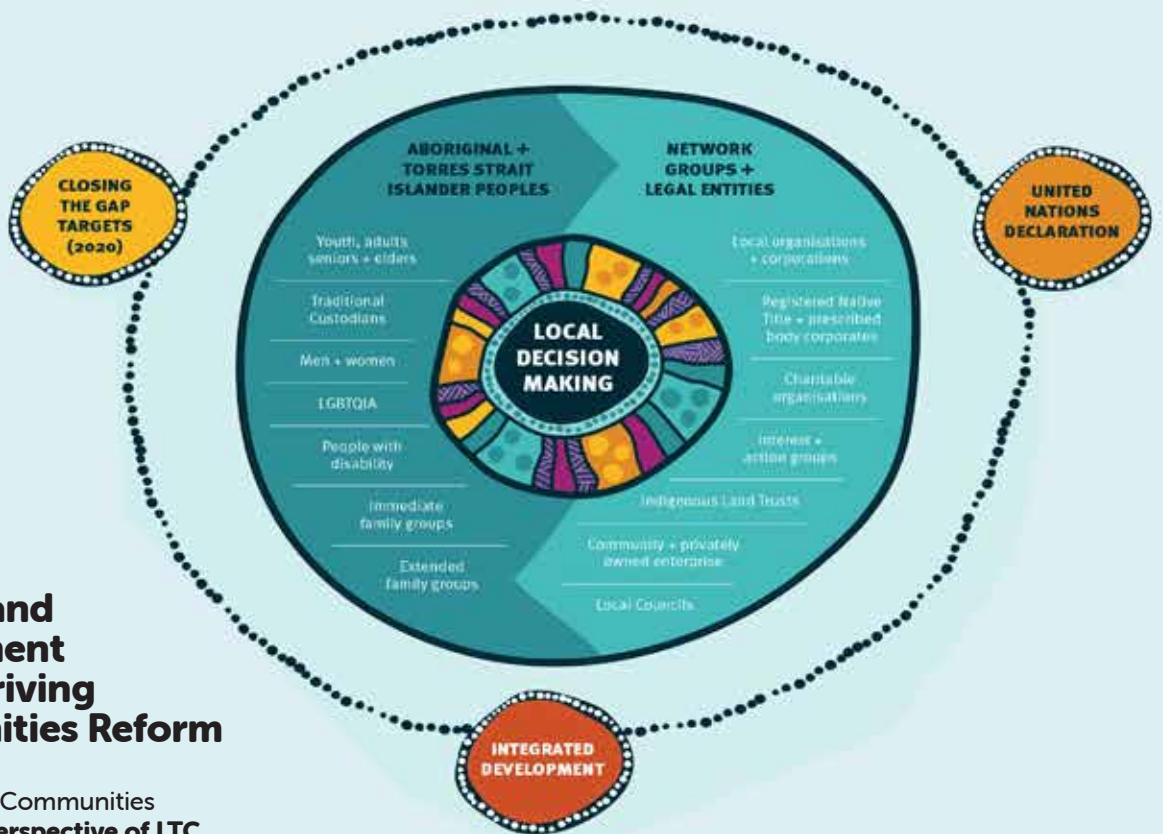


Disaggregated data and information is most useful to Aboriginal and Torres Strait Islander organisations and communities. It provides a more comprehensive picture of what is happening in their communities and supports better decision making about their futures.

Governments commit to enable shared access to location-specific data and information for Aboriginal and Torres Strait Islander communities and organisations.

Queensland Government Local Thriving Communities Reform

Local Thriving Communities
Community Perspective of LTC





At our Board of Management Strategy meeting in January, in addition to determining the organisation's future focus matters, it was agreed to simplify our 2024-2027 Strategy, Pillars and Headline Goals. In line with these changes, we have realigned our Board subcommittees and meeting structure to correspond with the new Strategic Pillars.

CEQ business units and corresponding General Managers have also been aligned with the new Pillars and subcommittees. This flow will continue throughout the organisation, aligning all CEQ functions, matters, operations, activities, and projects with our new strategic pillars. The new governance structure will be in place for the start of the new financial year.

