

2025 — 2026

Corporate Plan

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1. From the Chair

As Chair of the Northern Australia Infrastructure Facility (NAIF), the accountable authority, and on behalf of the Board, I am pleased to present the FY25-26 Northern Australia Infrastructure Facility Corporate Plan (Plan).

The plan covers a one year period to 30 June 2026 as required under clause 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). The Plan is prepared in accordance with the *Public Governance, Performance and Accountability Rule 2014*.

The Plan covers a one-year period as the *Northern Australia Infrastructure Facility Act 2021* (NAIF Act) allows financing decisions up to 30 June 2026. An independent review of the Northern Australia Infrastructure Facility Act was concluded in February 2025. Following consideration of the report by the Government, if NAIF is required to set or update its strategy and targets for the period beyond 30 June 2026, it will do so.

NAIF acknowledges its important role at the heart of the Australian Government's northern Australia agenda, and this Plan sets out our purpose, performance measures and key activities to support that agenda in the years ahead. Our work supports the Commonwealth's vision for a sustainable and resilient northern Australian economy and key policy areas including:

- Sustainable and resilient economic development and the alleviation of economic or social disadvantage in northern Australia.
- Working with jurisdictions to deliver key infrastructure projects in northern Australia.
- Contributing to realising the Critical Minerals Strategy 2023–2030, along with support for other policies including Future Made in Australia and the Net Zero Economic Authority.
- Materially improving the lives of Indigenous people and communities.

Central to NAIF's purpose is its unique role in Australia's finance industry, supporting strategically important infrastructure projects that may have historically fallen outside the appetite of mainstream commercial lenders. NAIF facilitates these projects through private-public partnerships. Rather than participating in the day-to-day capital requirements of the business community, NAIF focuses on financing initiatives that stimulate growth and deliver long-term benefits for northern Australia.

NAIF also recognises that the development of northern Australia requires coordinated and sustained support across the public sector. We adopt a national partnership approach, working closely with Commonwealth Government departments and agencies — including other Specialist Investment Vehicles — as well as with state and territory governments in the Northern Territory, Queensland, and Western Australia, and with local government bodies. This collaborative model enables us to harness diverse expertise and resources, creating an environment that supports successful investments that delivers long-term economic and social benefits for regional and remote communities. Every NAIF partnered project is required to have a sustainable and achievable Indigenous Engagement Strategy and we remain committed to supporting the expansion and promotion of Indigenous opportunities and outcomes.

To date, NAIF has supported a portfolio of ambitious and transformational projects that will drive the economic growth of northern Australia economy for decades to come. These range from large-scale resource and energy developments to social infrastructure – including universities – as well as airport upgrades, and agriculture and aquaculture projects. With \$4.4 billion committed in loans, the cumulative public benefit of these investments is forecast at \$38.2 billion – equating to \$8.70 of benefit for every dollar financed.

This Plan outlines how we will continue to support economic and social development in the region, creating long-term productivity benefits for producers, businesses and communities in the north.

On behalf of the Board, I look forward to working with members of our community and partners across government and industry, as we strive to deliver our shared agenda in supporting the regions, cities and territories of northern Australia.



Tracey Hayes | **CHAIR**
Northern Australia Infrastructure Facility

2. Our Purpose

We contribute to the Nation by proudly investing in the growth of northern Australia.

We achieve this purpose by fulfilling our legislative functions, which are:

- to provide financial assistance predominantly through the States and Territories to other entities for the development of northern Australia economic infrastructure; and
- to determine terms and conditions for financial assistance; and
- to provide incidental assistance to the States and Territories in relation to financial arrangements and agreements related to the terms and conditions of financial assistance.

NAIF finances (or facilitates the development of) infrastructure projects including assets that enable the establishment or enhancement of business activity or increase economic activity in a region. We finance projects such as physical structures, assets (including moveable assets) or facilities which underpin, facilitate, or are associated with:

- Investing
- Growing northern Australia
- Delivering Indigenous Outcomes
- Contributing to the Nation

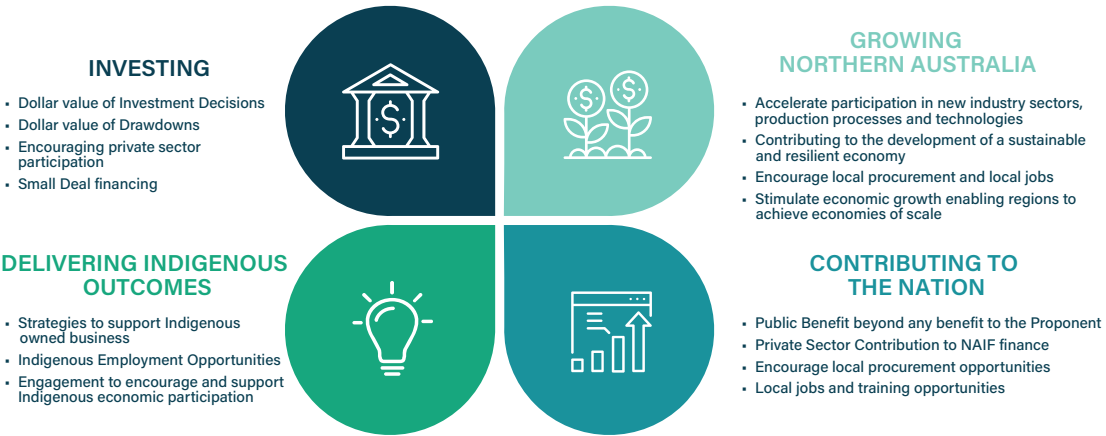
NAIF's contribution to the Nation is reflected in the public benefit value generated by NAIF funded projects. This includes an analysis of the economic impact, employment opportunities, regional income and business for local suppliers.

We are a Corporate Commonwealth Entity with an independent Board that is the Accountable Authority for NAIF activities. The Board applies commercial discipline in making financing decisions and is also responsible for determining strategy, defining risk appetite and ensuring the proper, efficient and effective performance of NAIF's functions.

We are part of the Department of Infrastructure, Transport, Regional Development, Communications, Sports and the Arts portfolio of agencies. Our responsible Ministers are the Hon Madeleine King, MP, Minister for Resources and Northern Australia and Senator the Hon Katy Gallagher, Minister for Finance.

