Australian Government

Australian Office of Financial Management

AOFM

CORPORATE PLAN 2026–27

ACKNOWLEDGEMENT OF COUNTRY

The Australian Office of Financial Management acknowledges the traditional owners and custodians of the land in which we live and work. We extend that acknowledgement to their continuing connection to country, waters and community. We pay our respects to all elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples.

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MESSAGE FROM OUR CEO

The Australian Office of Financial Management (AOFM) is Australia's sovereign debt manager.

We issue debt securities on behalf of the Australian Government and manage its cash and debt portfolios. We also implement government initiatives relating to the Australian securitisation market. Through our activities, we support a well-functioning Australian Government Securities (AGS) market.

This Corporate Plan outlines our strategic direction for the reporting period 2026–27 to 2029–30. It provides an overview of our operating environment, purposes, key drivers and activities, risk management approach and performance measurement framework.

Our focus on advancing the AOFM's key drivers strengthens our capability, resilience and effectiveness, supporting the continued delivery of our purposes in complex and uncertain market conditions.

The AOFM manages risks effectively and has a debt management program that is highly respected by participants in the Australian sovereign debt market. Through several market disruptions, the AOFM has demonstrated its ability to effectively support the Australian debt market. Our efforts to support our strong relationships with market participants and government stakeholders, as well as maintaining a diverse and deep investor base, remain the cornerstones of our approach to achieving our key purposes.

The AOFM's ability to deliver is underpinned by our diverse, experienced and highly skilled workforce. As an organisation that has continuous improvement at its core, we actively seek opportunities for innovation while continuing to manage our work within our risk appetite.

The AOFM is well-positioned to support the performance of our staff members with a structure designed around functional alignment and an understanding of the capacity and capabilities required to perform and deliver on AOFM's core purposes.

I am pleased to present our Corporate Plan, as required under paragraph 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013*. This is our primary planning document and has been prepared in accordance with the requirements of the PGPA Act.

I look forward to leading the AOFM in 2026–27 and reporting on our progress through the annual performance statements in the AOFM Annual Report.

Anna Hughes
Chief Executive Officer
Australian Office of Financial Management
10 August 2026

OUR AGENCY

OUR MISSION

To meet the Australian Government's debt financing needs and, as directed, domestic lending market policy objectives.

OUR VISION

Building a stakeholder-focused organisation with a strong international reputation for excellence in sovereign debt management, and employee engagement and innovation.

OUR VALUES

TRUST

To act reliably with integrity and transparency.
To work respectfully and collaboratively.

EXCELLENCE

To continuously improve through curiosity and innovation. To adapt to changing circumstances and deliver as a prominent, respected authority.

DIVERSITY

To welcome all perspectives and embrace different ideas. To be valued as our authentic selves, and to respect and include everyone.

OUR PURPOSES

Ensure resilient, reliable and scalable funding, while considering costs and risks, for government programs and policy implementation to enable the Australian Government to deliver policy outcomes for all Australians.

Foster a broad investor base and promote liquid primary and secondary debt markets to help manage overall borrowing costs and risks.

Support the development of the Australian securitisation market by increasing the availability of credit provided to small and medium enterprises.

OUR KEY DRIVERS

Prioritising innovation and managing change.

Managing our workforce and the work environment.

Strengthening relationships with our stakeholders.

The AOFM will achieve its purpose through 5 key activities over the reporting period (2026–27 to 2029–30). These activities support the Australian Government's debt financing needs, promote confidence in the Australian Government Securities market, and contribute to relevant domestic lending market policy objectives.

OUR KEY ACTIVITIES

Deliver effective debt management that considers costs and risks.

Deliver effective liquidity management that considers costs and risks.

Conduct investor outreach in accordance with the annual investor relations plan.

Conduct settlements for AGS issuance, coupon and redemption payments.

Manage the Australian Business Securitisation Fund (ABSF) program to support the Australian securitisation market.

OUR OPERATING ENVIRONMENT

The AOFM's Debt Management Strategy outlines how we intend to manage the government's debt portfolio. In formulating the borrowing strategy, we conduct qualitative assessments of costs and risks. We consider the external environment, including the global economy, potential risks and bond market conditions.

THE GLOBAL ECONOMY

Global economic growth is expected to remain modest over the reporting period, reflecting geopolitical tensions, trade fragmentation and tighter financial conditions. In Australia, inflation increased over the second half of 2025 and into 2026 due to capacity pressures in the economy. Additional pressure from higher fuel and commodity prices due to the closure of the Strait of Hormuz ensured that inflation remains above the Reserve Bank of Australia's target band. Monetary policy settings were tightened during 2026 and there are now signs that economic activity is slowing as these tighter financial conditions weigh on demand and consumer/business expectations.

