



Australian Government

NAIF

Northern Australia Infrastructure Facility

Northern Australia Infrastructure Facility

Annual Report

2024 – 2025

BCI MINERALS
Mardie Salt Project, WA

Investing for impact in northern Australia

naif.gov.au



Investing for Impact

The Northern Australia Infrastructure Facility (NAIF) is a Commonwealth Government financier, providing concessional loans for the development of infrastructure projects in northern Australia and the Australian Indian Ocean Territories.

NAIF's Investment Mandate focuses on projects that deliver public benefit, Indigenous outcomes and contribute to the sustainable growth of the region.

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.
- Realising the Critical Minerals Strategy 2023–2030, along with support for other Australian Government policies and priorities including Future Made in Australia and the Net Zero Economic Authority.
- Materially improving the lives of First Nations people and communities.

\$7B

\$7 billion allocated financing for infrastructure projects

2016

NAIF was established



NAIF is a key part of the Commonwealth Government's Northern Australia Action Plan

2024-2025 Results

\$340M

Loans approved

\$7.2B

Forecast public benefit ¹

\$495M

Loans contractually closed

\$548.6M

Capital deployed

Cumulative Performance

32

Projects proceeding with NAIF finance

\$4.3B

In committed loans ¹

\$4.1B

Reached contractual close

\$2.6B

Capital deployment

\$356M

Capital repaid

4

Projects fully repaid

Acknowledgment of Country

The Northern Australia Infrastructure Facility acknowledges the Traditional Owners of Country throughout Australia and their continuing connection to land, sea and community. We pay our respect to Elders past and present.

Design and layout: LS Design Studio, Cairns **Cover image:** BCI Minerals Mardie Salt Project, Western Australia **Photo Credit:** BCI Minerals

¹ Total excludes projects proceeding without requirement for NAIF finance which may occur through project refinancing, the proponent not proceeding with NAIF finance, or the proponent not meeting conditions precedent with NAIF. All figures as at 30 June 2025.

Contents

02	Investing for Impact
04	Performance Summary
06	Projects Map
08	From the Chair
10	From the CEO
12	Strategic Framework
14	Policy Update
16	Investment Report
20	Portfolio Report Summaries
22	Portfolio Management
24	Portfolio - Project Outcomes
28	Indigenous Outcomes
30	Annual Performance Statement
38	Corporate Governance
48	Board
56	Risk Management
60	People
70	Climate Disclosures
82	Financial Statements
104	Index of Statutory Reporting Requirements
106	Abbreviations and Acronyms

Performance Summary

NAIF Investment Decisions (by value)



Economic Impact*

18,100+

Forecast Jobs

Queensland: 7,719 jobs
Northern Territory: 3,946 jobs
Western Australia: 6,479 jobs



Public benefit forecast
from NAIF supported
projects

≈ 7.64

Forecast public benefit
for every \$1.00 of finance
by NAIF

Public benefit by jurisdiction

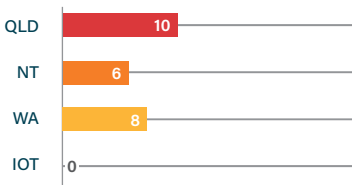


*Excludes Hemi Gold

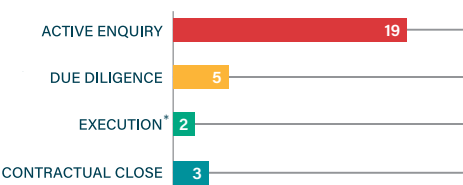
Our Pipeline

NAIF's pipeline guides infrastructure projects through key stages, beginning with active enquiry, progressing through due diligence and execution, then moving to contractual close and ultimately financial close. This structured process supports a clear and consistent pathway from initial inquiry to project completion.