Figure 1: NAIF's Purpose & Performance Measures

We contribute to the nation by proudly investing in the growth of northern Australia



Statutory Review

An independent review of the NAIF Act 2016 was concluded in February 2025. The Hon Warren Snowdon (former Member for Lingiari) was appointed to lead the review, supported by a panel comprising Professor Peter Yu from Western Australia and Dr Lisa Caffery from Queensland. Once NAIF has received direction from the Government, post the statutory review, the NAIF Board will review NAIF's purpose, key activities and performance measures and issue an updated Corporate Plan if required.

Investing for Impact

NAIF's purpose is to play a unique role in Australia's finance industry, ensuring that strategically important infrastructure projects, which may otherwise have historically been outside of appetite for mainstream commercial lenders, are supported through private-public partnerships. NAIF does not seek to participate in the day-to-day capital requirements of the business community, but rather, aims to place capital into projects that will stimulate growth, creating long term benefits for northern Australia.

Our specialist expertise enables us to offer innovative financing solutions otherwise not commercially available. In providing financing to support the development of a project, we utilise several financing tools including longer loan tenor, deferral of interest and principal repayments, security and/or cash flow subordination and concessional pricing.

Projects in northern Australia are susceptible to unique risk factors including distance, remoteness, climate and connectivity. At NAIF, we can accept a higher risk as we take longer term strategic positioning than normal commercial lenders, with reference to broader economic and social benefits generated by projects. NAIF finances are not grant funds and in all cases the loan or other finance must be able to be repaid or refinanced.

Growing Northern Australia

All Australians benefit from increasing economic activity across northern Australia. At NAIF, our investing accelerates participation in the development of new industry sectors, production processes and technologies.

We leverage the region's unique opportunities and resources to invest in projects that deliver employment, training and local procurement opportunities. These projects are designed to stimulate business activity and create an environment conducive to economic growth and new enterprise.

Through our investing activities, we endeavor to focus on projects that generate real and sustained population growth across northern Australia which in turn contributes to the creation of strong, vibrant, and sustainable local communities that espouse a lifestyle that makes the north an attractive place to live, work, play and raise a family.

Delivering Indigenous Outcomes

At NAIF we respect the deep connection to land and waters held by Indigenous peoples and recognise that a large percentage of land and waters across northern Australia is part of the Indigenous estate. We require each proponent, via a formal Indigenous Engagement Strategy (IES), to provide an Indigenous participation, procurement and employment strategy tailored for the Indigenous groups of the area or region of the proposed project.

Led by our dedicated Indigenous Outcomes team, we work with proponents and Indigenous groups to ensure bespoke, sustainable, achievable and measurable opportunities and outcomes are formally addressed in the IES process.

Contributing to the Nation

The future economic prosperity of the Nation is dependent on the continued growth of northern Australia. Achieving this outcome is contingent on investing in infrastructure across the north. At NAIF, we invest in projects across a breadth of sectors to facilitate the establishment or enhancement of business activity or increase economic activity in a region. Eligible projects bring new capacity online either through the construction of new infrastructure or by materially enhancing existing infrastructure.

We can support a diverse array of projects across industry sectors such as, resources (including critical minerals,), transport, agriculture and water, energy (including renewables generation, transmission, storage and transition fuels), social infrastructure (including housing, tourism, education and health), manufacturing and communication, but are not limited to these sectors.

Our projects must be based upon broad based public benefit, including benefits to the broader economy and community, beyond those captured by a project proponent.

3. Key Activities

At NAIF, our key activities deliver on our purpose to contribute to the Nation by proudly investing in the growth of northern Australia.

Financing transformational opportunities in northern Australia

Our highly qualified and skilled team have developed a toolbox of innovative financing products to accelerate the development of a wide range of infrastructure projects across northern Australia. This includes:

- **Debt products & structures** – including corporate loans, letters of credit and guarantees. We offer financing solutions otherwise not commercially available on comparable terms and conditions. NAIF also considers the contribution required to encourage private sector financiers participating in financing projects.
- **Financing partnerships** – NAIF partners with organisations experienced in working with smaller businesses to make NAIF finance more accessible to smaller infrastructure projects.
- **Other financing options** – NAIF looks at ways to optimise its mandate through bespoke financing arrangements.
- **Developing partnerships** – NAIF works with aligned government and private sector partners across jurisdictions and sectors to encourage and support new infrastructure projects across northern Australia.
- **Concessional funding** – NAIF utilises concessional financing tools which include longer loan tenor, deferral of interest and principal repayments, security and/or cashflow subordination and concessional pricing.

Our risk appetite ensures NAIF can deliver innovative and tailored financing products that benefit northern Australia. We can accept a higher level of risk due to our long-term view and focus on public benefit, particularly when considering factors unique to investing in northern Australia including distance, remoteness, and climate.

We encourage private sector participation in financing projects in northern Australia and work with proponents to promote co-financing arrangements. NAIF's early support has led to proponents crowding-in commercial funding or even achieving full funding from the private sector. When this occurs, and NAIF financing is ultimately not required, we regard this as success because northern Australia still benefits from enhanced economic activity.

Facilitate economic and sustainable growth

NAIF plays a pivotal role in driving northern Australia forward. Our innovative financing assists projects that promote economic growth, benefit the public through job creation, and advance sustainable Indigenous outcomes.

NAIF has to-date supported a portfolio of ambitious and transformational projects that are key drivers of the northern Australia economy. They range from large-scale resource and energy developments to social infrastructure – including universities and community housing – to airport upgrades, and agriculture and aquaculture projects.

NAIF's projects in northern Australia stimulate economic growth by attracting private investment, fostering infrastructure development, and supporting various industries. These projects contribute to the region's overall economic prosperity and diversification.

By investing in economic infrastructure development, NAIF helps create both direct and indirect jobs, benefiting local communities and contributing to the region's workforce. Projects supported by NAIF can stimulate innovation, attract investment, and encourage the growth of new industries, fostering entrepreneurship and diversification in the region's economy.

Each project must demonstrate net benefits to the broader economy and community beyond those captured by the proponent. In addition, proponents must consider opportunities for local employment and business for local suppliers. In this way projects will contribute to sustained local growth and contribute to the creation of strong, vibrant, resilient, and sustainable communities.

Our focus on economic impact differentiates NAIF from other lenders. If NAIF offers any concessional pricing or terms, the quantifiable value of the public benefit must exceed the value of concessions offered.