OUTLOOK FOR RISKS

Risks to the global outlook remain elevated and skewed to the downside. Key risks include a re-escalation in trade tensions, increased global policy uncertainty and ongoing geopolitical developments. Conflict in the Middle East disrupted global energy markets and contributed to renewed inflationary pressures during 2026. While supply conditions have partially recovered, the durability of the recent de-escalation is uncertain and renewed disruption to energy and commodity markets remains a key risk.

Fiscal pressures remain a concern globally, with many economies managing elevated levels of public debt following pandemic-era support measures and cost of living responses. These budgetary decisions mean that many nations remain reliant on an elevated level of bond issuance over the longer term. This is occurring during a period of structurally higher interest rates.

Overall, the global outlook remains uncertain, with the future direction dependent on the direction of monetary and fiscal policy, geopolitical developments and the resilience of financial markets.

OUTLOOK FOR BOND MARKETS

The AOFM continues to operate in a complex and evolving macroeconomic environment. Government bond yields have risen and volatility in fixed income markets has at times been elevated as inflation and policy expectations have repriced. We remain focused on supporting a well-functioning AGS market while managing risks arising from government funding requirements, cash management, interest rate movements and evolving investor preferences.

Demand for AGS is expected to remain strong, supported by their high credit quality and liquidity, though traditional safe-haven dynamics have at times been less pronounced in a higher-inflation environment. A diverse and stable investor base continues to support market resilience, with around half of Treasury Bonds on issue held by offshore investors. Treasury Bond issuance in 2026–27 is expected to be similar to 2025–26, consistent with the issuance program announced at the 2026–27 Budget.

The sovereign green bond market is expected to continue to evolve, however, issuance will remain a small proportion of total Treasury Bonds outstanding. Pricing dynamics for green bonds are expected to remain closely aligned with conventional bonds.

OUR CAPABILITY

PEOPLE

Our people are central to our success, with many holding specialist technical expertise in financial markets and debt capital markets, or in professional fields. Maintaining a capable, skilled and sustainable workforce is critical to ensuring we continue to deliver and meet current and future needs.

The AOFM will continue its focus on workforce capability and refining the systems, structures and practices needed to ensure a high-performing, agile and future-ready organisation. This includes a strong focus on automation, streamlining and improving processes, reducing data risk and optimising the use of systems and technology to enhance efficiency and decision-making.

In 2026–27, the AOFM will complete its Strategic Workforce Plan (People Plan) and commence implementation of the key priorities identified through the plan, providing a structured approach to meeting our future workforce needs. The plan will focus on 5 key workforce pillars: capability, critical roles, talent, succession, and retention. We will continue to bolster organisational capability by identifying current and future workforce needs and supporting employees to continually develop and embed the skills, knowledge and behaviours required to meet evolving operational and strategic demands. This includes strengthening leadership capability, continuing to support professional development and improving workforce planning practices across the organisation.

We recognise the importance of retaining critical knowledge and ensuring workforce continuity. We will progressively implement defined approaches to confirm our critical roles, continue to support talent development and improve and formalise succession planning to strengthen organisational resilience and reduce workforce risk.

We will continue to foster a culture where collaboration, integrity and continuous improvement are embedded in the way we work, and where employees are encouraged to speak up, challenge assumptions, contribute to innovation and better outcomes.

The AOFM considers its people its greatest asset, and the safety and wellbeing of our employees remains a priority. Building on the strong foundations established through our Wellbeing Strategy, we will continue to provide safe, flexible and supportive workplace practices that enhance engagement and overall employee experience.

Consistent with the Australian Public Service (APS) Strategic Commissioning Framework, we perform our core work in house and use minimal outsourcing.