Pre-ID Pipeline by State



Pipeline by Stage

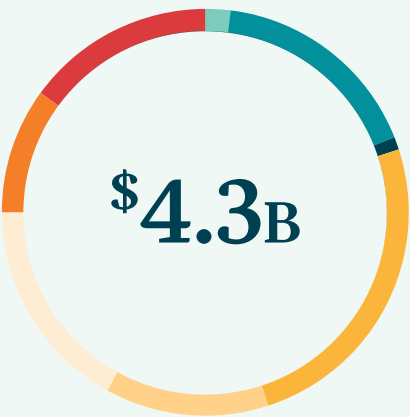


*Excludes Hemi Gold

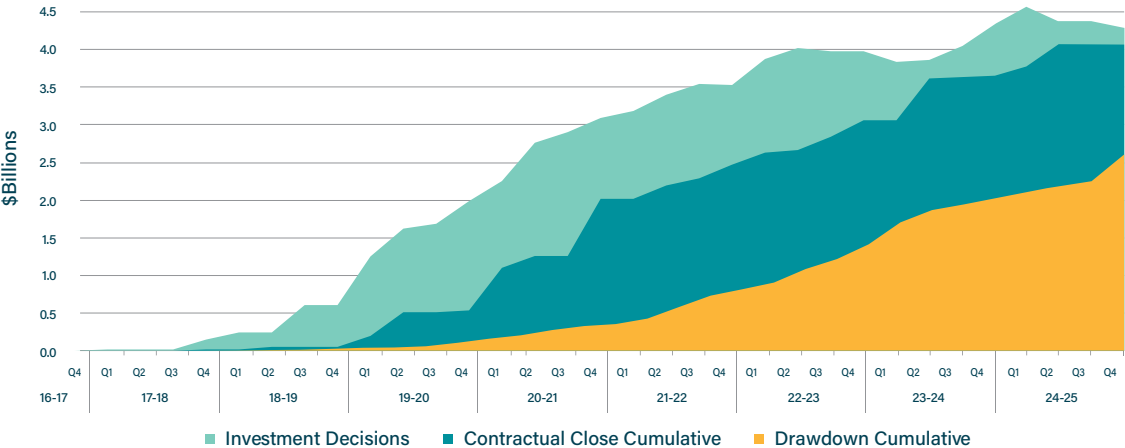
¹ Total excludes projects proceeding without requirement for NAIF finance which may occur through project refinancing, the proponent not proceeding with NAIF finance, or the proponent not meeting conditions precedent with NAIF. All figures as at 30 June 2025.

Support by Sector

Agriculture & Water	\$89M
Energy (Renewables Generation)	\$737M
Financing Partnerships	\$50M
Resources	\$2.2B
Critical Minerals / Rare Earths	\$835M
Fertilisers	\$559M
Other	\$774M
Social Infrastructure	\$577M
Transport & Logistics	\$693M



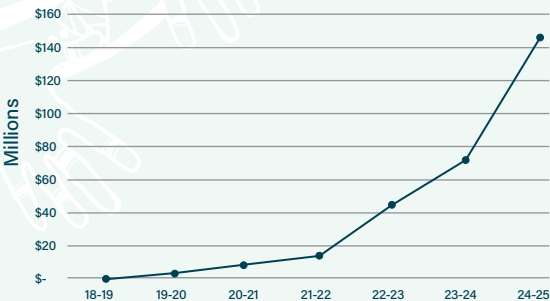
Investment v Contractual Close v Drawdowns



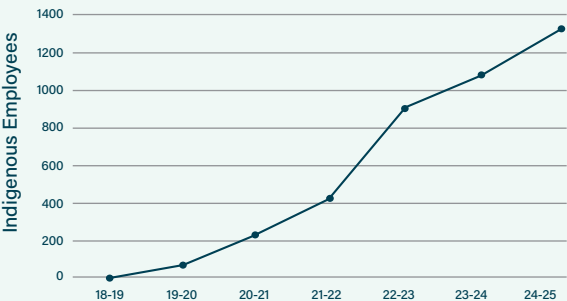
Indigenous Outcomes

NAIF recognises the importance of Indigenous engagement and requires all project proponents to submit an Indigenous Engagement Strategy as part of the eligibility process. This strategy must clearly define commitments for Indigenous participation, procurement, and employment, ensuring alignment with the local First Nations people in the project's region.

