Australian Government

NAIF
Northern Australia Infrastructure Facility

2026 — 2027

Corporate Plan

BCI MINERALS
Mardie Salt Project, Pilbara region, Western Australia.

Investing for impact in Northern Australia

Find out more at
naif.gov.au

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From the Chair

Tracey Hayes
Chair

As Chair of the Northern Australia Infrastructure Facility (NAIF) and on behalf of the Board, as the accountable authority, I am pleased to present our 2026–27 Corporate Plan (Plan) as required under paragraph 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 the four year period from 2026-27 to 2029-30 and is being presented at a significant moment for NAIF. The Northern Australia Infrastructure Facility Amendment Bill 2026 received Royal Assent on 30 June 2026, which included an extension of NAIF's investment decision-making period from 30 June 2026 to 30 June 2036. The extension of NAIF's investment period allows NAIF to continue its important role of funding economic infrastructure in Northern Australia that delivers economic growth, jobs and improved outcomes for Indigenous people.

NAIF's Investment Mandate and Statement of Expectations have not been updated prior to publication of this Plan. Accordingly, any proposed changes related to these instruments have not been incorporated into this Corporate Plan. The Performance Measures have been set for the next twelve months and updated Performance Measures will be developed for the 2027-28 Corporate Plan that are aligned with the new legislation.

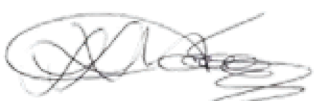
NAIF celebrated its tenth anniversary on 1 July 2026 with a significant and demonstrated track record. Across the north, NAIF has committed finance to projects delivering enabling infrastructure that supports local economies, creates jobs and opens supply chains. Critically, we have done this in a way that advances Indigenous economic participation. Every proponent we have backed has been required to develop an Indigenous Engagement Strategy tailored to the communities they work with.

The challenges and opportunities ahead - the energy transition, critical minerals, housing affordability, First Nations economic development, and the ongoing need to connect and support remote communities - are complex and consequential. NAIF's role in helping meet them has never been more important. This Plan sets out our purpose, performance measures and key activities to support the Government's Northern Australia agenda in the year ahead, including our support for the Commonwealth's vision of a sustainable and resilient Northern Australian economy across 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 the delivery of the Critical Minerals Strategy 2023–2030, along with support for other policies including Future Made in Australia, the Net Zero Economic Authority and Investor Front Door initiatives designed to streamline and support major, nation-significant infrastructure investments.
- Materially improving the lives of Indigenous people and communities.

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, agencies and Specialist Investment Vehicles as well as with state and territory governments in the Northern Territory, Queensland, Western Australia and Australian Indian Ocean Territories, and with local government bodies.

The next chapter of NAIF is beginning. With a pipeline of projects, strong partnerships across government and industry, and a ten year extension, NAIF is positioned to take on an even more significant role in shaping Northern Australia's future. This Plan sets out 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. I look forward with real optimism to what the years ahead will bring.



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

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;
- to determine terms and conditions for financial assistance; and
- to provide assistance to the States and Territories in relation to financial arrangements and agreements related to the 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 common user infrastructure, 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 projects. This includes economic growth, employment opportunities, regional development, procurement opportunities for local suppliers, and the delivery of First Nations engagement initiatives.

NAIF is a Corporate Commonwealth Entity with an independent Board that is the Accountable Authority for our 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.

NAIF sits within the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts portfolio. 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

INVESTING

- Dollar value of Investment Decisions
- Dollar value of Drawdowns
- Encouraging private sector participation
- Small Deal financing

GROWING NORTHERN AUSTRALIA

- Accelerate participation in new industry sectors, production processes and technologies
- Contribute to the development of a sustainable and resilient economy
- Encourage local procurement and local jobs
- Stimulate economic growth enabling regions to achieve economies of scale

DELIVERING INDIGENOUS OUTCOMES

- Strategies to support First Nations owned business
- First Nations employment opportunities
- Engagement to encourage and support First Nations economic participation

CONTRIBUTING TO THE NATION

- Public Benefit beyond any benefit to the proponent
- Enable private sector investment
- Encourage local procurement opportunities
- Support local jobs and training opportunities

Independent statutory review

Following the independent statutory review of the Northern Australia Infrastructure Facility Act, the Australian Government passed the Northern Australia Infrastructure Facility Amendment Bill 2026. The Bill received Royal Assent on 30 June 2026, and included an extension of NAIF's investment decision-making period from 30 June 2026 to 30 June 2036.