Expand and promote Indigenous opportunities and outcomes

At the forefront of NAIF's priorities is the Indigenous Engagement Strategy (IES), a flagship initiative that further sets NAIF apart as the sole Special Investment Vehicle (SIV) of the Australian Government mandated to holistically advancing Indigenous involvement, procurement, and employment within infrastructure projects across northern Australia.

Each bespoke IES is designed to achieve local Indigenous participation, procurement and employment outcomes based on opportunities created through the projects construction and operational phases. These opportunities must align with the projects scope and duration of the NAIF loan, thereby maximising benefits for the local Indigenous community and ensuring sustainable and achievable outcomes.

The NAIF IES Guideline advises proponents to adopt a place-based approach for each IES, engaging Traditional Owners and the local First Nations community early and throughout the project, in line with the United Nations principle of Free, Prior and Informed Consent.

All IESs must be informed by relevant legal or social determinants of common law landholders, including the Native Title Act, including Indigenous Land Use Agreements, Aboriginal Land Rights Act and heritage legislation, Reconciliation Action Plans, and existing initiatives related to training, education, employment and procurement. As the IES reporting evolves, NAIF will evaluate the potential of an addressable procurement spend target where it may be feasible. This ensures the IES builds on existing arrangements to enhance the benefit of Indigenous communities and northern Australia more broadly.

Through NAIF's dedicated Indigenous Outcomes team, NAIF partners with key Indigenous organisations, government, industry and financiers to advocate and support First Nations economic development across the north. The team also assists proponents and Indigenous stakeholders in the development and delivery of each IES, often facilitating opportunities and engagement with proponents, key Indigenous stakeholders and government agencies.

Monitoring and reporting requirements are established with each proponent in the NAIF facility documentation, with communication opportunities identified and an IES clause included and agreed upon to support performance.

Efficient use of NAIF resources

As a government entity, NAIF strives to ensure prudent stewardship of Commonwealth funding. By making sure NAIF operates effectively within appropriation budget, and over the longer term, is financially sustainable, we can continue facilitating broad based impact within northern Australia. The Statutory Review provides NAIF the opportunity for independent validation on its efficiency and NAIF welcomes recommendations that allow it to facilitate greater positive impact for northern Australia.

As NAIF has grown, it recognises technology as a key enabler to achieve our vision and goals. NAIF has built a digital roadmap which embraces technology to streamline our operations, enhance productivity, ensure reliable data accessibility, increase staff engagement and improve customer experience. NAIF continues to explore how artificial intelligence (AI) technology can further contribute to productivity through streamline processes and reduce operational costs. At all times, the focus is on implementing systems and platforms that are stable and allow us to scale and grow but remain secure.

NAIF will continue to execute strategic projects and use cross-functional teams, bringing diverse skills and perspectives to solve problems more efficiently. These projects are managed through agile sprints, enhancing overall efficiency and innovation. The sprint framework ensures that tasks are broken down into manageable segments, allowing for rapid iteration, continuous feedback, and quick adjustments. This approach not only accelerates the implementation of strategic initiatives but also aligns to our value of collaboration.

Collaborate and partner to ensure cohesive efforts to advance northern Australia

As the Australian Government's flagship infrastructure financing agency, NAIF is committed to advancing the interests of communities across northern Australia. Our work is grounded in fostering collaboration between the communities we serve, project proponents, and a wide range of stakeholders across all levels of government.

We actively collaborate with other Special Investment Vehicles (SIVs) to strengthen governance, streamline operations, and enhance the consistency of business practices across the Commonwealth investment landscape. Through joint engagement on initiatives and common purpose in delivering for the Australian public, we contribute to a shared commitment of transparency, accountability, and operational excellence. These partnerships enable us to align best practices, respond collectively to evolving policy expectations, and ensure that our strategic planning and reporting frameworks reflect a whole-of-Government approach.

Our alignment with government financial policies and frameworks ensures that NAIF maintains compliance while also optimising resource allocation, risk management, and innovation. This approach is designed to meet the unique opportunities and challenges of northern Australia.

Sponsorships and strategic partnerships are also an important part of how NAIF engages with key organisations and communities. Since our inception, NAIF has actively supported the annual Developing Northern Australia Conference (DNAC), a significant event that brings together government, industry, and investors to explore development opportunities and strengthen networks across the north. In 2024, we proudly continued this partnership, helping to raise awareness and understanding of NAIF's role and services among a diverse audience.

In parallel, NAIF maintains strong collaborative relationships with other government agencies through a formal Memoranda of Understanding (MOUs). Partnerships with the National Indigenous Australians Agency (NIAA), Indigenous Business Australia (IBA), and the Indigenous Land and Sea Corporation (ILSC) are central to our work. These alliances support shared objectives around Indigenous economic empowerment, sustainable development, and culturally informed infrastructure planning. By combining resources, networks, and expertise, NAIF and its partners are better positioned to respond to the complex challenges faced by Indigenous communities, driving inclusive growth and meaningful outcomes across the region.

Supporting Government Priorities

NAIF plays a crucial role in advancing the Commonwealth's overarching policy objectives, including developing a sustainable and resilient economy, fostering local employment opportunities, improving the lives of Indigenous people and communities, advancing climate change and circular economy principles, investing in renewables, and realising the Government's Critical Minerals Strategy where there is alignment.

As part of the Australian Government's Critical Minerals Strategy, NAIF has earmarked \$500 million of funding to develop critical minerals projects. NAIF has a highly experienced mining investment team and has developed a close relationship with the Critical Minerals Office; and works alongside other Government lenders to provide whole-of-Government solutions. Many projects supported by NAIF aim to incorporate environmentally friendly technologies, renewable energy sources and sustainable infrastructure designs, contributing to the regions long term environmental and economic sustainability.

In alignment with the Australian Government's priorities on climate action and sustainability, we recognise the importance of Commonwealth climate disclosures and effective management of climate risk. NAIF provide transparency and accountability in our environmental impact, contributing to the nation's Net Zero objectives. Our commitment extends to integrating sustainable procurement practices, which prioritise environmentally friendly and resource-efficient products and services, thereby fostering a green supply chain. Furthermore, our strategy for Net Zero operations focuses on reducing carbon emissions through operational efficiencies, demonstrating our contribution to Australia's goal of achieving net zero carbon targets.