TRUST AND INTEGRITY

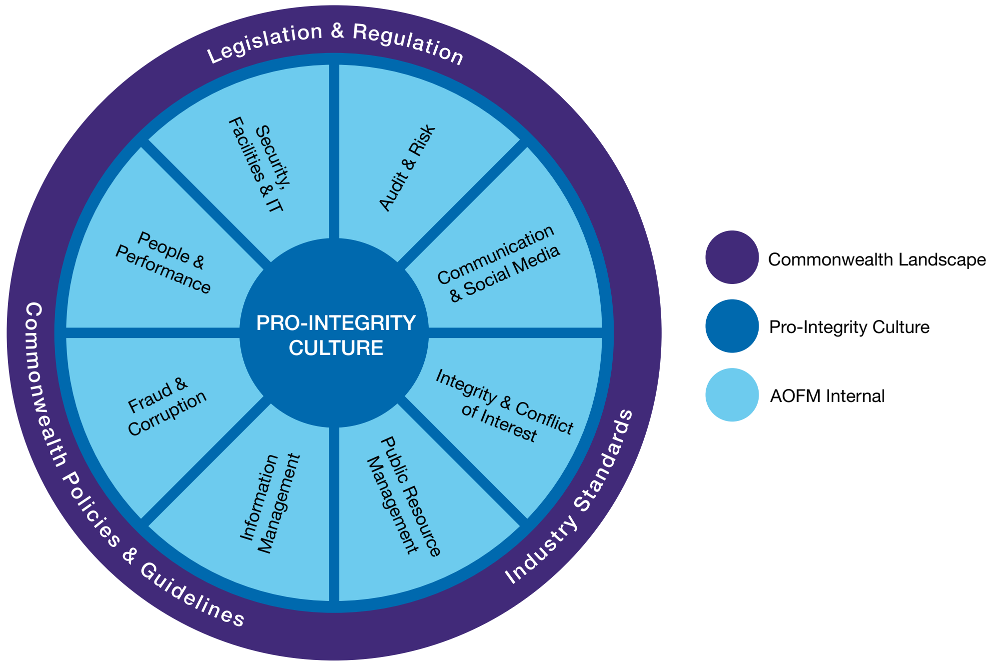
As an APS agency, the AOFM has a unique and privileged responsibility to serve the Australian community. As Australia's sovereign debt manager, and a cornerstone of the Australian debt capital market, we play a critical role in supporting the efficient functioning of Australia's financial system. This role carries a responsibility to uphold the highest standards of professionalism, integrity and ethical conduct. The trust placed in us by government, market participants and the broader community is fundamental to our success and is reinforced through the actions of our people, the strength of our systems, and the integrity of our decision-making and practices.

The AOFM's Integrity Strategy (Integrity Strategy) outlines AOFM's approach to building and sustaining trust with stakeholders, setting clear expectations for behaviour, promoting accountability and transparency in decisions and actions and fostering a pro-integrity culture.

AOFM's Integrity Framework (the Framework) is a core foundation of the Integrity Strategy (Figure 1) and articulates how the AOFM promotes a pro-integrity culture and responds to its regulatory environment at the Commonwealth level and with industry through the Australian Financial Markets Association Code of Conduct. The Framework uses both active and passive measures for detecting, preventing and uplifting practices that drive a pro-integrity culture, including through policies, guidelines, staff forums, training and communication channels.

We have a minimal risk appetite for integrity related risks and expect our people to demonstrate the highest standards of professionalism, ethical conduct and accountability, while striving for excellence in the work they perform and the outcomes they achieve. In 2026–27, the AOFM will continue to embed the Integrity Strategy developing indicators to assess its implementation and effectiveness, delivering further tailored training on integrity matters for managers and contract managers and reinforcing staff awareness of their obligations under our Conflict of Interest Policy.

Figure 1: AOFM's Integrity Framework



TECHNOLOGY, INFORMATION AND DATA

Delivering our purposes relies on effective technology and timely, accurate and secure access to data and information to support analysis, decision-making, transaction execution and resource management.

The Department of Treasury (the Treasury) supplies the AOFM with information and communications technology (ICT) via a Memorandum of Understanding (MoU). This supports the agency's technology requirements. Due to the Treasury's size and capabilities, the AOFM benefits from the economies of scale of Treasury's resources and expertise, allowing the modernisation and continuous improvement of ICT functionality.

The AOFM also utilises key vendor-provided applications to facilitate our markets-facing activities and operates a separated environment for contingency if access is lost to the Treasury network.

Digital strategies to support future business requirements

Our technology strategies focus on enabling secure, data-driven and efficient operations that support core financing and market management functions. This includes ongoing modernisation of systems, strengthening data capabilities and enhancing analytical tools to support navigating increasingly complex financial and market environments. Our strategies prioritise reliability, cyber security, resilience and scalable solutions that allow us to adapt to changing operational and policy requirements.

Alignment with broader trends

Our approach aligns with broader APS and global technology trends, including increased use of advanced data analytics and artificial intelligence (AI), greater emphasis on cyber security and data protection and the adoption of modern, flexible digital platforms. Our agency's growing use of AI, supported by an internal AI and Data user group, is consistent with the Australian Government's commitment to safe and responsible AI adoption, including alignment with the APS AI Plan. These initiatives support more efficient processes, improved insights and enhanced capability and engagement amongst our workforce.

ICT capability improvements through cooperation and shared services

The AOFM leverages a close partnership with the Treasury through an MoU under which Treasury provides ICT services. This arrangement enables the AOFM to access scalable infrastructure, specialist expertise and shared platforms, improving efficiency and reducing duplication. The current renegotiation of the MoU presents an opportunity to further strengthen alignment on our key drivers, enhance service delivery, and better utilise Treasury's scale and capability. Continued collaboration, co-investment and participation in shared service arrangements will support improved ICT capability, resilience and value for money across both entities.