Indigenous Procurement

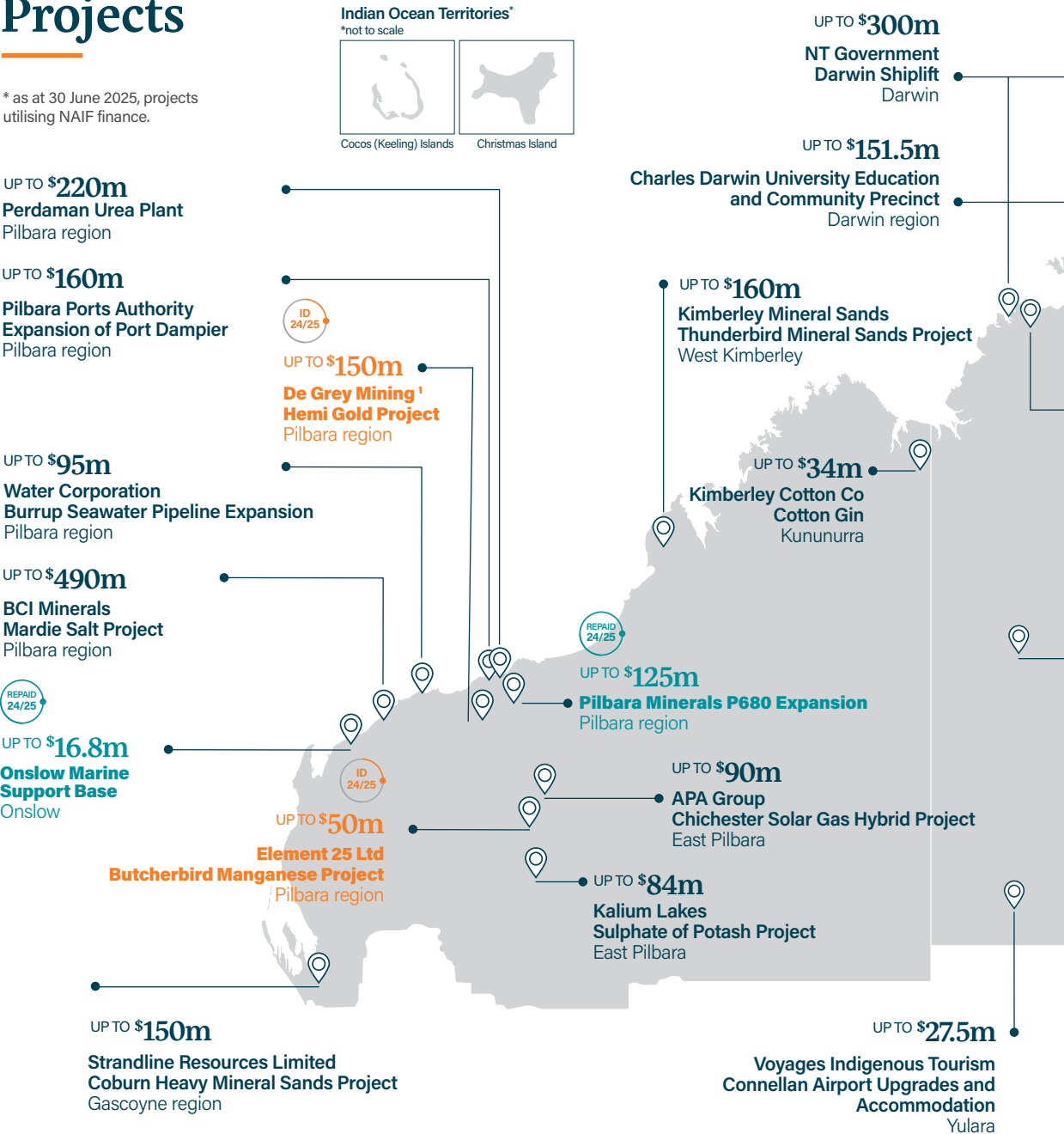


Indigenous Employment

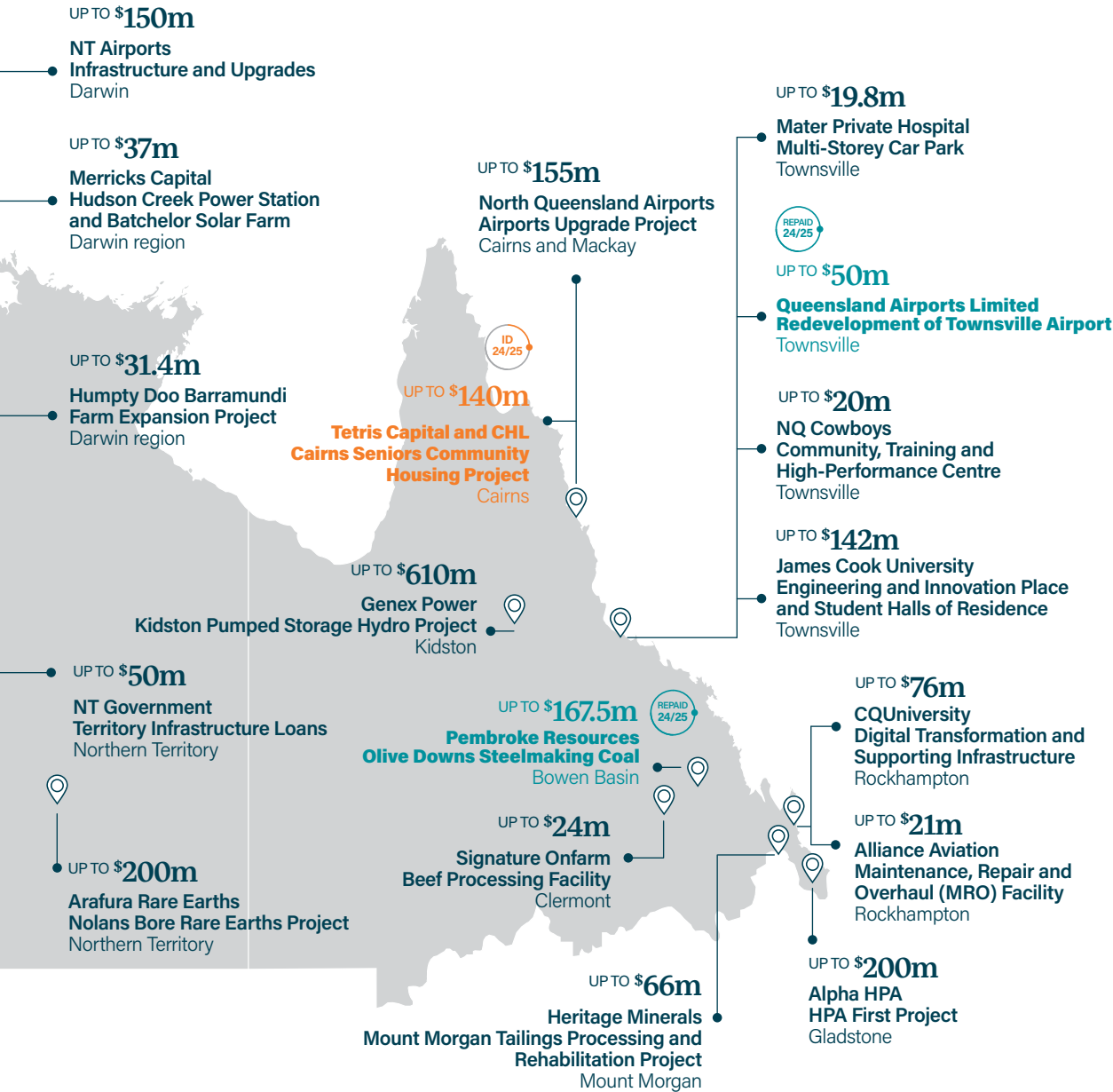


Projects

* as at 30 June 2025, projects utilising NAIF finance.



¹ Following NAIF's original Investment Decision, the proponent indicated an intention to refinance the project and will therefore no longer require NAIF's facility.



TRACEY HAYES

From the Chair

As the Chair of the Northern Australia Infrastructure Facility (NAIF), I am pleased to present the Northern Australia Infrastructure Facility Annual Report 2024-25, on behalf of the Accountable Authority, the NAIF Board.

Dear Stakeholders,

I am pleased to present the Northern Australia Infrastructure Facility's Annual Report for 2024-25, marking another year of significant progress in transforming northern Australia through financing projects that deliver public benefit, Indigenous outcomes and contribute to the sustainable growth of the region.

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.

With \$4.3 billion committed to projects, NAIF is contributing to the Nation by investing in the growth of northern Australia.