NAIF supports the Australian government's strategies related to Indigenous engagement, advancement, and reconciliation by financing infrastructure projects that drive economic growth and enhance living standards in Northern Australia. Additionally, NAIF actively seeks opportunities to collaborate with Indigenous communities, fostering economic and social outcomes that are inclusive and respectful of traditional owners and their cultural heritage.

4. Performance Measures

Our key performance measures and targets are aligned with our purpose and mandate and have been designed to provide holistic information on our achievement of outcomes through the delivery of our key activities. They are supported by our overall strategy and risk appetite, as set out and monitored by our Board.

NAIF has developed one year of performance targets in alignment with section 8 of the current NAIF Act, which allows investment decisions being made up to 30 June 2026. Each year the NAIF Board reviews and updates the organisation's performance measures to reflect the strategy and purpose. Our performance measures include a mix of types and bases (see Appendix A for further details).

Financing transformational opportunities in northern Australia

Table 2: Our performance criteria

High level activities	Intended outcomes for northern Australia
<ul style="list-style-type: none">Offering innovative financing solutions that address the unique risk factors that projects in northern Australia are susceptible to, including distance, remoteness, climate and connectivity.Investing in projects that will create long term benefits to northern Australia, increase economic activity and accelerate participation in the development of new industry sectors, production processes and technologies.Growing existing business activity and supporting an environment conducive to stimulating the establishment of new business enterprises by investing in projects that generate an expansion of employment, and training and local procurement opportunities.	<ul style="list-style-type: none">Support new and existing industries across the northProvide benefits beyond an economic return to project proponentsEncouraging private sector investmentSupporting ancillary industries and businesses to support current and future key infrastructure developments

What will be measured and reported?	Year			
	2025-26	2026-27 ¹	2027-28 ¹	2028-29 ¹
Dollar value of Investment Decisions	>\$700m	TBC	TBC	TBC
Methodology: Investments Decisions as documented for the financial year				
Capital deployed (i.e. cumulative drawdowns)	>\$3.0bn	TBC	TBC	TBC
Methodology: drawdowns as documented in the portfolio management system				
NAIF loan ratio (private sector contribution to NAIF finance)	<75%	TBC	TBC	TBC
Methodology: average Loan to Project Size ratio across new IDs, as documented for the financial year				

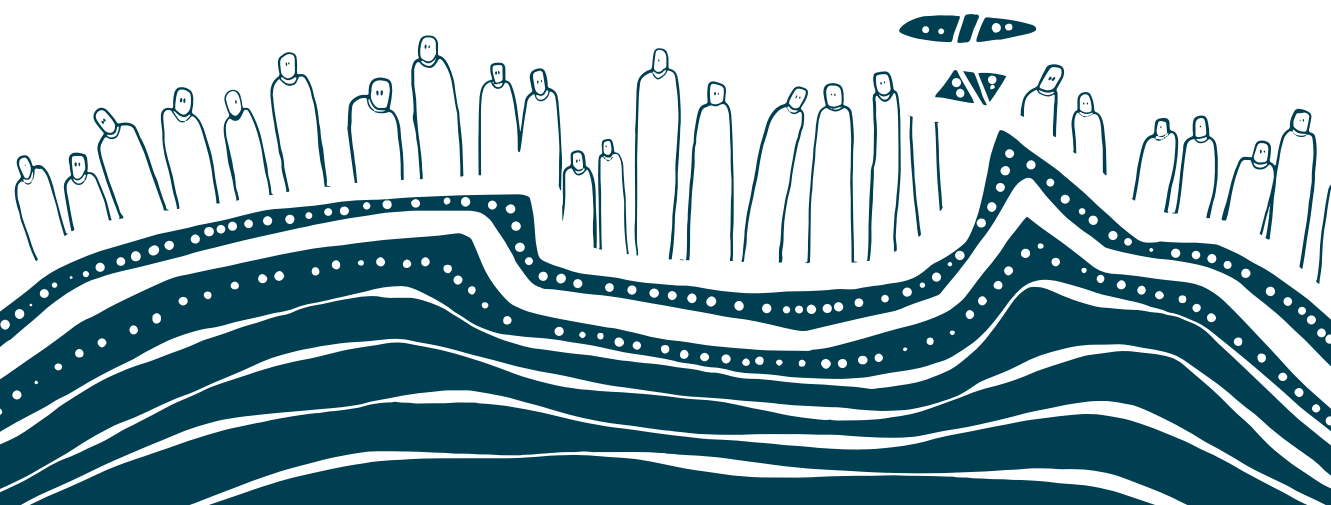
¹ FY2026-27 to FY2028-29 are to be confirmed (TBC) as outlined above, the NAIF Act currently prohibits any decisions after 30 June 2026

Facilitate economic and sustainable growth

High level activities	Intended outcomes for northern Australia
<ul style="list-style-type: none"> Strengthening the Nation's future economic prosperity through investments that support continued economic growth of northern Australia. Financing projects that bring new capacity online through the construction of new infrastructure or by materially enhancing existing infrastructure. Supporting projects that evidence broad based public benefit and generate benefits to the broader economy and community beyond those captured by a project proponent. 	<ul style="list-style-type: none"> Job creation Provide benefits beyond an economic return to project proponents Maximise Public Benefit and Indigenous Outcomes

What will be measured and reported?	Year			
	2025-26	2026-27 ¹	2027-28 ¹	2028-29 ¹
Public Benefit – Annual dollar value of public benefit from Investment Decisions	>\$4bn	TBC	TBC	TBC
Methodology: track aggregated forecast \$ values for Investment Decisions specific public benefit.				
Job Creation – Annual forecast direct and indirect jobs associated with Investment Decisions	>2,500	TBC	TBC	TBC
Methodology: total forecast jobs for new Investment Decisions.				