Developing New Pillars

Simplifying the Strategic Pillars – easy to remember and easy to explain

FY24 Pillars

Healthier, More Sustainable Communities

Committed, Skilled Team Members

Robust systems, processes & supply

Collaborative, Inclusive Relationships

Capacity for Change and Expansion

Strong, Sustainable Business Model

FY25 Pillars

People

Optimisation

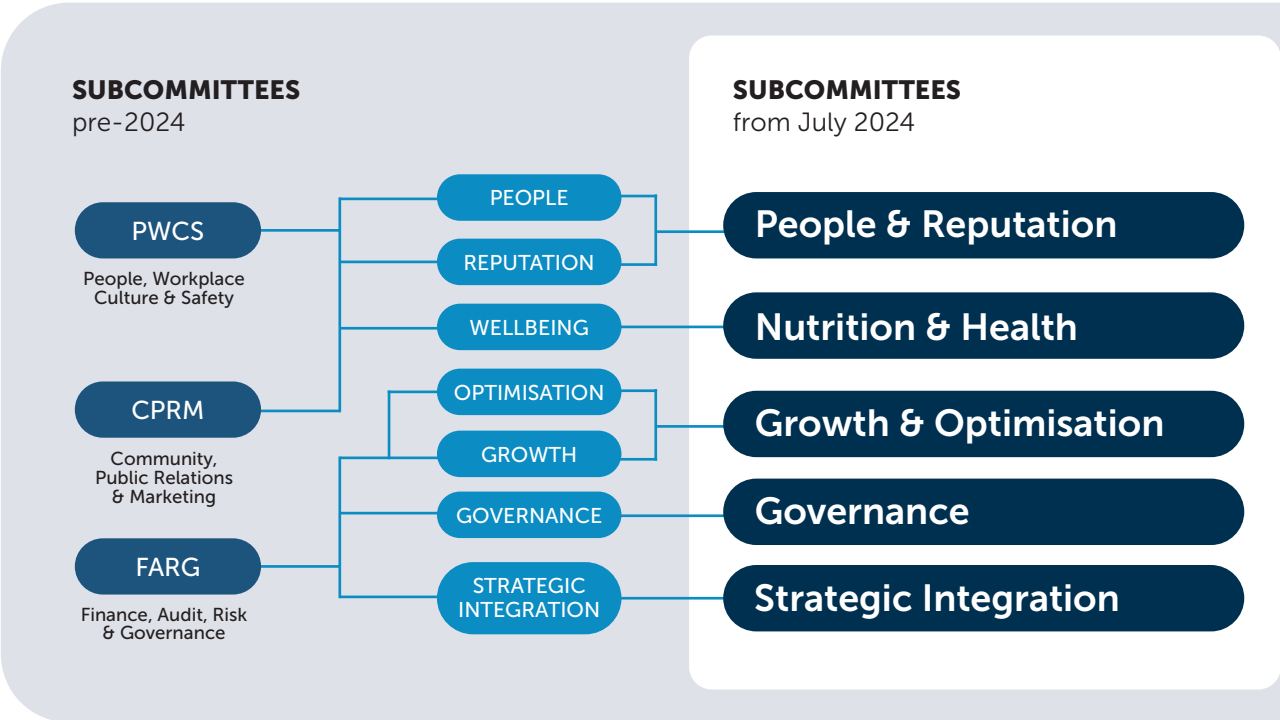
Reputation

Growth

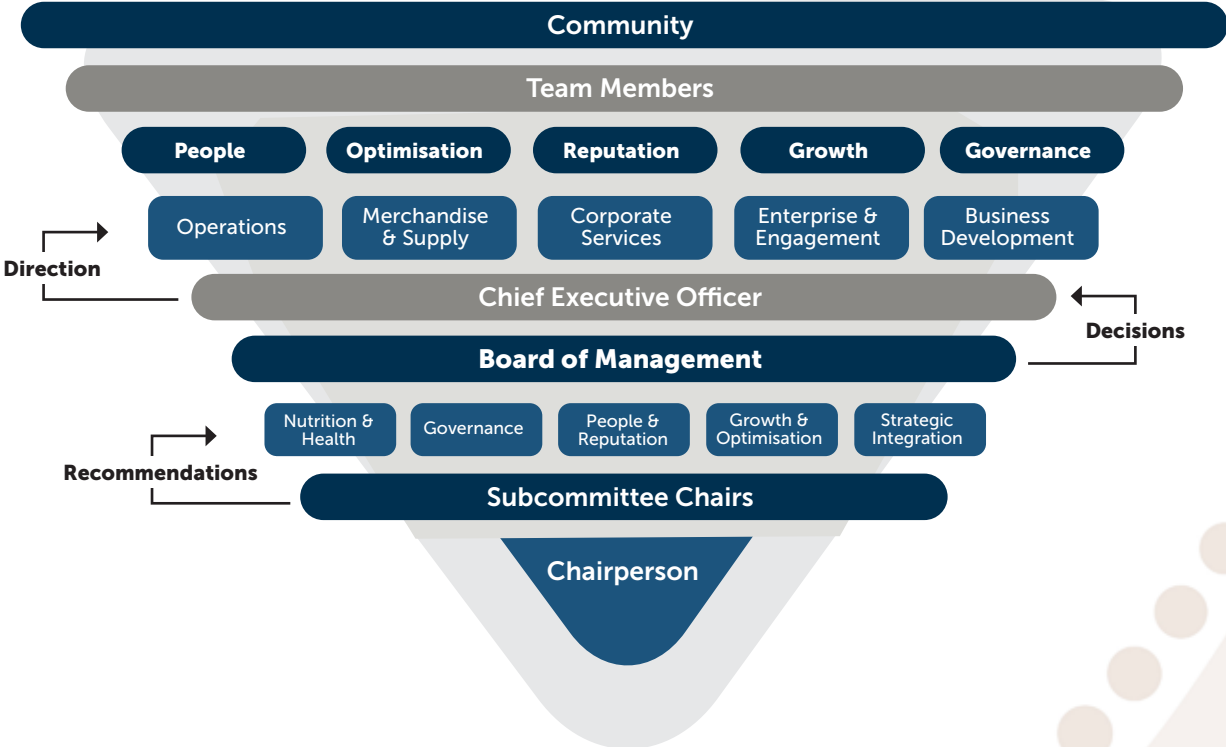
Governance

Nutrition and Health

New strategic pillars and pillar-related Board subcommittees to come into effect from 1 July 2024 as per below.



The hierarchy model puts our team at the top and indicated that our Executive and Board serve our team members and most importantly, communities.



Purpose, Mission, Vision, Values and Promises

Strategic Plan 2023-2027



Our Vision

Caring, Every day, Always



Our Values

Honest, Inclusive,
Respectful, Progressive,
Collaborative



Our Intent

Be Australia's
specialist Indigenous
product retailer,
expanding across
Australia and beyond.



Our Purpose

(A) to act as a commercial enterprise for the general convenience or benefit of the residents of the communities in which CEQ performs its functions; and

(B) to provide the communities with access to a range of food, drinks and household items essential for a healthy life at a fair price; and

(C) to apply its operating surplus or assets to promote, support and improve its services and the general welfare, including the knowledge and skills, of the Aboriginal and Torres Strait Islander residents.

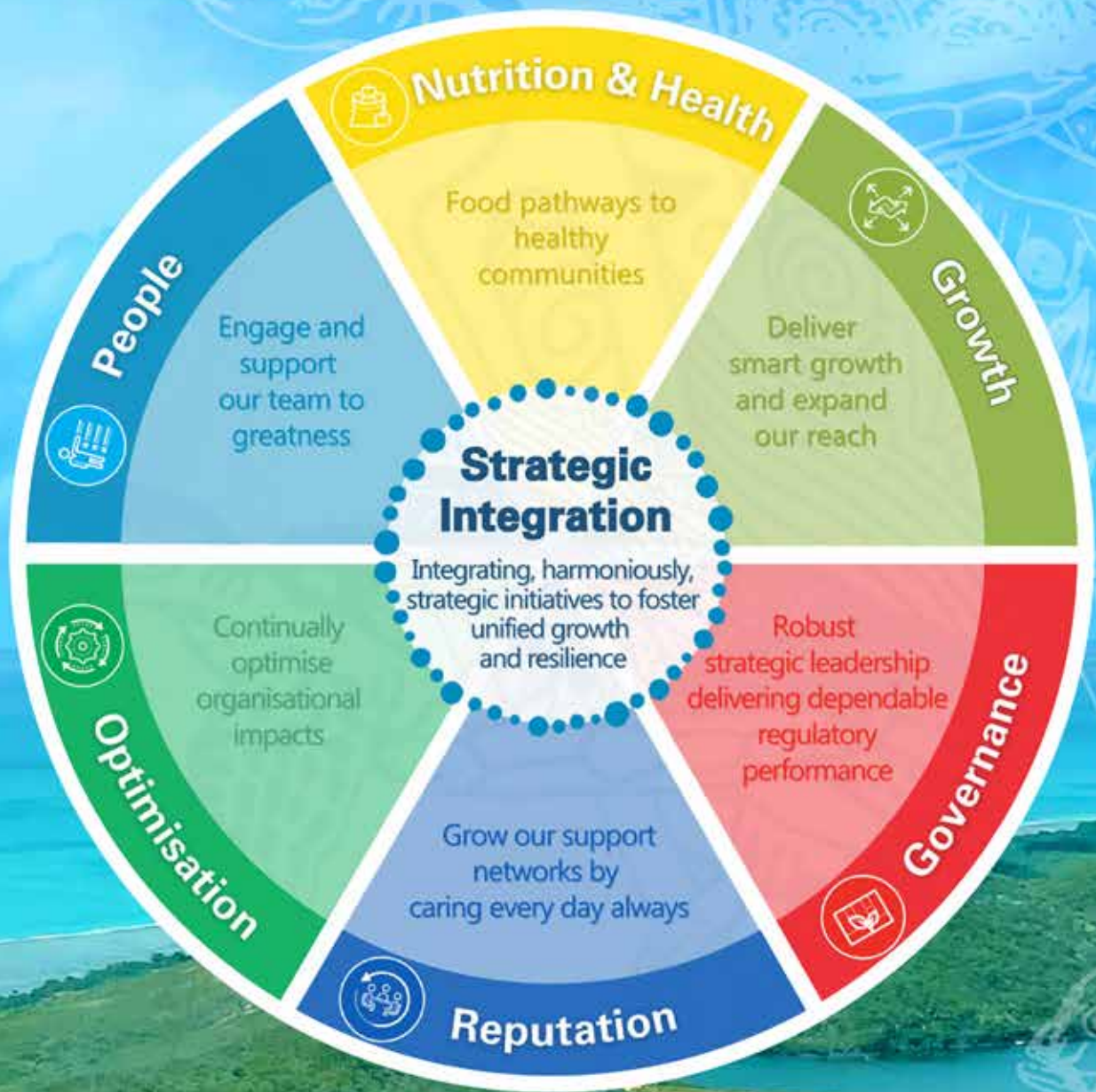
Examples of supporting residents:

- Encouraging and supporting the development of trade, commerce and business in the communities.
- Providing support for educational or health initiatives, local organisations and community programs or activities.



Our Mission

To provide essential
goods and services that
support communities
to be healthy and
sustainable.