Operating Environment and Performance

The 2024-25 financial year presented a complex operating environment characterised by global economic uncertainties and evolving interest rate conditions. Despite these challenges, NAIF demonstrated resilience to this by making three Investment Decisions worth \$340 million of loans to projects with a combined project value of \$2.1 billion. These strategic investments across a range of key sectors are estimated to deliver \$7.2 billion in forecast public benefit and create 2,430 jobs across the region. NAIF's contribution to the Nation is reflected in our ongoing commitment to generating public benefit from projects. This includes an analysis of the economic impact, employment opportunities, regional income and business opportunities for local suppliers.

The importance of stewardship of public funds was demonstrated this year with a particularly encouraging milestone; the full repayment of loans by four proponents, totalling approximately \$325 million.



"The importance of stewardship of public funds was demonstrated this year with a particularly encouraging milestone; the full repayment of loans by four proponents, totalling approximately \$325 million. These successful repayments demonstrate the viability of our investment approach and ensure these projects will continue delivering public benefit to their regions well into the future."

These successful repayments demonstrate the viability of our investment approach and ensure these projects will continue delivering public benefit to their regions well into the future.

Our Purpose and Values

NAIF's purpose and core values – collaboration, solutions focused, integrity and making a difference – continue to guide every decision we make, helping us to deliver public benefit, support economic growth, and create lasting positive change for the communities we serve. These values are central to the way the organisation operates and conducts itself day to day and sits behind every decision made.

Strategic Priorities and Direction

NAIF welcomed the reappointment of the Hon Madeleine King MP as Minister for Resources and Minister for Northern Australia who provides the organisation with valuable continuity in our government relationships and reinforces the alignment between NAIF's mission and the Government's northern Australia agenda. We thank Minister King and officials at the Department of Infrastructure, Transport, Regional Development, Communication, Sport and the Arts for their ongoing support.

Our strategic priorities, as set out in NAIF's Corporate Plan, are aligned with the Australian Government policy. These include support for, among others, the Critical Minerals Strategy 2023–2030, Future Made in Australia and the Net Zero Economy Agency initiatives.

Importantly, we also remain focused on materially improving the lives of First Nations people and communities, ensuring our investments create opportunities and benefits that reach all segments of northern Australia's diverse population.

Independent Review

An independent statutory review of the Northern Australia Infrastructure Facility Act was conducted during the reporting year, with the panel providing their report to the Hon Madeleine King MP, Minister for Resources and Minister for Northern Australia, on 12 February 2025. NAIF welcomes the tabling of the review and the Government's consideration of the report.

Governance and Board Changes

NAIF's Board continues to play a crucial role in providing governance and oversight of NAIF's operations and strategic direction. During the year, there were changes to our Board composition with five reappointments and one new appointment.

I am pleased to welcome Mr Robert Edel as a new Board member, appointed until 30 June 2027. The Government also reappointed me as Chair until 30 June 2026, alongside the reappointment of Mr Stephen Margetic (to 30 June 2026), Ms Lisa Hewitt (to 30 June 2027), and Ms Kate George and Mr Grant Cassidy (both to 31 December 2025) as members. These appointments ensure continuity of expertise and experience as we continue to navigate an evolving investment landscape.

Leadership Transition

As we look ahead, NAIF is preparing for a transition to new executive leadership. I acknowledge the resignation of CEO Craig Doyle, who will retire from the role later this year, and we extend our sincere gratitude for his dedicated service to the organisation and his contribution to NAIF's growth and success.

I am confident in NAIF's leadership capabilities and our collective ability to deliver on our strategic plan during this transition period. Our experienced team and strong governance frameworks ensure continuity of operations and maintain our commitment to excellence in serving our stakeholders.

Looking Forward

NAIF remains committed to our vision of supporting the Australian Government's ambitious agenda for northern Australia.

I thank our stakeholders, partners, and team members for their continued support and dedication. Together, we will continue supporting northern Australia's bright future.

Yours sincerely



Tracey Hayes

CHAIR | NORTHERN AUSTRALIA INFRASTRUCTURE FACILITY

23 September 2025

CRAIG DOYLE

From the CEO

Dear Stakeholders,

As I reflect on the 2024-25 financial year, I am proud to present this report during what has been both a challenging and transformative period for the Northern Australia Infrastructure Facility.

Operating Context and Market Environment

The global economic landscape this year has been marked by persistent uncertainties, with volatile commodity markets, shifting interest rate environments, and evolving geopolitical tensions, creating both challenges and unique opportunities. International market trends have particularly highlighted the critical importance of secure supply chains for essential minerals and energy resources, positioning northern Australia as a strategic asset for both domestic and international partners.