NAIF's Investment Mandate and Statement of Expectations have not been updated prior to publication of this Plan. Any proposed changes related to a new Investment Mandate and Statement of Expectations have not been incorporated into this Corporate Plan and will be reflected in NAIF's 2027-28 Plan.

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.

NAIF can offer loans on a concessional basis where 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 commercial lenders, driven by 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 investments accelerate 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 endeavour 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 recognise that Northern Australia cannot realise its full economic potential without the active participation of First Nations people. We respect the deep and enduring connection to land and waters held by Indigenous Australians, and acknowledge that a large proportion of the northern land mass sits within the Indigenous estate.

Led by our dedicated Indigenous Outcomes team, NAIF partners with proponents, First Nations organisations, government agencies and financiers to ensure that the economic benefits of northern development flow to and through First Nations communities. Our team plays an active facilitation role, supporting both proponents and First Nations stakeholders through the process of developing Indigenous Engagement Strategies (IES) that identify opportunities, build relationships and help translate project activity into lasting community benefit.

Contributing to the Nation

The future economic prosperity of the Nation is dependent on the continued growth of Northern Australia, which represents 53% of Australia's landmass. 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 range 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 deliver public benefit, including benefits to the broader economy and community, beyond an economic return to the project proponent.

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 team supports a wide range of infrastructure projects across Northern Australia. These activities include:

- **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 to participate 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 (including other Specialist Investment Vehicles (SIV)) 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 tailored financing that benefits 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 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

Every NAIF-financed project is required to have a bespoke, sustainable and achievable IES. Developed in consultation with Traditional Owners and local First Nations communities, each IES is tailored to the specific First Nations groups of the project's area or region, and must address participation, procurement and employment outcomes across both the construction and operational phases of a project. NAIF's approach is grounded in the United Nations principle of Free, Prior and Informed Consent, and all strategies must reflect relevant legal and social determinants, including the Native Title Act, Indigenous Land Use Agreements, the Aboriginal Land Rights Act and applicable heritage legislation.

NAIF's Indigenous Outcomes team plays an active facilitation role, supporting both proponents and First Nations stakeholders through the IES process, identifying opportunities, brokering relationships and helping to translate project activity into lasting community benefit.

NAIF's ambition in this space continues to grow. Alongside working with proponents, NAIF also works closely with other government agencies such as the National Indigenous Australians Agency (NIAA), Indigenous Business Australia (IBA) and the Department of Infrastructure's Indigenous Reference Group, as well as the jurisdictions, in supporting Indigenous economic development in the north.

NAIF treats Indigenous outcomes as a strategic investment, recognising that Northern Australia's First Nations population is young and rapidly growing. Supporting participation through employment, skills development, enterprise and leadership is critical to advancing the Northern Australia agenda.

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 is financially sustainable, we can continue facilitating broad based impact within 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 streamlined processes and reduced operational costs. At all times, the focus is on implementing systems and platforms that are stable and allow us to scale and grow while remaining 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 for the north, NAIF is committed to advancing the long-term economic and social interests of Northern Australia's communities, industries and regions. With a ten year extension of its investment mandate, NAIF is entering a renewed phase of strategic engagement - deepening existing partnerships and building new ones to maximise the impact of NAIF's investment mandate.

NAIF recognises that the development of Northern Australia requires coordinated and sustained support across the public sector.

NAIF plays an active and constructive role within the Commonwealth's broader SIV ecosystem. We collaborate closely with the Clean Energy Finance Corporation (CEFC), Export Finance Australia (EFA), the National Reconstruction Fund Corporation (NRFC) and other specialist vehicles to identify co-financing opportunities and develop whole-of-government solutions. As national priorities - including the Critical Minerals Strategy 2023–2030, Future Made in Australia and the work of the Net Zero Economic Authority - generate growing infrastructure demand across the north, NAIF's regional expertise and concessional finance capability make it a critical partner in structuring solutions that commercial markets alone cannot provide.

Strategic partnerships remain an important part of how NAIF engages with organisations and communities across the north. NAIF is a proud ongoing supporter of the Developing Northern Australia Conference (DNAC) - the premier annual forum bringing together government, industry and investors to explore development opportunities and strengthen networks across the region. This partnership reflects NAIF's commitment to being a visible, accessible and engaged presence in the north.