OUR RISK OVERSIGHT AND MANAGEMENT SYSTEMS

The AOFM manages risks in accordance with the Commonwealth Risk Management Policy. We implement this through our Accountable Authority Instructions and our risk management framework, which consists of organisation-wide risk management policies. These are supported by specific financial risk management and investment policies and procedures that are tailored to our debt, cash, and investment portfolio responsibilities.

The AOFM's risk management framework aims to support a positive risk-aware organisational culture, where:

- Proactive risk and opportunity management and the making of risk-based decisions is underpinned by a mature understanding of our control environment.
- AOFM officials understand their legislative obligations and are empowered to mitigate threats or explore opportunities.

Our CEO is accountable for risk management and is supported by our executive leadership, who oversee and champion risk management. Our Audit and Risk Committee advises the CEO on the appropriateness of the AOFM's risk and internal control frameworks.

The AOFM's Risk Management Strategy (Risk Strategy) articulates the AOFM's views regarding its current appetite and tolerance for risks and opportunities. The Risk Strategy is endorsed by the Executive Leadership Group and approved by the CEO as part of the annual corporate planning process. The Risk Strategy is supported by the Risk Management Guidelines, which articulate a consistent approach to risk management including the monitoring of key risk and control indicators, and the assessment of climate risk and opportunities.

FINANCIAL RISK MANAGEMENT

The execution of our debt and cash management activities requires close cooperation between the AOFM and the Treasury. To deliver on our mandate, we operate in accordance with an annual remit that has been approved by the Secretary to the Treasury.

The Financial Risk Management Policy (FRMP) details the approach the AOFM uses to manage most of our enterprise risks (portfolio, liquidity, market and credit risks) and the Debt Management Strategy (DMS) and the Liquidity Management Strategy (LMS), which together comprise the Annual Remit, articulate the AOFM's appetite and tolerances for these risks. The DMS and LMS are approved at the beginning of each financial year.

The AOFM Advisory Board then considers these tolerances and assists the Secretary to the Treasury (Chair) in assessing the AOFM's proposed strategies and plans. The Secretary to the Treasury approves the FRMP and the AOFM's Annual Remit which articulates limits, targets and thresholds for debt and cash management activities. These underpin the performance measures we use to demonstrate achievement of our purposes, monitored through the AOFM's performance measures reporting.

STRATEGIC ISSUES

The AOFM undertakes analysis on an annual basis to identify current and emerging issues. A high-level summary of the internal and external strategic issues identified for the AOFM for the period of this plan are:

- **External:** In a volatile and uncertain global political and economic environment there may be increasing demand for the AOFM's products and services. We have a mature and scalable model that ensures we can engage with government and deliver what it needs.
- **Internal:** As a specialist agency that relies on key staff in complex roles that require knowledge of multiple disciplines, the AOFM must deepen its understanding of our workforce to ensure ongoing capability and resilience. Increasing the strategic nature and maturity of our workforce planning capability will allow us to proactively manage key people risks, anticipate future workforce trends, and support sustainable organisational performance.

Table 1 outlines the AOFM's Enterprise risks relating to key activities.

ENTERPRISE RISKS RELATING TO KEY ACTIVITIES

Table 1: outlines the AOFM's Enterprise risks relating to key activities.

Key Activity	Risk Appetite
Deliver effective debt management that considers costs and risks.	Cautious
Risks to the delivery of effective debt management such as poor portfolio strategy and execution or loss of market credibility are managed through scenario analysis, cost-risk modelling and understanding of broader economic, financial market, geopolitical and investor trends and dynamics. These support the formulation of our Debt Management Strategy. We also monitor for errors in our published data to support transparency and predictability in the market. We have a mature approach to managing business continuity risk to our systems and monitor our third-party business continuity arrangements to avoid market or operational disruptions caused by the AOFM's action or inaction.	
Key Activity	**Risk Appetite**
Deliver effective liquidity management that considers costs and risks.	Minimal
Risks to the delivery of effective liquidity management such as refinancing (rollover) risk, forecasting and funding risks are managed through cash forecasting and a liquidity buffer to ensure that we can meet the planned volume of funds being raised for the day-to-day outlays of government. Our Liquidity Management Strategy outlines the actions we take to manage the refinancing profile and the cost of various strategies.	
Key Activity	**Risk Appetite**
Conduct investor outreach in accordance with the annual investor relations plan.	Balanced
We engage extensively with a wide range of stakeholders, including domestic and offshore investors, intermediaries, the Reserve Bank of Australia (RBA) and other sovereign debt issuers, to better understand trends and drivers of activity and monitor for fluctuations or breakdown in markets and/or observed correlations between instruments or currencies. We monitor coverage ratios as a proxy for market demand and liquidity. We also review our counterparties' conduct including how registered bidders apply information barriers, manage risk, legal and reputational issues.	