Domestically, NAIF has navigated a dynamic political environment with new governments in Queensland and the Northern Territory, the return of the Western Australian Government, and continued federal leadership in Canberra. These changes have brought fresh perspectives and renewed commitment to northern development. I would like to express my gratitude to NAIF's responsible Ministers, the Hon Madeleine King MP, Minister for Resources and Minister for Northern Australia, and Senator the Hon Katy Gallagher, Minister for Finance, for their ongoing support in positioning NAIF at the heart of the Government's agenda for northern Australia.

The focus on critical minerals as a national priority, through the Government's Critical Minerals Strategy, has this year continued to create significant new opportunities for support. Other key policy initiatives like Future Made in Australia and the Net Zero Economy Agency have also provided NAIF with a role in Australia's economic transformation and energy transition efforts and we look forward to continuing to play a key role in these policies and programs.

Strategic Priorities and Reform

Throughout this year, we have remained focused on delivering our strategic priorities as set out in our Corporate Plan. These include 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, and growing existing business activity in the north.

Alongside this important work, we have been preparing for the outcomes of the independent review of our enabling legislation. The review process has provided valuable insights into how NAIF can continue to evolve and enhance our contribution to northern Australia's development.

Investment Performance and Pipeline Focus

This financial year has demonstrated NAIF's increased maturity as a development financier. To 30 June 2025, we made three significant Investment Decisions totalling \$340 million in loans.

This year, NAIF achieved a significant milestone with our support for the Cairns Seniors Community Housing Project, marking NAIF's first investment in the housing sector. NAIF's support has addressed a funding gap due to the lack of appetite from the commercial sector to provide

loans for projects of this nature on the terms required, and the elevated operating and construction costs associated with the project's regional location in Cairns.

NAIF's involvement in such a project illustrates the instrumental role the organisation can play in providing financial support where commercial lenders are risk adverse and hesitant, thereby ensuring essential projects can proceed.

At a portfolio level, with more of NAIF's projects moving from construction to operations, our portfolio management team has become increasingly important, and this year have worked closely with borrowers to navigate challenging market conditions to ensure project success. This hands-on approach to relationship management has been crucial in supporting projects through various challenges, including supply chain disruptions, labour shortages, and cost escalations. Our flexible approach and deep understanding of project risks, along with our mandated risk appetite, has enabled us to work constructively with proponents to find solutions and maintain project momentum where possible.

Within our existing portfolio, a particularly significant milestone was achieved this year with four of NAIF's proponents fully repaying loans, totalling approximately \$325 million. These successful completions demonstrate that NAIF-supported projects can deliver both commercial success and lasting regional benefits.

From an outlook perspective, our active pipeline remains robust despite the challenging economic environment, with interest from proponents across diverse sectors including energy, housing, transport, communications, and resources. The pipeline particularly reflects growing interest in critical minerals processing, renewable energy infrastructure, and projects that support supply chain resilience.

Indigenous Outcomes and Community Impact

One of NAIF's distinguishing features as a government financier is that as a condition of NAIF funding, proponents work with our Indigenous Outcomes team to devise a tailored Indigenous Engagement Strategy that is sustainable and achievable.

During the 2024-25 financial year NAIF proponents report spending nearly \$74.8 million towards Indigenous supply chains in support of their projects and enabling new jobs for First Nations people. This takes the total amount spent by NAIF proponents to over \$147 million toward Indigenous procurement, supporting over 1,300 Indigenous jobs.

Building Organisational Capability

Recognising that our people are our greatest asset, we have invested significantly in building organisational capability during 2024-25. We have strengthened our technical expertise, particularly in operational and portfolio management. Our culture initiatives have focused on fostering leadership, collaboration, and excellence across the organisation, demonstrating the strength of our team and the robustness of our systems and processes.

Our geographic footprint across northern Australia has been crucial to maintaining strong relationships with stakeholders and understanding regional nuances that inform our Investment Decisions.