NAIF also maintains partnerships with key First Nations organisations including NIAA, IBA and Aboriginal Investment NT. These alliances underpin NAIF's commitment to Indigenous economic empowerment, culturally informed infrastructure planning and sustainable development outcomes. By combining networks, resources and expertise with these partners, NAIF is better positioned to support proponents in developing meaningful IES and to connect First Nations communities and enterprises with the economic opportunities that NAIF-financed projects generate.

Across all of these relationships, NAIF's goal is the same: to act as a trusted partner, a constructive convenor and a consistent voice for the interests of Northern Australia.

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, creating more opportunities for First Nations people, advancing climate change and circular economy principles, investing in renewables, and realising the Government's Critical Minerals Strategy.

As part of the Australian Government's Critical Minerals Strategy, the Australian Government has allocated $500 million of NAIF funds 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 region's 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 provides 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 First Nations 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 First Nations communities, fostering economic and social outcomes that are inclusive and respectful of Traditional Owners and their cultural heritage.

Performance Measures

Our key performance measures and targets are aligned with our purpose and mandate and provide information on the delivery of key activities and achieved outcomes.

They are supported by our overall strategy and risk appetite, as set out and monitored by our Board.

The following performance measures have been developed for a one-year transition period to reflect the evolving legislative environment. Once the updated NAIF Investment Mandate and Statement of Expectations are received, the NAIF Board will review NAIF's purpose and key activities. The Board will then determine aligned performance measures for a four-year period, that appropriately reflect NAIF's updated strategic priorities, operating environment and investment portfolio.

Our current performance measures include a mix of types and bases (see Appendix A for further details).

Financing transformational opportunities in Northern Australia

High level activities

- 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.

Intended outcomes for Northern Australia

- Support new and existing industries across the north.
- Economic and social benefits beyond an economic return to project proponents.
- Facilitate and enable private sector investment.
- Supporting ancillary industries and businesses to assist current and future key infrastructure developments.

What will be measured and reported?	2026-27	2027-28[1]	2028-29[1]	2029-30[1]
Dollar value of Investment Decisions	>$700m	TBC	TBC	TBC
Methodology: Investment Decisions as documented for the financial year				
Capital deployed (i.e. cumulative drawdowns)	>$3.5bn	TBC	TBC	TBC
Methodology: drawdowns as documented in the portfolio management system				
NAIF loan ratio (private sector contribution to project finance)	<75%	TBC	TBC	TBC
Methodology: average loan to project size ratio across new investment decisions, as documented for the financial year				

[1] 2027-28 to 2029-30 are to be confirmed (TBC) as outlined above, should an updated NAIF Investment Mandate and Statement of Expectations be issued.

Facilitate economic and sustainable growth

High level activities

- 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.
- Contribute to the development of policy.

Intended outcomes for Northern Australia

- Job creation.
- Economic and social benefits beyond an economic return to project proponents.
- Maximise Indigenous outcomes.

What will be measured and reported?	2026-27	2027-28[1]	2028-29[1]	2029-30[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				

[1] 2027-28 to 2029-30 are to be confirmed (TBC) as outlined above, should an updated NAIF Investment Mandate and Statement of Expectations be issued.

Expand and promote First Nations opportunities and outcomes

High level activities

- Work with proponents and Indigenous groups to ensure the Indigenous opportunities and outcomes that are comprehensively addressed in the IES process are sustainable and achievable.
- Deliver project specific IES, that provide an Indigenous participation, procurement and employment strategy tailored for the First Nations groups of the area or region for NAIF financed projects.

Intended outcomes for Northern Australia

- Skills development and employment opportunities for Indigenous Australians.
- Support First Nations businesses through investment decisions for projects with significant First Nations ownership.
- Maximise Indigenous outcomes.

What will be measured and reported?	2026-27	2027-28[1]	2028-29[1]	2029-30[1]
Investment Decisions in projects with significant First Nations ownership	>2 IDs	TBC	TBC	TBC
Methodology: new investment (small loans and/or Investment Decisions) on projects with a significant First Nations ownership				
First Nations Employment Opportunities	>5%	TBC	TBC	TBC
Methodology: annual, average percentage of First Nations specific jobs across new Investment Decisions				

Efficient use of NAIF resources

High level activities

- Cost effective delivery of services.
- Modernise & consolidate outdated technology.
- Cross-functional strategic action sprints.
- Explore advanced automation and AI.