Our Promises

1. We will listen to hear, not to speak
2. We will be ambassadors for our vision
3. We will innovate and nurture new ideas
4. We will share our wins and tell the world
5. We will do what we say we will, every time
6. We will never walk past a problem or issue
7. We will treat others like we want to be treated ourselves
8. We will lead by example and encourage others to do likewise
9. We will encourage diversity, inclusiveness and others to succeed
10. We will collaborate to achieve the best outcome for our communities



Finance, Audit, Risk & Governance Committee (FARG) Chairperson's Report



Our FARG committee consists of Board of Management Members and the Executive Team. During the year we met monthly to determine key recommendations to the Board within our Terms of Reference.

Whilst fulfilling the statutory role of an audit committee, the FARG also ensured internal control, risk management framework, and governance were compliant and appropriate for the organisation. It monitored the ongoing financial performance of CEQ and was responsible for ensuring audit recommendations were addressed. The Committee was also responsible for reviewing the financial accounts before their release and monitored the financial section of the CEQ Annual Strategy Action Plan.

The year ended 30 June 2024 was an exciting year for CEQ and the FARG Committee with many notable events occurring, including CEQ finishing the year with an unqualified audit from the Queensland Audit Office.

Key Committee achievements

- Significant ICT project implementations including Cloud migration, security platform upgrades and new back-office server hardware rollout across all stores.
- Internal Audit wide-ranging review completed on Human Resources and Payroll.
- Strong sales results across several stores.
- Weathering the storms and additional airfreight costs associated with a particularly challenging and long wet season.
- Completion of capital works.
- CEQ's budgetary process prior to the adoption by the Board for the 2024/2025 budget, including absorption of significant increases in sea freight contract costs and providing cost of living relief for our communities.

Financial performance

The FARG Committee has a key role in reviewing the financial performance of CEQ prior to reports going to the Board. CEQ continues to perform strongly year on year. From an operating result perspective (excluding capital revaluations), CEQ produced a net result of \$5.8M. Strong income up on the previous year of \$138.6M backed this and CEQ maintains healthy cash reserves and an accompanying liquidity ratio.

CEQ invested heavily in capital expenditure during the financial year at a cost of \$10.5M.

Despite increasing costs across the business in the areas of freight, manufacturer and supplier prices, labour and employment, maintenance, remote cost of living pressures, insurance and power, CEQ has delivered on our commitment to provide goods and services at affordable prices whilst remaining sustainable.

I would like to thank my fellow Committee Members for their efforts throughout the year and the CEQ team for a successful year serving our communities.

Ms Leah Cameron
FARG Committee Chairperson



CEQ Good Pasin (Give-back)

Supporting the TI Thunder volleyball team to participate in the Zenadth Kes Volleyball Carnival, keeping hydrated and promoting healthy lifestyles.



People, Workplace Culture & Safety Committee (PWCS) Chairperson's Report



Our PWCS committee consists of Board of Management Members and the Executive Team. We meet quarterly to determine key recommendations that are then put to our full Board.

The Committee is focused on our people, workplace culture and safety matters. We have had a very successful year and we have increased focus on our team members by devoting a strategic pillar to "People" in its new strategic plan.

Keeping our team safe

CEQ has a zero-tolerance approach for work health and safety incidents. CEQ invests heavily in WHS training, encompassing food and safety compliance, risk mitigation, first aid, respect at work, psychosocial health, toolbox talks and store audits.

People

Overall, our indigenous representation across the business was 76%, in remote stores this increases to 87%. Notably our local indigenous leaders represent 62% of all leadership roles in our remote stores, with Indigenous female leaders being our highest group at 40%.



Team member engagement

Our engagement survey has provided some useful insights to the executive team on how team members are feeling. We will look to evolve how we use the surveys to ensure increased participation which informs our continuous improvement strategies. Our latest survey in May had an increase in participation and engagement and we look forward to tracking our progress against feedback in the year ahead.

Training and retention

Attracting and retaining team members in community stores is an ongoing challenge. A critical activity is CEQ's migration plan to demonstrate to team members the benefits of permanent employment over casual employment.

Other initiatives commenced this year include facilitating a CEQ recruitment booth at various community events to promote career choices and opportunities within CEQ and partnerships with employment agencies.

CEQ's vision for team members is for local Indigenous people to view retail as a career and assume senior management roles. This is achieved by investing in team members through training and development and associated mentoring programs. Training and education form part of the organisation's most significant strategic imperatives.

One of CEQ's aims is for Store Managers to be able to assume a management role in any organisation. The practices that have been adopted at a store level are those that will be accepted in mainstream retail outlets. This also forms the basis of the mentoring program that has continued to be enacted during the year as part of CEQ's succession plan.

Future forward

Recognising and rewarding team members is integral to CEQ's workplace culture. New format Annual Partnership Plans have been rolled out to all team members, facilitating honest and constructive feedback and allowing individual career development. Leadership Development will be at the forefront of People & Workplace Culture strategies in the years ahead, with our Workforce and Leadership Development Strategy commencing this year. This important project will pave the way for remote Indigenous leaders to harness their greatest potential and to achieve their career aspirations.

Thank you to my fellow Committee Members for your support and participation in achieving our goals over the year. I am proud of the continued improvements we make for the most important part of our organisation, our People.

Mislam Sam
PWCS Committee Chairperson



CEQ Good Pasin (Give-back)

Supporting the Pormpuraaw School Camp so that knowledge and traditional cultural practices to be passed onto students to care and connect through the land..





Community, Public Relations & Marketing Committee (CPRM) Chairperson's Report

Our CPRM committee consists of Board of Management Members and the Executive Team. We meet quarterly to determine key recommendations to the Board within our Terms of Reference. The Committee is focused on community engagement, public relations, media, nutrition and health.

Good Pasin (Give-back) Program

In the first full year of our Good Pasin (Give-back) program, it is incredible to see the level of community engagement we have achieved. This has led to a positive surge in good sentiment towards CEQ and supports our ongoing desire to become a considered community partner.

This strategy has played a big part in securing the three new stores we opened this year. News of our Good Pasin (Give-back) activity spreads quickly, and hopefully we are reaching the hearts and minds of community residents across the communities we serve.

Community engagement

The expansion of our Enterprise and Engagement Team has allowed more regular visits to all of the communities we service. Community feedback received from these visits, together with the large amount of feedback obtained from our "Happy or Not" kiosks installed in all stores, enables the CPRM Committee to hear our communities' requests and act upon them.

Advocacy

The Enterprise and Engagement Team has done significant work over the year advocating for our communities with all levels of Government. CEQ is making our voice heard representing our communities on issues that impact them such as freight, cost of living, food security and infrastructure. We also continue to participate in and contribute submissions to all relevant cost of living and supermarket inquiries affecting our regions. We will continue to work with other entities and Government agencies on behalf of our communities.

Nutrition and Health

CEQ is committed to nutrition and health initiatives. During the year, CEQ delivered a revitalised Nutrition and Health Strategy with five (5) key objectives:

- Ensure the availability of nutritious food and drinks.
- Address the affordability of nutritious food and drinks.
- Create and maintain a supportive store environment encouraging customers to make healthier choices.





- Invest in nutrition and wellbeing education and promotion within the CEQ team and our communities.
- Advocate and collaborate to support initiatives that improve nutrition and wellbeing and celebrate culture and tradition.

To support this Strategy, CEQ appointed a second nutritionist and nutrition cadet, who have already made notable contributions through the Gather and Grow Healthy Stores project, a collaboration between CEQ and Health and Wellbeing Queensland.

Our Nutrition and Health Strategy has moved on to the next step of building a monitoring and reporting system that will allow us to evaluate our Strategy and measure the impact we are having. Monitoring is the only way to know if we are playing a supporting role in shifting the dial for health. This monitoring and reporting will also inform the strengthening of Strategy actions for continuous quality improvement and inform reporting to our Board, stores and communities.