¹FY2026-27 to FY2028-29 are to be confirmed (TBC) as outlined above, the NAIF Act currently prohibits any decisions after 30 June 2026



Artist: Bernard Singleton (c) 2021

Expand and promote Indigenous opportunities and outcomes

High level activities	Intended outcomes for northern Australia
<ul style="list-style-type: none"> Working with proponents and Indigenous groups to ensure the Indigenous opportunities and outcomes that are comprehensively addressed in the IES process are sustainable and achievable. Delivering project specific Indigenous Engagement Strategies, that provide an Indigenous participation, procurement and employment strategy tailored for the Indigenous groups of the area or region for NAIF financed projects 	<ul style="list-style-type: none"> Employment opportunities for Indigenous Australians Support Indigenous businesses through investment decisions for projects with significant Indigenous ownership Maximise Indigenous Outcomes

What will be measured and reported?	Year			
	2025-26	2026-27 ¹	2027-28 ¹	2028-29 ¹
Indigenous Strategies	>2 IDs	TBC	TBC	TBC
Methodology: new investment (small loans and/or Investment Decisions) on projects with a significant Indigenous ownership.				
Indigenous Employment Opportunities	>5%	TBC	TBC	TBC
Methodology: annual, average percentage of Indigenous specific jobs across new Investment Decisions.				

¹ FY2026-27 to FY2028-29 are to be confirmed (TBC) as outlined above, the NAIF Act currently prohibits any decisions after 30 June 2026

Efficient use of NAIF resources

High level activities	Intended outcomes for northern Australia
<ul style="list-style-type: none"> Cost effective delivery of services Modernise & consolidate outdated technology Cross-functional strategic action sprints Explore advanced automation and AI 	<ul style="list-style-type: none"> Cost effective implementation of NAIF 'as a program' Net (notional) zero cost to government, with net (notional) revenue covering operational expenditure NAIF systems and processes support timely interactions with stakeholders

What will be measured and reported?	Year			
	2025-26	2026-27 ¹	2027-28 ¹	2028-29 ¹
NAIF is net zero operational cost to government	>1	TBC	TBC	TBC
Methodology: net (notional) revenue divided by operational expenses for the financial year				

Collaborate and partner to ensure cohesive efforts to advance northern Australia

High level activities	Intended outcomes for northern Australia
<ul style="list-style-type: none"> National partnership approach, across Commonwealth/ State/Territory/local government, and other SIVs Active collaboration and education for all northern Australia stakeholders Voice for northern Australia in Canberra 	<ul style="list-style-type: none"> Leveraging the expertise and resources of multiple stakeholders to create an environment conducive to successful investments and the flourishing of communities. Driving meaningful progress and inclusive growth in the region. Ensuring that the region's priorities and concerns are heard and addressed at the national level.

What will be measured and reported?	Year			
	2025-26	2026-27 ¹	2027-28 ¹	2028-29 ¹
Effective stakeholder engagement and thought leadership on growth for northern Australia	80%	TBC	TBC	TBC
Methodology: Percentage of annual stakeholder survey respondents who rate NAIF's performance as good or better.				
Demonstrate active collaboration with other SIV's, and activities that advance Indigenous economic empowerment	✓	TBC	TBC	TBC
Methodology: Record of meetings-round tables-webinars and/or case studies				

Supporting Government Priorities

High level activities	Intended outcomes for northern Australia
<ul style="list-style-type: none"> Aligning NAIF investments to the Commonwealth's overarching policy objectives Contributing to Net Zero and building sustainable practices Tailored Indigenous Engagement Strategies 	<ul style="list-style-type: none"> Contributing to: <ul style="list-style-type: none"> a sustainable and resilient economy fostering local employment opportunities improving the lives of Indigenous people and communities advancing climate change and circular economy principles investing in renewables realising the Government's Critical Minerals Strategy

What will be measured and reported?	Year			
	2025-26	2026-27 ¹	2027-28 ¹	2028-29 ¹
Demonstrate alignment of Investment Decisions to Government policy priorities	≥1	TBC	TBC	TBC
Methodology: each investment decision contributes to one or more Government policy priorities as outlined in Schedule 2 of NAIF's Investment Mandate.				
Develop strategies for NAIF operations to meet government priorities, e.g. commitment to Net Zero by 2030 / procurement from Indigenous enterprises.	✓	TBC	TBC	TBC
Methodology: record of key milestones achieved, and strategies adopted by Executive Management				

¹ FY2026-27 to FY2028-29 are to be confirmed (TBC) as outlined above, the NAIF Act currently prohibits any decisions after 30 June 2026