Intended outcomes for Northern Australia

- 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?	2026-27	2027-28[1]	2028-29[1]	2029-30[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				

[1] 2027-28 to 2029-30 are to be confirmed (TBC) as outlined above, should an updated NAIF Investment Mandate and Statement of Expectations be issued.

Collaborate and partner to ensure cohesive efforts to advance Northern Australia

High level activities

- 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.

Intended outcomes for Northern Australia

- 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?	2026-27	2027-28[1]	2028-29[1]	2029-30[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 SIVs and activities that advance First Nations economic empowerment	✓	TBC	TBC	TBC
Methodology: record of meetings, round tables, webinars and/or case studies				

Supporting government priorities

High level activities

- Aligning NAIF investments to the Australian Government's overarching policy objectives.
- Contributing to net zero and building sustainable practices.
- Tailored Indigenous Engagement Strategies.

Intended outcomes for Northern Australia

- Contributing to:
  - a sustainable and resilient economy,
  - fostering local employment opportunities,
  - improving the lives of First Nations people and communities,
  - advancing climate change and circular economy principles,
  - investing in renewables,
  - realising the Australian Government's Critical Minerals Strategy.

What will be measured and reported?	2026-27	2027-28[1]	2028-29[1]	2029-30[1]
Demonstrate alignment of Investment Decisions to government policy priorities	$\geq$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 First Nations enterprises.	✓	TBC	TBC	TBC
Methodology: record of key milestones achieved, and strategies adopted by Executive Management				

[1] 2027-28 to 2029-30 are to be confirmed (TBC) as outlined above, should an updated NAIF Investment Mandate and Statement of Expectations be issued

Operating Context

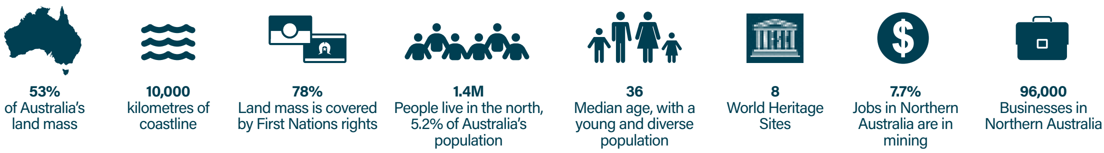
Our ability to deliver on our purpose is influenced by the operating environment, the quality and skills of our people and the systems and processes that facilitate them.

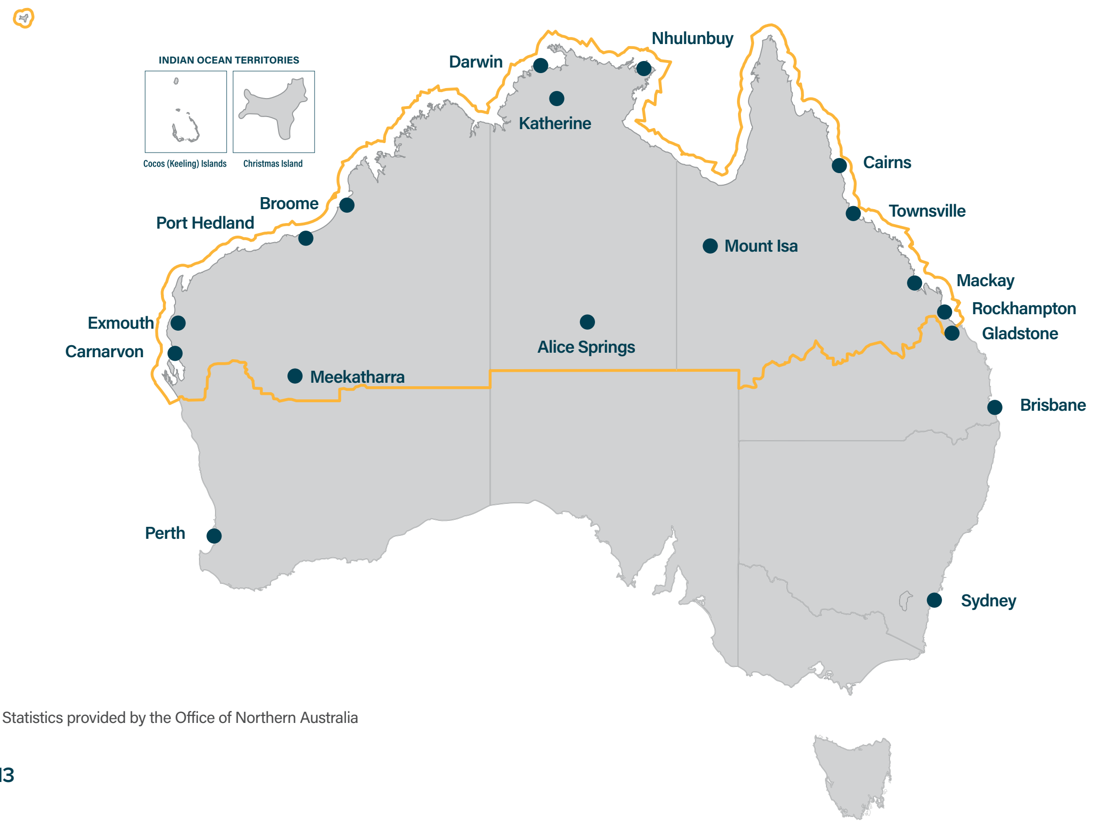
Risk management and cooperation with other parties across Northern Australia are also key enablers.