Our Nutrition and Health Team have developed research collaborations as well as collaborations with health and nutrition professionals and store groups working in stores across Australia. Proudly, the Team also presented at 3 National conferences showcasing CEQ's Nutrition and Health Strategy and activities.

I would like to thank my fellow CPRM Committee Members and our CEQ Teams for their hard work and dedication and for consistently striving for the best outcomes for our communities.

Dr Mark Wenitong

CPRM Committee Chairperson



CEQ Good Pasin (Give-back)

Supporting the Lockhart River men to walk as one, yarning to support each other with mental health.



CEO Report

The impact of successful outcomes is what CEQ strives for. In closing out year 2 of our strategic plan, I am pleased the plan our Board of Management have established is delivering these outcomes.

It is with pride that I share some of the highlights our team has delivered throughout the year.

Quarter 1

We kicked off our Good Pasin (Give-back) program and in the first year supported over 400 families. We made the program easy for residents to obtain support from CEQ and invested over \$640,000 when communities and families needed us.

Through the Good Pasin (Give-back) program we supported events that are good for the soul and bring fun to residents, whilst supporting culture, such as the Tribal Nines Carnival, the Spring Festival, the Vern Daisy Cup, the Lockhart River Dance Festival, the Dan Ropeyarn Cup, the Doomadgee and Kowanyama Rodeos and the school breakfast program.

We launched our Senior Savvy trial, which offers over 60's a further 10% discount on their everyday shopping.

We launched our Nutrition and Health strategy, demonstrating that CEQ will be brave and make decisions for the health of our communities the priority over commercial gain.



We opened our Bamaga 'Store of the Future'. Due to the success of this store and the 42 new initiatives within, this store format will now be our model for all new stores and our store reinvestment program.

We commenced work on our store recycling initiative, which will see a new model introduced to ensure we remove the store waste from each location we operate in and do our part to protect these beautiful environments.

We supported the Queensland Government Freight Assistance Scheme and introduced those discounts to every store that qualified, ensuring every cent is passed to the customer as quickly as possible.

Quarter 2

We welcomed the Kirriri (Hammon Island) store to the CEQ family. The improvement to the lives of residents in Kirriri can not be underestimated, as CEQ's pricing model means that they are no longer disadvantaged and pay the same price as the large IBIS store on Waibene (Thursday Island).

The wet season started early, and our response to natural disaster/extreme weather events kicked in. We coordinated stock for Red Cross and Foodbank to support evacuation centres. We established airfreight to provide stop gap measures with fresh food shortages. Through Good Pasin (Give-back) program, we donated \$20,000 to the Wujal Wujal Community to assist in the purchase of a bus to transport school kids and residents post the immediate flood damage.

Additionally, our teams maintained our essential food supplies to cut-off communities for 26 weeks, spending \$1.3M in airfreight services.

We welcomed new Board of Management Members and embarked on internal governance restructurings that better fit our strategic direction. The year ahead will see these embed and our learning grow. We have an exciting, refreshed strategic plan which is now anchored on seven key pillars: People, Reputation, Optimisation, Growth, Governance, Strategic Integration and Nutrition and Health.

Quarter 3

We welcomed the Mapoon store to the CEQ family. I am delighted with the direct feedback we receive from the community and Council on the store service and offer. We look forward to supporting Council with their vision for the future services they plan to introduce.

We received International recognition in the Retail World publication, noting CEQ's operations in remote communities and regions as being one of the industry's most complex, costly, and diverse sectors. The Bamaga 'Store of the Future' was recognised in raising the standard of remote retail stores.

Quarter 4

We welcomed the Wujal Wujal store to the CEQ family. Working with Q Build and the local Council, together we delivered a transformed retail store offer that continues to receive positive feedback. This resilient community went through so much during the devastating flood event in December, it is heartening to know that their new local shop will now make it easy for them to access essential food and services.

With heightened focus on our team members, we have devoted a strategic pillar to "People" in our revised strategic plan. New format Annual Partnership Plans have been rolled out across the organisation and excitingly, we commenced our Workforce Leadership and Development Strategy which will be a focus of the year ahead.

Team member wellbeing was also at the forefront of our activities over the year. We launched Viva Engage, our internal social media platform enabling team members to communicate across the organisation. We also introduced value cards, allowing team members to nominate their colleagues displaying our values through our Team Member of the Month awards.

CEQ were active in advocacy and support within three food price inquiries. Our submissions acted to correct misinformation and provide clear facts to allow the inquiries to establish recommendations that are well-informed.

Cost of living remains our biggest challenge and opportunity. We are committed to working with stakeholders to ensure the customers we serve daily are fully supported and CEQ remains strong and sustainable for today and into the future.

I would like to thank our customers for their continued support of the organisation, we know your shopping choices are limited, however we never take that for granted and aim to present a store that is full of choice at fair prices. I thank our partners, suppliers and service providers, we know you go the extra mile to support us and we appreciate it. Thank you to our Chairperson and Board of Management for being brave with their clear focus to support the community, this makes delivering on our vision of caring, every day, always more attainable. Lastly, thank you to my Executive Team and our committed, dedicated retail store and support team members. I say it often, but without you, none of this works. Thank you.

Caring, every day, always.

Michael Dykes
Chief Executive Officer



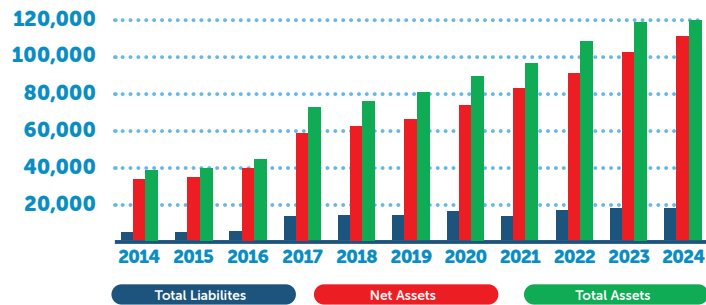
Sales
\$135.9M

8% increase on budget

Surplus
\$5.8M

85% increase on budget

Assets and Liabilities over Time
\$M



87%
remote
Indigenous
employment

846
training modules
delivered to team
members

\$21.1M
in wages and employee
expenses supporting
local economies

\$642,926
in Good Pasin (Give-back) donations
and sponsorship to communities

32 Government visits and meetings

140 Stakeholder visits and meetings

Cost of living

CEQ recognises that the biggest issue facing the people of the Torres Strait, NPA and remote Indigenous communities is the rising cost of living.

The financial pressures on families leave less disposable income for food consumption, fuel, transport, rent and power. CEQ is acutely aware of the environment and demographic in which we supply goods and services and strives to ensure that customers have choices under our healthy food choices and pricing approaches.





Pricing

CEQ has pricing policies to mitigate against margin increases on essential goods. CEQ continues to manage price increases on everyday essential items through margin reductions and our Good Pasin (Give-back) program to reduce the impact of cost of living increases on community residents.

Competitive and market alignment price checks (CEQ vs. major retailers) are carried out weekly on fresh produce and monthly on meat. CEQ prices remain significantly lower than those of other remote independent retailers.

CEQ's fuel pricing structure is designed to cross-subsidise the Outer Island communities, enabling us to hold their sell price under \$3/litre. CEQ remains the cheapest fuel service in the Torres Strait, which supports families and their fishing practices

Advocacy

CEQ is also committed to working with other agencies and the State and Commonwealth Governments to assist in raising the living standards within each community.

CEQ's year commenced with the team deputising to the Government on the importance of infrastructure maintenance and the need to offset the increasing cost of sea freight, which currently impacts our customers and team members' living costs.