Key Activity	Risk Appetite
Conduct settlements for AGS issuance, coupon and redemption payments.	Minimal

Settlement failure arising from either the AOFM or a counterparty defaulting on its AGS obligations or credit risk exposure from investments, would compromise the AOFM's financing obligations and carry with it the potential for significant reputational impact. We ensure that the AOFM and our counterparties deliver on transactional obligations related to AGS and we have minimal tolerance for the AOFM or a counterparty failing to deliver funds or securities in accordance with the terms of a contract at the time of settlement.

Key Activity	Risk Appetite
Manage the ABSF program to support the Australian securitisation market.	Cautious

The AOFM employs a robust methodology in relation to assessing structured finance proposals and the monitoring of current investments, due to the nature of the underlying asset classes. The AOFM conducts extensive internal analysis of prospective and current investments, supplemented by ratings agencies' presale reports, credit opinions, and ongoing monitoring. We monitor counterparty performance against pre-settlement obligations on an investment and draws following investment (for example, portfolio eligibility criteria and parameters) and ensure we deliver funds or securities in accordance with the terms of a contract at the time of settlement.

Table 2 outlines the AOFM's risk and opportunity appetite scale.

Table 2: The AOFM's risk and opportunity appetite scale

Risk-taking attitude	Risk Appetite
Risks should be minimised as much as possible through effective and actively managed controls. Opportunities will not be pursued if the potential negative impacts exceed the benefits.	Minimal
Risks should be actively managed. Opportunities will be pursued where there is confidence that the benefits to be derived are worth pursuing despite the presence of some potential threats.	Cautious
Risks can be taken where there is a balance between the potential benefits and downsides. Typically, this posture will not be adopted for threats to critical business processes. Opportunities will be considered where there is potential to harness emerging or strategic benefits.	Balanced

OUR COOPERATION – RELATIONSHIPS AND STAKEHOLDERS

The AOFM engages with a cross-section of external parties such as industry bodies, market participants and government agencies through roundtables, investor engagement, conferences, committees and working groups. We do this to share the insights we gain at the interface of government and financial markets with policymakers to support their deliberations. We also benefit from the experiences of issuers, investors and intermediaries to support our own decision-making processes.

We engage extensively with a wide range of stakeholders, including domestic and offshore investors, intermediaries, the RBA and other sovereign debt issuers, to better understand trends and drivers of activity – such as buying and selling AGS – and make informed decisions about our funding operations. Our agency works closely with the Treasury, advising on sovereign balance sheet risks, valuations and related matters, as well as to stay informed of potential changes to the financing task.

Effective cash portfolio management requires timely forecasts of government outlays and tax receipts, so we communicate frequently and closely with spending agencies, the Department of Finance, the RBA, and the Australian Taxation Office.

The Green Treasury Bond program requires cooperation and consultation with a range of stakeholders. Our agency jointly manages the program with the Treasury, so an effective relationship with the Treasury is vital to the smooth delivery of the program including allocation and impact reporting. We engage with sovereign and state government issuers to share learnings on operating labelled bond programs. Consultation with investors and sustainable finance experts helps inform settings for the program and set market expectations. Our Deputy CEO is a member of the Green Bond Committee – an interdepartmental oversight body.

To inform our decisions on the ABSF investment program, we maintain strong, productive relationships with intermediaries, investors, and the Australian Securitisation Forum. We are also furthering our reach into other government agencies, sharing our insights on funding conditions and challenges for small to medium enterprises and the non-ADI lenders to those firms.

We share our observations on conditions in the markets in which we operate with the Treasury, the RBA and other Council of Financial Regulators members.

To further strengthen Australia's economic story to investors, the AOFM and semi-government issuers are working more closely to further develop and promote a coordinated Team Australia approach.

The AOFM participates in the Organisation for Economic Co-operation and Development (OECD) Working Party on Public Debt Management. Through this, we share our experiences and benefit from learning about the experiences of other leading sovereign debt management practitioners.

OUR SUBSIDIARIES

The AOFM does not have any subsidiaries.

OUR PERFORMANCE[1]

Table 3 outlines the AOFM's performance measures and key activities for the period covered by the plan.

Purpose 1: Ensure resilient, reliable and scalable funding, while considering costs and risks, for government programs and policy implementation to enable the Australian Government to deliver policy outcomes for all Australians.