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 2: Our environment[2]





[2] 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.

Figure 3: 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	
Inflation and energy costs	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	Uncertainty around the direction of interest rates and 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 and the broader Australian infrastructure development pipeline 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 is not the sole holder of financial risk for projects, and increased macroeconomic uncertainty may constrain the availability of complementary capital. This may impact whether projects proceed, irrespective of NAIF's willingness to commit funds.
Geopolitical risk	Geopolitical events and armed conflict may continue to have short and long term impacts to project viability in the form of policy and market certainty, supply chain challenges, and operational costs. This may challenge project economics and the availability of capital but also create opportunities for sovereign capability that Northern Australia can accommodate.
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 from geopolitical events, conflicts, and natural disasters may impact existing NAIF-supported 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 type and number of projects that are eligible for financing.
Government policy	Changes in government policy settings may affect the number and type of projects that are eligible for NAIF support.
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, this can mean projects take many years to progress through NAIF's pipeline.
Project sector	The sectoral mix of projects financed in any one year has an impact on many of NAIF's quantitative performance measures. Social infrastructure and community focused projects are generally smaller in size, and typically do not generate the same level of ongoing direct employment or operational expenditure as major commercial infrastructure projects. The socio-economic impact to regional communities is high, but are often qualitative in nature.

5.2 Capability

NAIF has grown in size, complexity, and maturity over the ten years since inception and as a government 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 ten years, NAIF has leveraged some back-office functions of EFA, which were provided to NAIF through a service level agreement. As NAIF has grown and matured, almost all corporate service functions have now transitioned in-house, reflecting NAIF's increasing operational independence and our commitment to building capability in Northern Australia. We remain dedicated 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 completed the first year of a multi-year program to replace its legacy information technology systems. The first phase includes delivery of a new Customer Relationship Management platform including a data warehouse. This transformation will deliver a modern, safe and integrated platform that supports sustainable growth, enhances data driven decision making, and reduces operational risk. The new system has delivered a scalable foundation for future infrastructure and innovation.
- Data and analytics - NAIF is committed to strengthening its enterprise data and analytics capability to support informed decision-making and operational efficiency. We are investing in modern data platforms, governance frameworks, and integration across systems to ensure data is reliable, accessible, and secure. This includes the development of a centralised data warehouse, enhanced reporting and analytics tools, and improved data management practices.
- Records and information management – NAIF is enhancing its information and records management capability through the uplift of its enterprise information environment. This includes utilising existing system capabilities to strengthen security, privacy, and permissions, alongside enhanced data governance, compliance, and information protection frameworks. These improvements support improved accessibility, stronger record management, and ensure information is managed securely and in line with legislative and regulatory requirements.

5.3 Risk Management

Risk management

Risk management supports NAIF in pursuing new investment opportunities and delivering its strategic mandate. 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*. 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 higher risk tolerance for investment challenges unique to Northern Australian infrastructure, such as remoteness, geography, and climate.

Risk maturity

NAIF will continue to strengthen its risk management practices in 2026–27 through our risk strategy, building on maturity improvements identified in the 2025 Comcover Risk Management Benchmarking Survey. Insights from the survey are informing further uplift across governance, culture, capability and resilience, supporting NAIF's ongoing risk maturity agenda.

Key activities will include enhancing control effectiveness reporting, developing risk appetite metrics and tolerance thresholds, and strengthening the use of data and analytics to identify and manage emerging risks. A risk culture survey will also be undertaken to benchmark behaviours and capability, with targeted initiatives to embed risk thinking in decision-making and operations.