Following our submission, CEQ welcomed the Queensland Government's Remote Communities Freight Assistance Scheme, aimed at reducing freight-related cost of living pressures in the Northern Peninsula Area, Torres Strait and Gulf Region. The scheme has resulted in discounts of over \$1.1M being applied at the registers in CEQ IBIS and ABIS Stores to date. The Queensland Government's announcement that the freight subsidy will increase to 20% in 2024/2025 is truly an excellent outcome for our communities.

CEQ has also welcomed the Queensland Government's commitment of \$96M to support marine infrastructure improvements in our communities.

The **Ergon Retail PowerSavvy rebate** is being administered through our Col Jones Store. This program provides rebates to residents and local businesses of the Waibene, Ngurupai and the Northern Peninsula Area (NPA) on the sale price of selected new 4 star or higher, energy efficiency rated appliances. The program will continue until 31 January 2025 for a total rebate of \$1.1M. CEQ customers' savings for the five months to June 2024 were \$210,000.





CEQ continues to participate in and contribute submissions to all relevant cost of living and supermarket inquiries affecting our regions. We are also participating in national food security working groups. During the year CEQ put forward the following recommendations to the Australian Government:

- Establishment of more local distribution centres by wholesalers in major regional centres to remote communities;
- Implementation of a freight equalisation scheme to reduce the 'cost of living' pressures experienced more acutely in remote First Nations communities we serve; and
- A requirement for food and grocery manufacturers and producers to offer remote retailers the same pricing accessible to major supermarket chains.

Supply chain price increases

Retailing in remote communities in Far North Queensland and the Torres Strait Islands is the manifestation of an extremely complex supply chain. CEQ formats and locations cover an area of 16,657 km² and our transport routes and deliveries cover 4.4 million kilometers each year to get goods on the local store shelves.

In the wet season CEQ charters aircraft out of Cairns to ensure weekly deliveries of fresh produce and dairy goods are maintained.

CEQ absorbed a cost of, \$1.27M for 144 air charters to Kowanyama, Pormpuraaw, and Doomadgee supermarkets, delivering more than 174,000kg of products to these communities.

Freight constitutes 13% of CEQ's turnover due to the length of the supply chain and associated costs in delivering goods and services. Unlike most retail practices elsewhere in Australia, suppliers do not deliver free into the store.

CEQ experienced large increases in supply chain costs during the year. Inflationary and end-of-contract costs associated with truck, rail, air, and sea freight were the most significant risk facing CEQ. The Board instructed the business to absorb all freight increases without increasing customer prices, in order to alleviate further cost of living pressures in our communities.

Manufacturer and supplier price increases

During 2023-24, CEQ was not immune to manufacturer price increases. The Board also held back manufacturer increases on key lines, thereby offering them at lower margins to our customers. Continued price increases from manufacturers threaten sustainability as goods procured (COGS) account for 88% of expenditure on goods and services.



Further CEQ Cost of Living Initiatives

Savvy Senior Card – Initially rolled out in our new Bamaga store, our seniors can present their card at the checkout to obtain a 10% discount on the cost of eligible goods.

Cultural Events Policy - Supporting key cultural significant events through donations and Sorry Business in communities through a 10% discount on the cost of eligible goods.

Good Pasin (Give-back) Program - This policy seeks to guide the delivery of CEQ's 'Good Pasin' (Give Back) community reinvestment program which provides financial and in-kind assistance to not-for-profit community organisations and individuals by way of sponsorships and donations, listed under the following categories: Economic Environment, Environment Built, Social, Economic, Cultural (inc. cultural governance), Spiritual & Personal, and Civic/Political. We are currently in the development of an Essentials Basket, inclusive of staple items, that will be cross-subsidised under the Good Pasin Policy.

Small business accounts - CEQ has accounts established to enable small local businesses to purchase materials from Mitre 10 on Waibene (Thursday Island). A repayment plan forms part of the agreement. The aim is to provide opportunities for small local businesses to excel and to continue the development of a local economy in the Torres and Cape regions.

Fruit for schools program - CEQ's Fruit for Schools program is a part of CEQ's Good Pasin (Give-back) and is aimed at being able to support school students with the provision of fresh fruit each week. Whilst healthy eating is highly promoted, it is also a part of supporting family through cost of living challenges. 23 Schools are provided with two boxes of fruit each school week and this is distributed to the students either as part of breakfast programs, at lunch time or as a healthy snack break.

Partnership with Foodbank - The joint Memorandum of Understanding solidifies the commitment of both organisations to increasing food security, reducing hunger in the region and assisting families affected by cost-of-living challenges. The School Breakfast Program provides breakfast to remote school students across 27 communities, with CEQ's contribution being the consolidation, distribution & freight delivery costs from Cairns to each community.

Gather + Grow support - CEQ are a part of the Gather + Grow Healthy Stores project funded through Health and Wellbeing Queensland. One of the key objectives of our Nutrition and Health Strategy is to "address the affordability of healthy food and drinks". We aim to achieve this through adopting pricing practices that preference healthy products. In addition, our promotional efforts focus on healthier product price discounts, dedicated to make healthier products cheaper and ease cost of living pressures.

Pick of the Crop is another \$8K initiative supporting local schools to promote healthy eating and teaching students to be more self-sustainable by harvesting fruit and vegetables. This is a part of alleviating cost of living pressures also.

Grant writing on behalf of small community businesses - CEQ supports individuals or small local thriving businesses by developing grant applications on their behalf. Recent applications have been for Community Garden Grant Packages to support the establishment of community-owned gardens.





Environmental, Social and Governance



Environmental

Working with climate experts
Stantec over the year, CEQ has commenced our Climate Change Action Strategy and established our base carbon footprint.

Stantec undertook a detailed climate change risk assessment and greenhouse gas emissions assessment of our business activities. The outcomes and recommended actions will help CEQ reduce our carbon footprint and mitigate risks to our business operations, assets, supply chains and the communities we support. It will also ensure compliance with legislative requirements.

Additional environmental projects conducted by CEQ over the year include developing a solution with Containers for Change to roll out across our store footprint and securing a \$312,500 grant to establish collection infrastructure to collect cardboard boxes and clear plastic pallet wrap from our stores and transport them to a collection depot in Cairns for processing.

20 containers were required to be custom-made for storage and freighting of the recyclable material and are now located at each of the CEQ stores in the project throughout the Torres Strait and Cape Communities.

We also completed our Bamaga store solar installation during the year.

Social

CEQ's Commitment Charter

Management of CEQ are committed to a workplace that values and respects First Nation cultures and the diversity this brings to our organisation.

Our charter therefore establishes expectations of cross-cultural sensitivity and cross-cultural capability for all CEQ team members, to ensure respect and consideration of First Nations and the interfaces within Indigenous and between Indigenous and non-Indigenous are at the forefront of our workplaces and all associated practices.

We commit to having cross-culturally competent team members who:

- Understand and respect the concept of culture and how it influences behaviours, as well as interpretations and evaluations of behaviours.
- Demonstrate an openness and willingness to identify and explore one's own cultural values, beliefs, and attitudes.
- Demonstrate an openness and willingness to explore the same things from the perspective of people from diverse cultural backgrounds other than their own.
- Demonstrate the ability to identify useful and culturally appropriate strategies for working with people from diverse cultural backgrounds.

CEQ's Reconciliation Action Plan

Reconciliation Australia has reviewed the second draft of CEQ's Innovate Reconciliation Action Plan and provided their approval to progress. We can now start on the final stage towards a professional publication that will result in a RAP that is unique to CEQ and the communities we operate in.

Human Rights and Modern Slavery

CEQ respects, protects, and promotes the human rights of all Queenslanders. We are building the rights-based approach by changing policies and procedures to highlight them, ensuring that human rights are central to our work in line with the Human Rights Act 2019 (Qld).