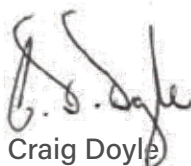
Personal Commitment and Transition

As I prepare to conclude my tenure as CEO later this year, I reflect on the privilege it has been to lead this organisation during such a dynamic period. Over my three years with NAIF, I have witnessed a steady growth in northern Australia's economic landscape and the growing recognition of the region's strategic importance to Australia's future prosperity.

I am committed to ensuring a seamless transition to new leadership. The strong foundation we have built, the quality of our team, and the robust systems and processes we have established position NAIF well for continued success. The organisation's strategic direction is clear, our relationships are strong, and our pipeline is healthy.

I am confident that NAIF will continue to play a crucial role in transforming northern Australia, supporting the Australian Government's policy objectives, and delivering lasting benefits for the communities we serve. The opportunities ahead are significant, and I have no doubt that NAIF will continue to rise to meet them.

Yours sincerely,



Craig Doyle

**CHIEF EXECUTIVE OFFICER
NORTHERN AUSTRALIA INFRASTRUCTURE FACILITY**

23 September 2025

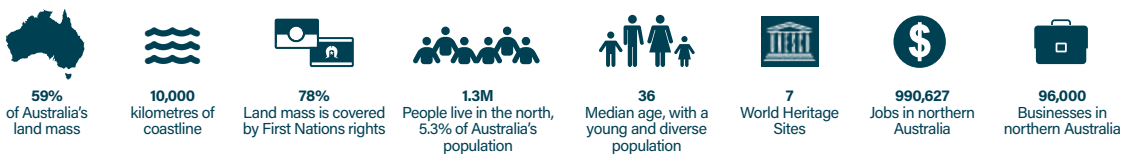
Strategic Framework

Investment Environment

Our investment 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. The territories of Christmas Island and the Cocos (Keeling) Islands, collectively known as the Indian Ocean Territories are also included.

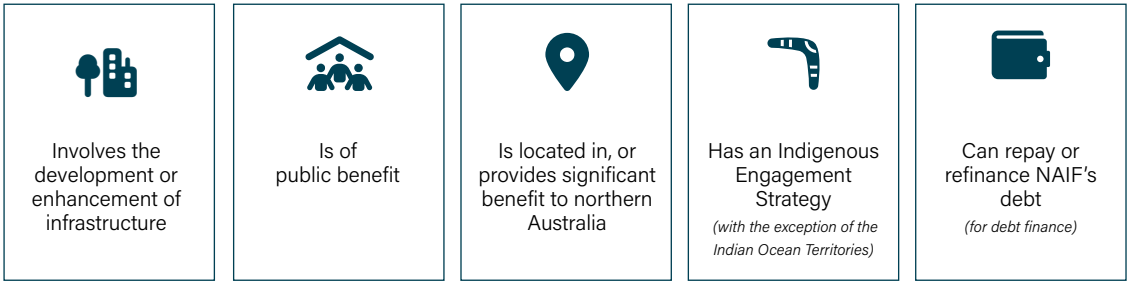
Our investing activities support projects that generate real economic growth and sustained population growth across northern Australia which in turn contributes to the creation of strong, vibrant, and sustainable local communities, and provide amenity which mean the north is an attractive place to live, work, play and raise a family.

Our environment¹



Investment Mandate

To be considered for financing by NAIF, projects are required to meet the mandatory criteria outlined in our Investment Mandate. These criteria require that the project:



Investment Process

NAIF's investment journey follows an infrastructure project lifecycle as illustrated below.



¹ Statistics provided by the Office of Northern Australia



CHARLES DARWIN UNIVERSITY
Education and Community Precinct (Danala)
Photo Credit: Mode Design

Policy Update

NAIF acknowledges its important role at the heart of the Australian Government's northern Australia agenda. 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.
- Sustainability, climate change and circular economy principles and solutions in northern Australia.
- Realising the Critical Minerals Strategy 2023–2030, along with support for other policies and priorities including Future Made in Australia and the Net Zero Economic Authority.
- Materially improving the lives of First Nations people and communities.

Collaborative Approach

NAIF 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.

Our collaboration with the Department of Finance, through the Specialist Investment Vehicle forum, has enhanced coordination and knowledge sharing across government financing entities. This collaboration has been particularly valuable in developing consistent approaches to due diligence, risk assessment, and performance monitoring while maintaining each entity's unique mandate and expertise.