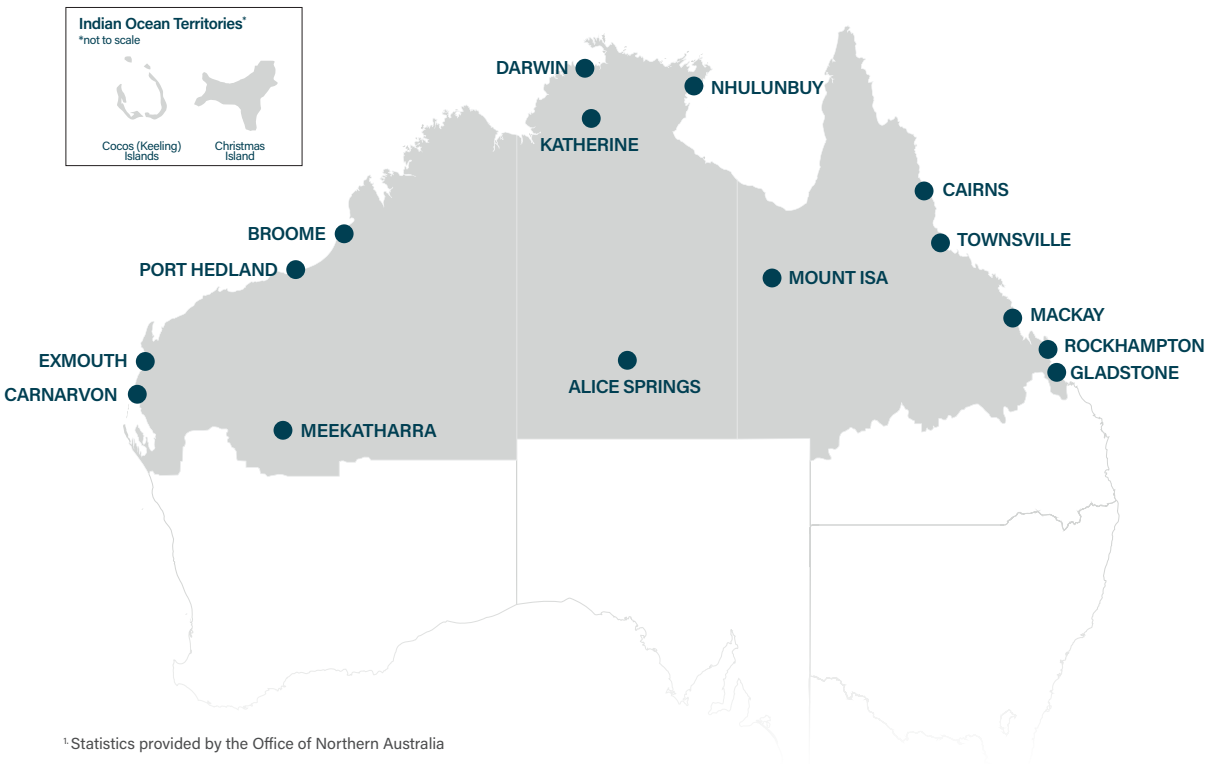
5. Operating Context

Our ability to deliver on our purpose is influenced by the operating environment, the quality and skills of our people and the systems and processes that facilitate them. Risk management and cooperation with other parties across northern Australia are also key enablers.

5.1 Environment

At NAIF, our focus is solely on northern Australia, which includes the Northern Territory, and those parts of Queensland and Western Australia above, and directly below or intersecting, the Tropic of Capricorn, as illustrated in figure 3 below. The territories of Christmas Island and the Cocos (Keeling) Islands, collectively known as the Indian Ocean Territories are also included.

Figure 3: Our environment¹



¹ Statistics provided by the Office of Northern Australia

There are several key external factors that directly or indirectly influence NAIF's operating environment and our ability to finance infrastructure projects, and consequently deliver on our purpose.

Table 4: A summary of factors that may impact NAIF's level of reported activity in a given year

Characteristic	Impact on achievement
MACRO AND MICRO ECONOMIC FACTORS	
Fluctuating inflation	Inflation can negatively impact planning certainty and project costs. In many instances, the negative impact of inflation on capital and operating costs are further compounded by the factors unique to investing in northern Australia such as remoteness.
Variability in interest rates	Uncertain borrowing costs may impact the economic viability of projects causing investment to be deferred.
Volatility in commodity pricing	Volatility in both established and emerging commodity prices, including critical minerals.
Labour market challenges	Competition for labour across northern Australia can and will affect projects both in the construction and operational phase.
Regional housing shortage	The shortage of quality and affordable housing in regional areas (which has been exacerbated by a demographic shift out of major cities) makes it harder to attract skilled and key workers, which exacerbates the challenges of labour supply for large and remote projects.
Availability of capital	NAIF does not compete with other financiers, rather it works to encourage their participation. Therefore, if finance from other sources becomes available for a project, this may reduce the level of reported activity by NAIF. In addition, NAIF is not the sole holder of financial risk for the projects, and the availability of additional capital for projects may be challenged.
Geopolitical risk	Geopolitical events often present threats in terms of potential disruption to long-term strategy but come with their own idiosyncratic characteristics. The uncertainty around tariffs may impact the economic viability of projects causing investment to be deferred.
Infrastructure pipeline	Private and public infrastructure development programs across northern Australia and globally may impact the demand for construction resources and materials, negatively impacting project costs.
Supply chain and logistic issues	Northern Australia and global supply chain issues may impact existing NAIF projects as well as those in the pipeline.
REGULATORY FRAMEWORK & GOVERNMENT POLICY	
Changes to NAIF Act / Investment Mandate	A change to NAIF legislation may impact the number of projects that are eligible for financing.
Government policy	Policy in certain sectors such as housing / coal / hydrogen / carbon capture / critical minerals / net zero 2050, could affect the ability of NAIF to finance otherwise eligible projects.
Regulatory changes	Regulatory changes may impact on the ability of projects to obtain necessary approvals and for NAIF to lend to certain projects. At the project level, the ability to obtain appropriate government approvals (e.g., environmental) can impact projects viability or timeline.
GEOGRAPHICAL & PROJECT FACTORS	
Northern Australia location	NAIF financed projects encounter unique factors such as distance, remoteness and climate, and in certain instances these factors provide both opportunities and constraints. Climate change related risks including increased variability and intensity of weather may challenge the resiliency of projects, and lead to high insurance costs which can affect project viability.
Unique projects	Due to the complexity, remoteness and / or first mover status of many NAIF financed projects, expertise in planning and management is required to bring a project to the point where it is ready to finance. Activities include business case and feasibility studies, engineering and environmental approvals, commercial development including contracts, offtakes, legal, accounting and tax analysis.

5.2 Capability

NAIF has grown in size, complexity, and maturity over the nine years since inception and as a government Special Investment Vehicle (SIV) will continue to invest prudently in its people, infrastructure and information security capabilities that underpin the delivery of our purpose.

In the rapidly changing environment we remain flexible and agile, anticipating and responding to the changing needs of the industry sectors we support.

People

We are committed to NAIF operating as an engaged, high-performance organisation that empowers and supports its people. We value diverse skills, backgrounds and experience that strengthens our ability to innovate and deliver on our purpose. Our most recent engagement survey indicated high employee engagement with strong alignment with our purpose and values. We encourage curiosity and foster ingenuity providing opportunity to develop tailored solutions for proponents investing in northern Australia.

Our focus is on developing technical and leadership capabilities through tailored learning and development opportunities that support our individual and collective growth enabling the business to be agile. NAIF also identifies programs to further develop a high-performing workforce with the skills needed, now and in the future.

At NAIF we continue to refine and enhance our attraction and retention strategies, ensuring we reach a diverse range of candidates who have experience living and working in northern Australia as a priority. NAIF remains positioned to anticipate and respond to changes in government policy and market conditions and the needs of proponents and projects investing in northern Australia.

NAIF is committed to building collaborative teams, creating solutions together to identify and develop unique tools to assist with the often complex infrastructure needs in northern Australia. Our values and culture inform our recruitment and engagement processes and the development of our policies.

Systems and Processes

NAIF continues to embrace innovations in technology, systems and processes to help improve service delivery to stakeholders and support new ways of working and connecting. For the last nine years, NAIF has leveraged some back-office functions of Export Finance Australia, which are provided to NAIF through a service level agreement. As NAIF has grown and matured, many corporate service functions have transitioned in-house, reflecting NAIF's increasing operational independence. We remain committed to reviewing and refining our operating model to drive efficiency, ensure continuity, and support scalable, secure growth.