Table 3: AOFM performance measures and key activities

KEY ACTIVITY 1.1	Deliver effective debt management that considers costs and risks
PERFORMANCE MEASURE	**Issuance volume:** face value of Treasury Bond and Treasury Indexed Bond issuance aligns with remit.
Type	**Output**
Methodology	The shortfall in volume in dollar terms for the fiscal year between actual Treasury Bond issuance and planned issuance announced at the latter of the Debt Management Strategy, MYEFO Estimates or the Budget Estimates.
Rationale	Issuing Treasury Bonds in appropriate volumes is fundamental to ensuring the government can fund its activities in a reliable manner while managing refinancing risks and market impacts. This measure demonstrates delivery of the core debt issuance function underpinning the AOFM's mandate.
Targets	
2026–27 to 2029–30	Alignment with remit.
Data sources	Treasury Management System.
PERFORMANCE MEASURE	**New bond lines:** number of new Treasury Bond lines created aligns with remit.
Type	**Output**
Methodology	Count of distinct new Treasury Bond benchmark lines first issued during the financial year.
Rationale	Controlling the number of new Treasury Bond lines supports efficient market functioning by balancing investor demand for new benchmarks with the need to maintain liquidity in existing lines. This contributes to stable and reliable funding while managing refinancing and liquidity risks.
Targets	
2026–27 to 2029–30	Alignment with remit.

1. The AOFM amended its performance measures and key activities from 2025-26 to 2026-27. A Summary of changes to key activities and performance measures is at Appendix 1.

KEY ACTIVITY 1.1	Deliver effective debt management that considers costs and risks
Data sources	Treasury Management System.
PERFORMANCE MEASURE	**Issuance tenor:** weighted average maturity of Treasury Bond issuance aligns with remit.[2]
Type	**Effectiveness**
Methodology	Weighted average issuance tenor is calculated based on face value weighted tenor of Treasury Bonds issued during the assessment period.
Rationale	Managing the maturity profile of issuance supports resilient funding by reducing refinancing concentration risk over time. This measure demonstrates how issuance decisions contribute to long-term portfolio stability while balancing cost and risk.
Targets	
2026–27 to 2029–30	Alignment with remit.
Data sources	Treasury Management System.
PERFORMANCE MEASURE	**New issuance yields:** the weighted average issue yield at Treasury Bond and Treasury Indexed Bond tenders is less than or equal to prevailing secondary market yields[3,4].
Type	**Effectiveness**
Methodology	Calculation that relies on inputs from the Treasury Management System.
Rationale	Issuing Treasury Bonds at yields at or below prevailing secondary market levels demonstrates effective execution of the Debt Management Strategy and supports value for money outcomes while maintaining market confidence and orderly issuance.
Targets	
2026–27 to 2029–30	On average tender issuance yields are less than or equal to the observed secondary market yield over the financial year.
Data sources	Treasury Management System.

2. This performance measure is part of a suite of external and internal measures that form a proxy group of efficiency measures for the AOFM's debt management. Efficiency in this context is how the AOFM finances the Budget cost effectively, subject to acceptable risk, and to support the ongoing efficient operation of the AGS market. External measures include issuance tenor, new issuance yields and coverage ratios while internal measures include detailed tender performance statistics and AGS portfolio projections.
3. It is market convention to use mid-market secondary yields as a benchmark for pricing.
4. This performance measure is part of a proxy group of efficiency measures.

KEY ACTIVITY 1.2	Deliver effective liquidity management that considers costs and risks
PERFORMANCE MEASURE	**Treasury Note stock:** maintain a minimum level of Treasury Note stock throughout the year.
Type	**Output**
Methodology	Outstanding Treasury Notes on issue are measured and compared against the minimum level specified in the Liquidity Management Strategy.
Rationale	Maintaining an appropriate volume of Treasury Notes on issue is a key liquidity management control. It supports timely cash management, preserves market access in stressed conditions, and complements the Cash Management Account (CMA) liquidity buffer in ensuring reliable government funding.
Targets	
2026–27 to 2029–30	Alignment with Annual Remit.
Data sources	Treasury Management System.
PERFORMANCE MEASURE	**Cash Management Account (CMA) balance:** maintain a minimum level of cash throughout the year.
Type	**Effectiveness**
Methodology	Daily CMA cash balances are compared against the minimum liquidity buffer specified in the Liquidity Management Strategy.
Rationale	Maintaining appropriate cash balances in the CMA is a core control underpinning funding reliability. It mitigates liquidity risk arising from forecast uncertainty, funding disruptions or market volatility, and supports the AOFM's mandate to ensure continuous government funding.
Targets	
2026–27 to 2029–30	Greater than zero.
Data sources	Treasury Management System.

Purpose 2: Foster a broad investor base and promote liquid primary and secondary debt markets to help manage overall borrowing costs and risks.