CEQ is committed to ensuring that our suppliers' employees are provided with good working conditions and treated with dignity and worth. CEQ customers expect high service levels and expect CEQ to act ethically in its behaviours. We now require supplier contracts to include statements on both their employee(s) and supplier chain demonstrating compliance with the Modern Slavery Act.

Governance

CEQ has a commitment to compliance, ethics, internal corporate culture, transparency, accountability and leadership.

The model developed by CEQ strives to represent best practices in retail service delivery in remote Indigenous communities.

Our focus on incorporating and adjusting governance practices and business to be culturally sensitive and inclusive of diverse communities further reinforces our business model's strength, resilience and effectiveness. We actively seek to align these practices with the Australian and Queensland Government's Indigenous commitments, including the Closing the Gap Priority Reforms and Targets and Local Thriving Communities Reform. Embedded in our organisation's approach, these practices help deliver improved community outcomes.



**RECONCILIATION
AUSTRALIA**

Cross Cultural Capability

Cultural Resource

IBIS WisWipi Cafe COLJONES Mona's BAZAAR MIGHTY HELPFUL MITRE 10 ABIS

Caring, every day, always



Enterprise and engagement

Our Enterprise and Engagement Team conducts regular CEQ community information sessions for residents across our communities. These information sessions are designed to share all the great work achieved across CEQ and engage resident voices from across our different regions.

CEQ is also active on social media platforms, sharing good news stories about CEQ, our team members and our communities.

We expanded our Enterprise and Engagement Team by appointing a new ABIS & Cape Engagement Manager to facilitate our growing commitment to community engagement and support.

CEQ introduced customer feedback “Happy or Not” kiosks in all stores during the year. This has been an excellent tool for gauging customer feedback on service levels and receiving requests from community members. Results are available in real-time across the organisation, which enables efficient response times. In one year alone, over 86,000 responses were received.



Good Pasin (Give-back) Program

CEQ's Good Pasin (Give-back) program actively demonstrates CEQ's support of the communities in which we operate. Our Good Pasin (Give-back) program framework is aligned with the Queensland Government's Local Thriving Communities Reform Integrated Development categories. Over this year, CEQ provided more than \$642,000 in financial and in-kind assistance to not-for-profit organisations and individuals across various communities, with approximately 400 requests to support community initiatives. This financial support is critical in enabling various programs and events to thrive, empowering community members and ensuring their needs are met.

Activities supported around the Good Pasin (Give-back) program categories throughout the year have included:

Environment (natural and built): Community Clean Up Days and the Recycling Program are being launched in the Torres Strait and Cape Communities. Supporting Community Clean Up Days has enabled CEQ to be involved in community pride and sustaining a great environment for all.

Social development: The provision of fruit for schools continues to be embraced, with \$55,000 worth of fruit distributed to promote healthy eating habits, boost concentration levels, and support overall wellness throughout the school day.

To support the TAGAI Gardens in Schools Project, 17 shade houses were provided for campuses throughout the Torres Strait.

Other school activities included school camps, cultural days, sporting events, transition to senior school information sessions and NAIDOC celebrations.

Understanding the importance of education and skill-building, three recipients have been provided with support to empower them to commence their tertiary education in nursing and nutrition. By facilitating access to training opportunities, we aim to equip community members with the necessary skills to pursue their goals and contribute to the local economy.

Economic development: Local businesses including the Badu J&J's Supermarket, Jumbun Store and Injinoo Service Station received support with startup, expansion and development.

Donations 2024

\$642,926 total donated YTD June

\$179,204	Civic/Political development
\$174,211	Social development
\$84,459	Cultural development
\$80,897	Spiritual & personal development
\$56,801	Environment (natural and built)
\$45,795	Cultural governance
\$21,559	Economic development

Cultural development: Supporting cultural events and celebrations is always a priority as this nurtures intergenerational connections and sustains cultural identity.

Our team also attended these events to engage with the community: the Lockhart River Dance Festival, Mer Maboo Day, Waibene (Thursday Island) NAIDOC, and the Coming of the Light celebrations.

Cultural governance: CEQ continues to support families for Sorry Business and traditional ceremonial occasions such as initiation ceremonies.

Spiritual & personal development: The sponsorship of sports carnivals and teams has been a big focus. Some examples are the Battle of Islands Touch Football Carnival, Junior Rugby League Development Camps, Warraber Zenadath Kes Volleyball Carnival, Island of Origin Football Carnival, Palm Island Junior Rugby League, Dan Ropeyam Cup, Vern Daisy Football Carnival and AFL Cape York competitions. Church events and community support groups included the 'Kowanyama Our Learning Our Way' program.

Civic/Political development: To assist with cost of living expenses, price support of \$150,000 was allocated to subsidise the \$1 bottles of water. We partnered with local Councils supporting community events, such as the Wujal Wujal Healing Ceremony, Pormpuraaw Community Fishing Day, support groups, community meetings, and Christmas events.

The integrated development approach means equitable balancing: FY25's focus.

Fred Gela
General Manager
Enterprise & Engagement





Nutrition and health

Our Nutrition and Health Team has had another big year of activity setting up solid foundations and connecting with community.

In October 2023, the Team officially launched CEQ's Nutrition and Health Strategy and has been working collaboratively with other CEQ departments to progress our mission to support communities to be healthier and more sustainable.

To turn strategy into action, CEQ has introduced an internal Nutrition Policy that guides CEQ's stocking, pricing and operational practices and encourages all departments to work toward our nutrition and health objectives. One of the key achievements from this Policy has been the focus of promotional efforts towards healthy products and providing customers with a shopping experience free from promotion of less healthy food and drinks.

The CEQ Merchandise and Supply Team have delivered promotional deals and fortnightly specials that reduce prices and increase customer awareness of healthy and essential goods.

CEQ Store Teams have also worked hard to implement our Nutrition and Health Strategy at the store level, through placing healthy products in prominent positions in store and making changes to relocate the less healthy products away from high traffic areas including check outs.

Gather + Grow Program

Throughout the year, CEQ has continued to partner with Health and Wellbeing Queensland on the 'Healthy Stores Project' as part of the Queensland Gather + Grow Strategy to improve food security in remote Aboriginal and Torres Strait Islander communities.



In October 2023, La'Shauna Nathaniel joined the Team in our nutrition cadet 'learn and earn' position and has been working alongside our store nutritionist to deliver the Healthy Stores project across our stores. Throughout the year, the Nutrition Team has conducted 38 store visits and developed 38 local store action plans to facilitate changes to make the healthy choice the easy choice. Through this project, the Team has also run 63 health promotion and community activities.

Melinda Hammond
Nutrition and Health Manager





Nutrition & Health Strategy 2023-2027



Ensure availability of healthy food and drinks



Invest in nutrition and wellbeing education and promotion within the CEQ team and our communities



Address the affordability of healthy foods and drinks



Advocate and collaborate to support initiatives that improve nutrition and wellbeing, and celebrate culture and tradition



Create and maintain a supportive store environment that encourages customers to make healthier choices

38 nutrition store visits

63 health promotion and community awareness activities

3 national conferences : to talk about CEQ's progressive work in nutrition and health

1,113,638 kg fresh fruit and vegetables sold : This is a 6% increase in fresh fruit and vegetables volumes sold since FY2023



CEQ Good Pasin (Give-back)

Supporting students with University studies so that they can achieve their career aspirations.



Operations and online



The Operations Team has had a remarkable year whilst dealing with the significant challenges of cost of living and an extended wet season in the Cape communities.

Our dedicated Team are committed to delivering ongoing exceptional service and healthy choices in a collaborative and safe working environment across our 30 stores.

The Operations Team has continued to focus on increasing full-time employment and opportunities for local Indigenous community members to enter into Supervisor and Assistant Manager roles.