More broadly, NAIF will continue improving systems and processes in the following areas:

- Digital Transformation - NAIF has initiated a multi-year program to replace its legacy customer relationship and deal management system which has reached end-of-life. This transformation will deliver a modern, integrated platform that supports sustainable growth, enhances reporting, and reduces operational risk. The new system will streamline processes, improve stakeholder engagement, and provide a scalable foundation for future innovation.
- Information security - In response to increasing cyber threats, NAIF continues to strengthen its information security governance. We are aligned with best practice frameworks, including the Australian Cyber Security Centre's Essential Eight strategies, to uplift cyber resilience and safeguard our digital environment.
- Records and information management - NAIF is committed to maturing its information and records management practices. We have invested in technology, governance frameworks, and process improvements to ensure data is accurate, accessible, and aligned with legislative and regulatory requirements.

5.3 Risk Management

Risk Management

NAIF considers risk management as an enabler to seize opportunities to achieve our purpose and strategic business imperatives. Risk Management is an organisation wide responsibility. Effective and sound risk management practices are integral to all aspects of NAIF operations.

Framework

The Risk Management Framework ('Framework') documents our approach to risk oversight, management, and internal controls. It contains a consistent methodology in identifying and managing the risks to achieving NAIF's strategic purpose. The Framework aligns to the International Standard for Risk Management, (ISO31000), the PGPA Act, and the Commonwealth Risk Management Policy and guidance.

The NAIF Board has a Board Audit and Risk Committee (BARC) to provide governance and oversight of risk management and internal controls. Quarterly risk and compliance reporting from management, with additional independent oversight from Internal Audit, enables the BARC to monitor the adequacy of internal risk management and controls, and assess the impact of existing and emerging risks within NAIF's operating environment.

The NAIF Board completes an annual review of the Risk Appetite Statement in consultation with NAIF's responsible Ministers as required by the *Northern Australia Infrastructure Facility Investment Mandate Direction 2023* (Mandate). The Risk Appetite Statement sets the level of risk NAIF is willing to accept in pursuit of our purpose and strategic business imperatives, and applies the appetite to all investment decisions. NAIF has a unique appetite for investment risk, specifically a higher risk tolerance in relation to factors that are unique to investing in northern Australia economic infrastructure, including northern Australia's distance, remoteness, and climate.

Risk Maturity

NAIF continues to strengthen its risk management practices in FY25–26, following recent maturity achievements in the 2025 Comcover Risk Management Benchmarking Survey. NAIF will use the survey's insights to continue to improve maturity across governance, culture, capability, frameworks and practices, and organisational resilience.

Key Risks

The NAIF Board and management have identified the prevailing Key Enterprise Risks for 2025-26 (see figure 5). The appetite for each Key Enterprise Risk has been established by the Board. It will be applied to each investment decision and organisational activity in pursuit of our strategic purpose. Emerging risks are examined, and the impact assessed against the Key Enterprise Risk categories.



Image: Mardie Salt & Potash Project, Pilbara, Western Australia.

Figure 5: Key Enterprise Risks

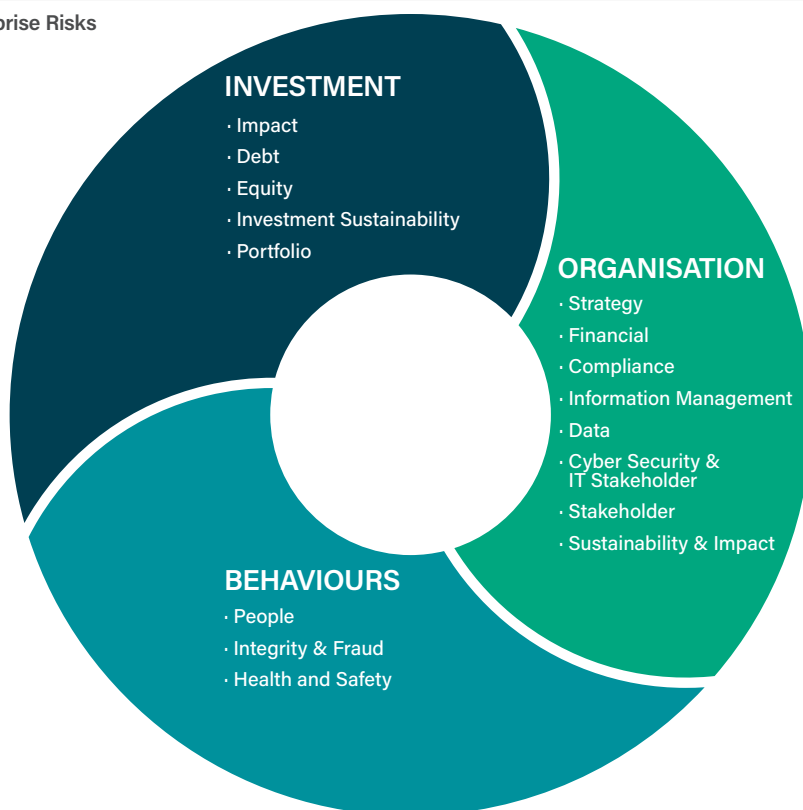


Table 6: How we manage Key Enterprise Risks

INVESTMENT	<ul style="list-style-type: none"> ▪ Comprehensive due diligence process including guidance notes, templates, tools, and technical specialist input to assess each investment opportunity ▪ Project Consultation process with Commonwealth, Commonwealth Departments, State and Territory Governments and project stakeholders to obtain and address feedback on each project ▪ Internal and Board investment decision process to ensure alignment to our mandate objectives and adherence to our risk appetite ▪ Continuous monitoring and reporting of portfolio performance internally and to the Board, utilising proponent financial reporting, technical specialist reporting, and detailed annual reviews of each investment ▪ The professional management of impaired and troubled investments to safeguard NAIF's interests, including through the appointment of receivers where necessary.
ORGANISATION	<ul style="list-style-type: none"> ▪ Annual strategic planning process with Board and management ▪ Monitoring and reporting of business performance against Corporate Plan objectives ▪ Regular independent review of organisational frameworks, policies, processes, risk and controls ▪ Implementation of robust IT systems and controls to support data and information management and security ▪ Stakeholder management strategies, plans, protocols, and regular engagement activities
BEHAVIOURS	<ul style="list-style-type: none"> ▪ Thorough search, assessment, and selection processes to obtain the right talent ▪ Ongoing investment in training and development ▪ Promotion of NAIF values and monitoring of employee behavior in accordance with the Code of Conduct ▪ Fraud and Corruption Control Plan monitoring and assessment of NAIF's fraud and corruption risks ▪ Flexibility program to support health and wellbeing