KEY ACTIVITY 2.1	Conduct investor outreach in accordance with the annual investor relations plan
PERFORMANCE MEASURE	**Investor engagement:** number of one-on-one engagements with investors.
Type	**Output**
Methodology	Evidence of one-on-one engagement activity is reviewed on an annual basis to assess frequency, breadth of coverage and alignment with the Investor Relations Strategy.
Rationale	Regular direct engagement with investors supports market confidence and the effective operation of the AGS market. Investor feedback informs issuance strategy execution and contributes to reliable and efficient funding outcomes.
Targets	
2026–27 to 2029–30	Alignment with Investor Relations Plan.
Data sources	Investor Relations activities records.
PERFORMANCE MEASURE	**Presentations to investors:** number of presentations at investment forums.
Type	**Output**
Methodology	Evidence of participation and presentations delivered at investment forums is reviewed annually to assess relevance, coverage and alignment with investor relations objectives.
Rationale	Presentations at investment forums support the effective operation of financial markets by increasing transparency, reinforcing market confidence and ensuring investors have timely and accurate information about our issuance strategy and market developments. This contributes to reliable and efficient government funding outcomes.
Targets	
2026–27 to 2029–30	Alignment with Investor Relations Plan.
Data sources	Investor Relations activities records.
PERFORMANCE MEASURE	**Publications for investors:** number of Investor Insight publications.
Type	**Output**
Methodology	Investor insight publications produced during the year are reviewed to assess relevance, coverage and alignment with investor relations objectives.

KEY ACTIVITY 2.1	Conduct investor outreach in accordance with the annual investor relations plan
Rationale	Investor insight publications support the effective operation of financial markets by providing consistent, accessible and authoritative information to market participants. They reinforce confidence in the AGS market and complement direct engagement activities by ensuring messages are available to a broad and enduring audience.
Targets	
2026–27 to 2029–30	Alignment with Investor Relations Plan.
Data sources	Investor Relations activities records.
PERFORMANCE MEASURE	**Secondary market turnover:** annual reported secondary market turnover for Treasury Bonds and Treasury Indexed Bonds as a proportion of debt on issue.
Type	**Effectiveness**
Methodology	Annual secondary market turnover for Treasury Bonds and Treasury Indexed Bonds is aggregated and expressed as a proportion of the outstanding stock of those securities on issue.
Rationale	Active secondary markets underpin confidence in Australian Government Securities, reduce liquidity premia demanded by investors, and support the AOFM's ability to raise funds reliably and at reasonable cost. This measure provides an indicator of market depth and liquidity, consistent with the AOFM's mandate.
Targets	
2026–27 to 2029–30	Ratio of turnover to stock, greater than one.
Data sources	Market participant reported secondary turnover data.

KEY ACTIVITY 2.2	Conduct settlements for AGS issuance, coupon and redemption payments
PERFORMANCE MEASURE	**AGS settlements:** complete, accurate and on-time settlement of all AGS transactions.
Type	**Effectiveness**
Methodology	All AGS settlements during the reporting period are monitored and assessed for completeness, accuracy and timeliness against contractual settlement requirements.
Rationale	Timely and accurate settlement of AGS is fundamental to maintaining market confidence and ensuring the government's financing obligations are met. Settlement failure would introduce significant financial, operational and reputational risk and undermine confidence in the AGS market.
Targets	
2026–27 to 2029–30	Zero failures.
Data sources	Treasury Management System.

Purpose 3: Support the development of the Australian securitisation market by increasing the availability of credit provided to small and medium enterprises.

KEY ACTIVITY 3.1	Manage the ABSF program to support the Australian securitisation market
PERFORMANCE MEASURE	**ABSF rate of return.**
Type	**Effectiveness**
Methodology	The rate of return is calculated as accrual earnings (net of losses) for the financial year divided by the average drawn (invested) balance over the same period, expressed as a percentage.
Rationale	Monitoring the ABSF rate of return supports effective oversight of a government investment program and provides transparency over financial performance relative to the capital deployed and risks assumed.
Targets	
2026–27 to 2029–30	Greater than Bloomberg AusBond Treasury 0–1 Yr Index.
Data sources	Treasury Management System and Bloomberg.
PERFORMANCE MEASURE	**ABSF settlements:** complete, accurate and on-time settlement of all ABSF transactions.
Type	**Effectiveness**

KEY ACTIVITY 3.1	Manage the ABSF program to support the Australian securitisation market
Methodology	All ABSF settlements during the reporting period are monitored and assessed against contractual settlement requirements for completeness, accuracy and timeliness.
Rationale	Timely and accurate settlement of ABSF transactions is critical to ensuring funds are deployed and recovered as intended, risks are appropriately managed and government commitments under the ABSF are met without operational or reputational impacts.
Targets	
2026–27 to 2029–30	Zero failures.
Data sources	Treasury Management System.