The extended wet season presented significant challenges for our Cape stores of Kowanyama, Pormpuraaw and Doomadgee. All CEQ Teams worked together tirelessly to ensure stores were well stocked with dry goods and grocery prior to the wet season and throughout. Healthy fresh food options were flown into these communities via chartered flights during the 26 weeks of road closures.

We welcomed three new stores to the CEQ family at Kirriri (Hammond Island), Mapoon and Wujal Wujal with all three stores now providing communities with a fantastic range of grocery, dry goods, electrical and plenty of healthy options.

It was an outstanding finish to the financial year with record sales results. It is a testament to everyone at CEQ, especially our dedicated Store Teams, for the hard work and commitment they put in every day.

Store standards have consistently stood out as a highlight over the year and are reflected in our sales.

The Hardware Team has had an excellent year, continuously excelling in customer service and expanding their product range. The newest addition to the CEQ family, the Wujal Wujal Store, looks fantastic and has been well received by the community.

The Col Jones Team has also been incredibly busy processing the PowerSavvy rebate sales. We finished the year with tax-time deals across all stores, which resulted in a boost to figures and cleared stock ready for the new financial year.



Training delivered

- 337 : online training modules
- 267 : technical training modules
- 146 : accredited modules
- 96 : professional development modules

96 HR inductions

16 accredited qualifications

Our customer feedback kiosks Happy or Not have been well received in all communities, with over 115,000 responses and an overall happy index of 73% across all stores. We are certainly listening and responding to our customer and community needs.

The Training Team has been very active visiting stores and delivering an enormous amount of training across the organisation over the year. An outstanding result from the Team.

Our Maintenance Team has dealt with over 600 maintenance requests and have made sure our stores and accommodations are maintained to provide a safe, compliant working environment for all our team members across CEQ. Ongoing maintenance costs significantly impact our business because of the extreme environment, tyranny of distance and lack of tradespeople to attend to repairs.

CEQ has worked extensively on preventative maintenance programs over the last 7 years, with benefits in reducing reactive maintenance and early capital replacement. Internally, CEQ has increased our general repairs and maintenance and has put together a Refresh Team to visit our stores on a rotational basis to improve their general condition and presentation.

Fleet replacement has been a priority this financial year, with five communities receiving replacement vehicles. A new vehicle purchase policy has been implemented, focusing on safety, resale and sustainability. Electric or hybrid cars will be purchased where possible.

As we look ahead, the Operations Team are dedicated to upholding our CEQ values, delivering our strategic priorities and serving the communities we have the privilege to be part of.

Caring, every day, always.

Tony Flint
General Manager Operations



CEQ Good Pasin (Give-back)

Supporting the Kirriri women to come together and celebrate their achievements on International Women's Day.





Merchandise & supply

This year has been marked by considerable progress and achievements that have strengthened our operational capabilities and reinforced our commitment to the communities we serve.

A key highlight was the successful negotiation and execution of the sea freight contracts, a critical step to ensure supply continuity across our operations. This achievement has allowed us to maintain a reliable and efficient supply chain, which is essential in supporting our stores.

One of our impactful programs launched this year was the Foodbank Memorandum of Understanding (MOU). Under this agreement, we partnered to initiate a quarterly School Breakfast Program, where the freight from Cairns is facilitated through our freight team. This program has already made a tangible difference in the lives of many children, ensuring they start their school day with a nutritious meal. Additionally, the Foodbank MOU enabled us to assist in disaster management, specifically during the major flooding event in Cairns. Our distribution centre played a crucial role in storing and dispatching disaster management stock to those in need during this challenging time.

Further expanding our support for the communities, we participate in the Queensland Government Remote Communities Freight Assistance Scheme. This scheme was developed to ease the freight related cost of living pressures in remote communities. By offering discounts on essential goods at the time of sale in store, we are providing much-needed relief for families and individuals struggling with financial pressures. The positive feedback from those who benefited from the scheme emphasises its importance and impact.

Fostering strong relationships with our trade partners is essential for delivering affordable goods to the communities we serve. By collaboration and open communication, we can ensure a reliable supply chain that meets the diverse needs of our customers. Our dedication to these partnerships is highlighted with CEQ's inclusion in the Woolworths Group Reconciliation Action Plan for May 2023 to May 2025.

The most extended wet season in CEQ history has been an enormous challenge. However, our team has risen to the task and maintained stock in our stores in remote communities isolated by floodwaters. The Merchandise and Supply Team put in a fantastic effort to ensure that our Doomadgee, Pormpuraaw, and Kowanyama stores had continuity in fresh food supplies.

These achievements reflect the collective effort and dedication of our team. We extend our sincere thanks to all involved for their hard work and perseverance in making this year a success. We remain committed to supporting our communities and look forward to building on this year's successes in the future.

Caring, every day, always

Casey Kelly
General Manager
Merchandise & Supply





\$1,276,066 total
Wet season freight costs to Cape communities

174,018 kg total delivered | **144** flights 

WEEKS CUT

- Doomadgee - 13
- Kowanyama - 25
- Pormpuraaw - 22



CEQ Good Pasin (Give-back)
Supporting the Style Flawa Football Team in the Battle of the Island Touch Carnival to take the positive path of making deadly choices, promoting inclusivity and well-being through sports.



"On behalf of AGW, I would like to extend our thanks for hosting us on the recent trip to visit some of your stores. The experience was immensely valuable, and we really appreciate the effort and hospitality extended to us throughout our visit.

We were particularly impressed by your store managers and the pride they take in their work. It was clear to us that their commitment to excellence is a significant factor in the success and positive reputation of your stores, please pass on our sincere thanks to them all.

Thank you once again for your generosity and for providing us with such an insightful and rewarding experience. We look forward to continuing our partnership and exploring further opportunities for collaboration."

Brittney Potts - Key Account Manager, Australian Grocery Wholesalers

Business development

✓ Healthy Kai Kai



The Business Development Team incorporates and aligns the business strategies appropriately into the planning and development of all projects.

During 2023/2024 the Business Development Team made significant progress in supporting two of our strategic pillars: Growth and Optimisation.

Key achievements include the launch of the 'Value' driven Bamaga 'Future Store' in October 2023, which introduced 42 innovations aimed at reducing the cost of living, whilst offering mainstream shopping benefits to remote First Nations communities. Notable innovations include Deadly Deals, bulk pack savings, lower-cost staples and seniors discounts. These initiatives have been well-received, showcasing CEQ's commitment of listening to and addressing the needs of the communities we serve.

The Business Development Team led projects to expand CEQ's footprint by opening 3 new stores in Mapoon, Kiriiri (Hammond Island), and Wujal Wujal. The Wujal Wujal store opening was particularly special, as it coincided with the community's return to country ceremony after devastating floods in December 2023. The store, branded as "ABIS Local" and named "Wujal Banyan Mayiji" (the house of food) by community elders, played a vital role in restoring access to essential goods for the returning residents.

CEQ took over operations of the Kiriiri store on 30 November 2023, following extensive refurbishments and upgrades, allowing the community access to a larger range of groceries and fresh food without the need to travel to Waibene. In Mapoon, CEQ entered into an agreement with the Mapoon Aboriginal Shire Council to manage the local Rugapayn store, with the official opening held in February 2024. The CEQ team's swift action and dedication were praised by community leaders for ensuring reliable food security in Mapoon.





Beyond these store openings, the Business Development Team also completed other capital projects, such as purchasing the Monas Bazaar building and converting the old Nurupai (Horn Island) store into two self-contained units. These developments reflect CEQ's ongoing commitment to enhancing community retail access and contributing to the wellbeing of residents across remote regions.

The Business Development Team is planning an exciting year ahead with projects including; a multi-store refresh/refurbish programme, the conversion of the old Bamaga Supermarket building into a Home and Hardware style store, and potential acquisitions to investigate for the Growth and Optimisation of CEQ and the communities we serve.

Caring, Every Day, Always.