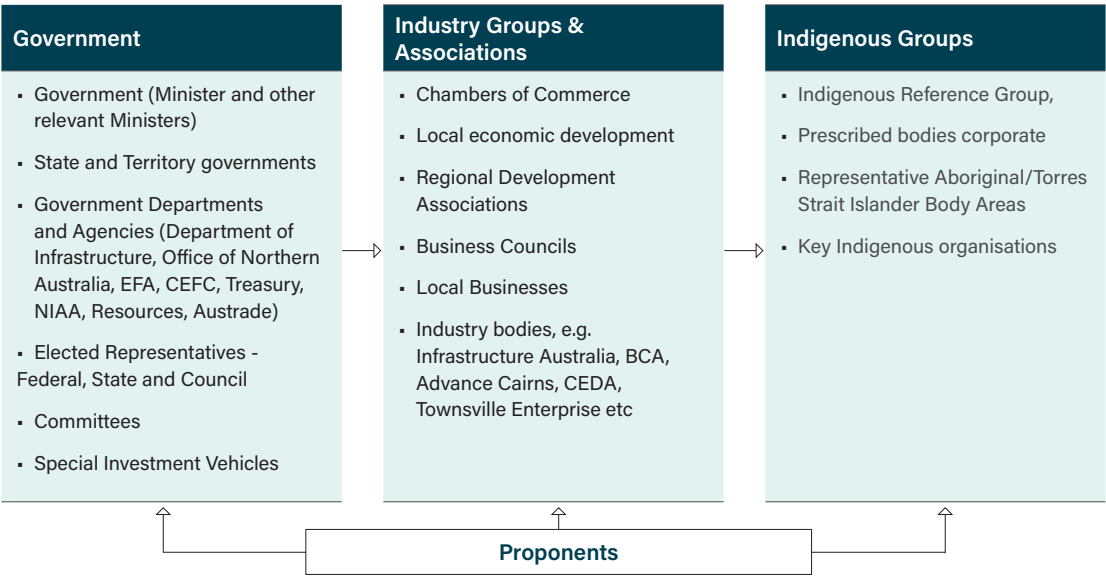
5.4 Cooperation

Since its inception in 2016, NAIF has continually refined its approach to stakeholder engagement to support the Commonwealth's vision for a sustainable and resilient northern Australian economy. NAIF aligns with key national policies and priorities, including the Critical Minerals Strategy 2023–2030, Future Made in Australia, and the Net Zero Economic Authority, while also focusing on alleviating economic or social disadvantage and improving the lives of Indigenous communities. NAIF's Marketing, Communications and Engagement Strategy emphasises transparency, strong partnerships, and consistent messaging to reinforce its role as an innovative financing partner committed to the region's long-term growth.

To ensure meaningful and effective engagement, NAIF employs a strategic stakeholder framework informed by the International Association for Public Participation (IAP2). Stakeholders are segmented into five primary groups: project proponents, investors and financiers, Indigenous stakeholders, regional communities, and government. Tailored engagement strategies address their specific needs — from financing for large infrastructure projects and co-investment opportunities, to culturally aligned development, economic empowerment, improved services, and collaborative regional development initiatives. NAIF also prioritises building partnerships with like-minded entities across the public, private, and not-for-profit sectors.

NAIF's engagement priorities include bi-annual stakeholder mapping to assess influence and interests, as well as scheduled meetings with key stakeholders across Commonwealth, jurisdictional, and regional levels. These ongoing interactions ensure NAIF remains informed by local insights and aligned with evolving policy settings, while maintaining trust and collaboration across all areas of influence. Through this structured and inclusive approach, NAIF continues to enhance transparency, foster regional resilience, and support sustainable economic development in northern Australia.

Key Partners & Stakeholders



Appendix A.

Performance reporting framework

The performance measures and additional reporting in this Corporate Plan include a mix of types (output, efficiency, and effectiveness), and bases (quantitative, qualitative or a combination) to provide holistic information on the achievement of our key activities.

The tables below provide a summary of the attributes of our reporting based on the definitions in Resource Management Guide No. 131: Developing good performance information (RMG-131) developed by the Department of Finance.

	Number of performance measures reported			
Activity	Efficiency	Effectiveness	Output	Total
Financing transformational opportunities in northern Australia	-	1	2	3
Facilitate economic and sustainable growth	-	-	2	2
Expand and promote Indigenous opportunities and outcomes	-	-	2	2
Efficient use of NAIF resources	1	-	-	1
Collaborate and partner to ensure cohesive efforts to advance northern Australia	-	2	-	2
Supporting Government Priorities	-	1	1	2

	Number of performance measures reported			
Activity	Qualitative	Quantitative	Both	Total
Financing transformational opportunities in northern Australia	-	3	-	3
Facilitate economic and sustainable growth	-	2	-	2
Expand and promote Indigenous opportunities and outcomes	-	2	-	2
Efficient use of NAIF resources	-	1	-	1
Collaborate and partner to ensure cohesive efforts to advance northern Australia	1	1	-	2
Supporting Government Priorities	2	-	-	2

Appendix B.

Index of Corporate Plan Requirements

The corporate plan has been prepared in accordance with the requirements of:

- subsection 35(1) of the PGPA Act; and
- subsection 16E(2) of the PGPA Rule 2014.

The table details the requirements met by NAIF's Plan and the page reference for each requirement.

Requirements	Page(s)
Introduction <ul style="list-style-type: none">– Statement of preparation– The reporting period for which the plan is prepared– The reporting periods covered by the plan	3
Purposes	4
Key activities	6
Operating context <ul style="list-style-type: none">– Environment– Capability– Risk oversight and management, including key risks and its management– Cooperation– Subsidiaries (where applicable)	13 15 16 18 N/A
Performance <ul style="list-style-type: none">– Performance measures– Targets for each performance measures (if reasonably practicable to set a target)	9-12 9-12



Image: BCI Minerals, Pilbara, Western Australia.



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