Key risks

The NAIF Board and management have identified the prevailing Key Enterprise Risks in 2025-26 (see figure 4).

As part of NAIF's Risk Appetite Statement review process (currently underway), we are proposing to group our Key Enterprise Risks into two streams: Investment and Enterprise. Enterprise stream would incorporate risks currently captured under both the Organisation and Behaviour areas.

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.

Figure 4: Key Enterprise Risks

Key Enterprise Risks

Investment	Organisation	Behaviours
▪ Impact ▪ Debt ▪ Equity ▪ Investment sustainability ▪ Portfolio	▪ Strategy ▪ Financial ▪ Compliance ▪ Information management ▪ Data ▪ Technology & resilience ▪ Stakeholder ▪ Sustainability & impact	▪ People ▪ Integrity & fraud ▪ Health and safety

Figure 5: How we manage Key Enterprise Risks

Investment	▪ Comprehensive due diligence process including guidance notes, templates, tools, and technical specialist input to assess each investment opportunity. ▪ Project Consultation process with the Commonwealth Government, 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	▪ Annual strategic planning process with Board and management. ▪ Monitoring and reporting of business performance against Corporate Plan objectives and key risk indicators. ▪ Ongoing enhancement of the Risk Management Framework, including development of metrics and thresholds within the Risk Appetite. ▪ Control effectiveness oversight and continuous improvement of practices. ▪ 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	▪ 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 behaviour 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

NAIF works collaboratively with a range of organisations and stakeholders to advance its purpose of supporting economic infrastructure development in Northern Australia. Through active cooperation and partnership, NAIF seeks to achieve shared objectives and maximise development outcomes.

We adopt a national partnership approach, working closely with Commonwealth Government departments and agencies as well as with state and territory governments in the Northern Territory, Queensland, Western Australia and the Indian Ocean Territories. These jurisdictions play a critical role in identifying priority infrastructure projects and providing funding or regulatory support, ensuring investments align with regional development strategies and broader public policy objectives.

NAIF supports the Commonwealth's vision of a sustainable and resilient Northern Australian economy across 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 the delivery of the Critical Minerals Strategy 2023–2030, along with support for other policies including Future Made in Australia, the Net Zero by 2050 and Investor Front Door designed to streamline and support major, nation-significant infrastructure investments.
- Materially improving the lives of First Nations people and communities.

NAIF also works closely with private sector proponents, commercial financiers and SIV. Cooperation with banks, institutional investors and project-specific financiers enables NAIF to design financing solutions that complement private capital, address market gaps and enables investment in projects that may not otherwise proceed. This collaborative approach helps to mobilise capital and share risk across participants.

In addition, NAIF engages with First Nations organisations and local communities to support sustainable and inclusive development outcomes. These relationships contribute to culturally appropriate project participation outcomes and long-term economic benefits.

Through these partnerships, NAIF leverages complementary capabilities, shares knowledge and aligns investment efforts, enhancing its ability to deliver infrastructure that supports economic growth, job creation and improved connectivity across Northern Australia.

Key partners & stakeholders

Government

- Government (Minister and other relevant Ministers)
- State and Territory Governments
- Government Departments and Agencies (Department of Infrastructure, Office of Northern Australia, EFA, CEFC, Treasury, NIAA, Resources, Austrade)
- Elected Representatives - Federal, State and Council
- Committees
- Specialist Investment Vehicles

Industry groups & associations

- Chambers of Commerce
- Local economic development
- Regional Development Associations
- Business Councils
- Local businesses
- Industry bodies, e.g. Infrastructure Australia, BCA, Advance Cairns, CEDA, Townsville Enterprise etc

Indigenous groups

- Indigenous Reference Group
- Prescribed bodies corporate
- Representative Aboriginal/Torres Strait Islander Body Areas
- Key First Nations organisations

Proponents

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 performance measures RMG 131 developed by the Department of Finance.

	Number of performance measures reported			
Activity	**Efficiency**	**Effectiveness**	**Output**	**Total**
Financing infrastructure opportunities in Northern Australia	-	1	2	3
Facilitate economic and sustainable growth	-	-	2	2
Expand and promote First Nations 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 infrastructure opportunities in Northern Australia	-	3	-	3
Facilitate economic and sustainable growth	-	2	-	2
Expand and promote First Nations 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 below details the requirements met by NAIF's Plan and the page reference for each requirement.

Australian Government

NAIF

Northern Australia Infrastructure Facility

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