Randal Crabbe
 General Manager
 Business Development



Corporate services



The Corporate Services Team consists of the key support functions of finance, payroll, workplace health and safety, risk management, people and workplace culture and information and telecommunication services.

While we are not always at the front line with customers, our role is crucial in supporting the entire CEQ team with systems, information, and making sure all team members receive the training and tools they need to safely and efficiently service the CEQ community.

Finance and payroll

CEQ had a very strong finish to the financial year with record sales results. It is a testament to everyone at CEQ for the hard work and commitment they put in every day. During August 2024 CEQ achieved another unqualified audit from the Queensland Audit Office. Whilst the Finance Team provide the primary interface for audit, this result is a reflection on the whole of the organisation. We have also worked closely with our Internal Auditors to conduct workforce and payroll reviews to improve our processes. During the year we onboarded many new team members and there is an increased focus on improving and documenting our systems and processes.



Governance and compliance

The ever-increasing legislative and compliance requirements for statutory bodies have necessitated a focus in this area, which will continue into the year ahead. CEQ's Environmental, Social and Governance Framework is being developed and a first important step was completed within our Climate Change Action Strategy whereby the organisation's carbon footprint was assessed and our first steps in carbon emissions reduction identified. Organisational adherence to the Modern Slavery Act and Human Rights Act are also important parts of our ESG work. Significant changes to policies and procedures have been necessary over the year to align CEQ to the Queensland Government Procurement Policy and the emphasis on local and Indigenous procurement.

People and workplace culture

We are now in our second year using the team engagement survey. The survey is an important tool for providing team members with a voice to the Board of Management, assisting the Board with aligning strategic goals with team member feedback. The continued use of the survey will be integral to our connection with team members and demonstrating our vision statement: caring, every day, always.

Team member development will be a firm focus with the commencement of our exciting Workforce and Leadership Development Strategy late this year. This project will pave the way for meaningful strategies that support team members with their career aspirations and will ensure CEQ's goals for future leaders are firmly planted in community centred visions. We foresee more exciting changes and future growth in the People and Workplace Culture Team, as we strive to achieve our continuous improvement initiatives and to further support our peers and leaders all around the business.

Workplace health and food safety

Our WHS and Training Teams worked in conjunction to deliver workplace health and food safety training and store audits over the year. Continuous improvements in policies and processes reflects CEQ's zero tolerance approach to WHS incidents. Our incident and hazard reporting statistics and the closeout of all matters on a timely basis has improved and continues to improve every month.



ICT

During the year, CEQ undertook several large ICT projects to improve efficiencies and cyber security:

Cloud migration project: CEQ completed the migration of all corporate data and critical server workloads into two new cloud computing platforms, Pronto Cloud and Microsoft Azure. This project required incredible effort and focus over 12 months. The business did not experience any outages or downtime during the migration, which is a testament to the project's planning and management. Key benefits that CEQ can now leverage include high availability and scalability, robust security profile, disaster Recovery+Back-Up, end-to-end, secure, resilient disaster recovery services, proactive monitoring and support, regular system and database administration, patches and upgrades.

Security platform upgrade project:

Over the past 12 months, the CEQ IT Team has also been migrating to a new end-to-end Palo Alto security and network platform. The new platform comprises next-generation firewalls, cloud-hosted firewall as a service (FWaaS), physical branch firewall appliances, and the latest endpoint agents with leading-edge threat detection and response technologies.

This project has strengthened CEQ's security position, allowing it to continue working towards its security targets (aligning itself with the Queensland Government's 'Essential 8' and 'Zero Trust' security frameworks).

Server rollout project: Another significant project recently completed was the rollout of new back-office server hardware across all CEQ stores. In addition to a new server, stores received a new back-office PC, allowing all stores to use Microsoft Teams and join meetings when required. The new servers have been deployed with resilience and reliability in mind. The servers have redundant power supplies, hot-swappable hard drives and enterprise management controller for improved remote management.

Smart Retail launch: March this year saw the beginning of the rollout to all IBIS and ABIS stores of 'Smart Retail'—an upgraded, more functional version of Grocery Manager, CEQ's Point of Sale system for IBIS and ABIS stores. The first step involved extensive planning and travelling by the IT Team to install new equipment in preparation for the migration from Grocery Manager to the Smart Retail system which is now live in all stores.

I would like to thank all members of the Corporate Services Team for their hard work and dedication over the year.

Caring, every day, always.

David Pollak
General Manager
Corporate Services



Net result

\$5.8
million

\$138.6 M Income

\$10.5 M

capital expenditure

\$21.1 M

employee expenses

16%
of total expenses

\$135.1 M vs \$125.1 M

sales vs budget actual

Repairs and maintenance \$3.8 M

WHS audits and inspections carried out

average score **93.23%**

501

Thank you and acknowledgements

We thank and acknowledge the following people who have helped make a difference to CEQ and our communities over the last year and prior. Without the collaboration, guidance, support and contributions so generously given to CEQ by so many, we would not be the organisation we are today.

CEQ team members. On behalf of the Board of Management and the Executive Management Team, we would like to thank each and every member of the CEQ Team for the unwavering commitment and hard work you give to our organisation. Our people are our greatest asset and demonstrate our commitment of Caring, every day, always.

To our Store Teams working tirelessly on the ground every day. Even with operating our stores in challenging environments, you provide exceptional customer service, ensure our communities have access to the goods and services they need, and take pride in your stores and your role in serving your communities.

To our Store Support Office and Freight Teams. You are the engine room of our organisation. Every role in these teams plays a crucial part in supporting our stores and our communities. Thank you for your dedication, your innovation whilst continuously striving for better outcomes and your willingness to go the extra mile to ensure the success of our organisation.

CEQ is proud to have many team members with long terms of service with our organisation. In 2023 and 2024 the following team members reached significant tenure milestones:

15 years

Glen Whitton, Cairns

Rachel Anson, Erub

Ted Loban, Col Jones

Frederick Matthew, Waibene

Harry Pilot, Erub

Felisha Billy, Poruma

20 years

Alma Gowa, Bamaga

35 years

Pamela Johnson-Barry, Palm Island

Ilikena Debea, Palm Island

Communities, Councils, Registered Native Title Body Corporates (/Prescribed Body Corporates), and community organisations both incorporated and not

CEQ would like to express our gratitude to all traditional custodians for Country, customers and community residents, Councils and community organisations for your support and your challenge to us to deliver on our legislated purpose to provide communities with good access to groceries and household items and help support residents.

Torres Strait Regional Authority, Queensland Health, and Foodbank partners

We acknowledge and sincerely thank you each for your partnering with CEQ this year to deliver cost of living, nutrition and wellbeing outcomes in the remote communities we serve. Our partnerships evidence the real difference organisations can make by working together.

Minister Leeanne Enoch, Robert Willmet Deputy Director General, Kathy Parton Deputy Director General, Greg Anderson Executive Director, and the Department of Treaty, Aboriginal and Torres Strait Islander Partnerships, Community and the Arts

We gratefully thank you for your support in our line of authority accountability over the year. This has enabled CEQ to strengthen our governance practice, expand CEQ's service footprint in the remote communities, and to be heard on matters relating to delivering CEQ's legislated purpose and its impact for communities.

Cynthia Lui MP

Thank you to the Member of Parliament for Cook, Cynthia Lui. Ms Lui was instrumental in securing the freight assistance subsidy for remote locations and continued to push for the recent increase to a more meaningful discount.

Anthony Bird

CEQ recognises you, Anthony, for your 8 years of service including as General Manager, Corporate Services and a key part of the Executive Management Team that helped steer CEQ to fulfilling our purpose of acting as a commercial enterprise for the benefit of the residents of remote communities we serve. Your commitment and dedication enabled continuous improvement of the essential corporate systems.





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