APPENDIX 1: SUMMARY OF CHANGES TO KEY ACTIVITIES AND PERFORMANCE MEASURES

Corporate Plan 2025–26	Portfolio Budget Statements 2026–27	Corporate Plan 2026–27	Description of change
Issuance strategy: conduct annual issuance in accordance with the Debt Management Strategy	**Issuance volume:** face value of Treasury Bond and Treasury Indexed Bond issuance aligns with remit. **New bond lines:** number of new Treasury Bond lines created aligns with remit. **Issuance tenor:** weighted average maturity of Treasury Bond issuance aligns with remit.	**Issuance volume:** face value of Treasury Bond and Treasury Indexed Bond issuance aligns with remit. **New bond lines:** number of new Treasury Bond lines created aligns with remit. **Issuance tenor:** weighted average maturity of Treasury Bond issuance aligns with remit.	**Amended.** For Portfolio Budget Statements and Corporate Plan 2026–27 the underlying performance elements of the Debt Management Strategy are now measured and reported on individually to improve transparency.
Cash management strategy: conduct annual cash management in accordance with the Liquidity Management Strategy.	**Treasury Note stock:** maintain a minimum level of Treasury Note stock throughout the year. **Cash Management Account balance:** maintain a minimum level of cash throughout the year.	**Treasury Note stock:** maintain a minimum level of Treasury Note stock throughout the year. **Cash Management Account balance:** maintain a minimum level of cash throughout the year.	**Amended.** For Portfolio Budget Statements and Corporate Plan 2026–27 the underlying performance elements of the Cash Management Strategy are now measured and reported on individually to improve transparency.
	ABSF settlements: Complete, accurate and on-time settlement of all ABSF transactions.	**ABSF settlements:** Complete, accurate and on-time settlement of all ABSF transactions.	**Introduced.** An additional measure has been included to complement the AGS settlements measure and improve transparency around the AOFM's effectiveness.

APPENDIX 2: LIST OF REQUIREMENTS

PGPA Rule reference	Required element	Legislative requirement	Page number(s)
s16E(2) item 1 of the PGPA Rule	Introduction	The following: • a statement that the plan is prepared for paragraph 35(1)(b) of the Act; • the reporting period for which the plan is prepared; • the reporting periods covered by the plan.	3
s16E(2) item 2 of the PGPA Rule	Purposes	The purposes of the entity.	5
s16E(2) item 3 of the PGPA Rule	Key activities	For the entire period covered by the plan, the key activities that the entity will undertake in order to achieve its purposes.	6
s16E(2) item 4(a) of the PGPA Rule	Environment	For the entire period covered by the plan, the environment in which the entity will operate.	7
s16E(2) item 4(b) of the PGPA Rule	Capability	For the entire period covered by the plan, the strategies and plans the entity will implement to have the capability it needs to undertake its key activities and achieve its purposes.	8–10
s16E(2) item 4(c) of the PGPA Rule	Risk	For the entire period covered by the plan, a summary of the risk oversight and management systems of the entity, and the key risks that the entity will manage and how those risks will be managed.	11–13
s16E(2) item 4(d) of the PGPA Rule	Cooperation	For the entire period covered by the plan, details of any organisation or body that will make a significant contribution towards achieving the entity's purposes through cooperation with the entity, including how that cooperation will help achieve those purposes.	14
s16E(2) item 4(e) of the PGPA Rule	Subsidiaries	For the entire period covered by the plan, how any subsidiary of the entity will contribute to achieving the entity's purposes.	Not applicable.
s16E(2) item 5 of the PGPA Rule	Performance	For each reporting period covered by the plan, details of how the entity's performance in achieving the entity's purposes will be measured and assessed through: • specified performance measures for the entity that meet the requirements of section 16EA; and • specified targets for each of those performance measures for which it is reasonably practicable to set a target.	15–21

GLOSSARY OF ABBREVIATIONS

Abbreviation	Definition
ABSF	Australian Business Securitisation Fund
ADIs	authorised deposit-taking institutions
AGS	Australian Government Securities
AI	artificial intelligence
AOFM	Australian Office of Financial Management
APS	Australian Public Service
CEO	Chief Executive Officer
CMA	cash management account
DMS	Debt Management Strategy
FRMP	Financial Risk Management Policy
ICT	Information and Communications Technology
LMS	Liquidity Management Strategy
MoU	Memorandum of Understanding
OECD	Organisation for Economic Co-operation and Development
PGPA Act	*Public Governance, Performance and Accountability Act 2013*
RBA	Reserve Bank of Australia

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