This collaborative model enables us to harness diverse expertise and resources, creating an environment that supports successful investments and delivers long-term economic and social benefits for regional and remote communities.

Strategic Policy Alignment

Over 2024-25 NAIF has played an important role across government departments, agencies and Special Investment Vehicles in helping deliver on key national priorities. The establishment of the Net Zero Economy Agency has created new opportunities for collaboration on clean energy and industrial transformation projects, particularly in critical minerals processing and renewable energy infrastructure that leverage northern Australia's competitive advantages.

Alongside NAIF's investment, the Future Made in Australia policy offers opportunities to support the growth of the north through the development of domestic manufacturing capabilities and supply chain resilience in strategic sectors. Future opportunities identified for potential support include projects that process critical minerals within Australia rather than exporting raw materials, creating value-added manufacturing opportunities and skilled employment in regional communities.

The Rewiring the Nation program provides opportunities for collaboration on transmission infrastructure that supports renewable energy development across northern Australia. NAIF's role in supporting enabling infrastructure can potentially help unlock renewable energy projects that might otherwise struggle with connection challenges.

NAIF has also engaged with the National Hydrogen Strategy this year, with several projects in our pipeline representing significant opportunities to establish northern Australia as a major hydrogen production hub, leveraging renewable energy resources and proximity to key export markets.

Addressing Market Barriers

NAIF continues to address significant market barriers that prevent conventional lenders from supporting major infrastructure projects in northern Australia. These barriers include the higher perceived risks associated with remote locations, longer loan tenor for enabling infrastructure, and the financial complexity of projects that deliver substantial public benefits alongside commercial returns.

Our entry into the housing sector through an Investment Decision to the Cairns Seniors Community Housing Project demonstrates our commitment to addressing significant infrastructure gaps where market conditions prevent adequate private sector investment. Housing shortages in regional centres have emerged as a significant constraint on economic development, and NAIF's flexible financing approach can help unlock developments and assist proponents to overcome barriers such as cost of construction, supply chain risk and labour shortage issues, as evidenced in the Cairns Community Housing project.

Indigenous Engagement

Every NAIF partnered project is required to have a sustainable and achievable Indigenous Engagement Strategy and through our dedicated Indigenous Outcomes team, we remain committed to supporting the expansion and promotion of Indigenous opportunities

and outcomes. Alongside, supporting the First Nations Clean Energy Strategy, at an organisational level we added additional resources to our Indigenous Outcomes team, with a new employee commencing in Western Australia this year.

For proponents, our Indigenous Engagement Strategy toolkit provides proponents with practical guidance for meaningful engagement that goes beyond compliance requirements to create genuine partnerships and shared benefits.

Through our strategic policy alignment and collaborative partnerships, NAIF continues to evolve as a critical enabler of northern Australia's economic transformation, supporting the Australian Government's broader vision for a prosperous, sustainable, and inclusive future for the region.



Investment Report 2024–2025*

* as at 30 June 2025

LOANS APPROVED	FORECAST PUBLIC BENEFIT	PROCUREMENT	LOANS	CAPITAL
\$340M	\$7.2B	\$74.8M	\$495M	\$548.6M
To three projects across northern Australia	Includes Hemi Gold Project*	Spend towards Indigenous supply chains	Contractually closed	Deployed to projects

Summary of Investment Decisions made in FY24-25

CAIRNS, QLD		COMMUNITY HOUSING LIMITED (CHL) AND TETRIS CAPITAL PTY LTD (TETRIS)			
		Cairns Seniors Community Housing Project			
Social, affordable and specialist disability accommodation					
Investment Decision	Total Project Size	Social Infrastructure			
\$140M	\$426.1M				

PILBARA, WA		ELEMENT 25 LIMITED			
		Butcherbird Manganese Project			
Construction of an expanded processing facility at the existing Butcherbird site					
Investment Decision	Total Project Size	Resources			
\$50M	\$84M				

PORT HEDLAND, WA		DE GREY MINING LIMITED			
		Hemi Gold Project*			
Development of a conventional open cut gold mine					
Investment Decision	Total Project Size	Resources			
\$150M	\$1.6B			* Following NAIF's original Investment Decision, the proponent indicated an intention to refinance the project and will therefore no longer require NAIF's facility.	



CAIRNS, QUEENSLAND



COMMUNITY HOUSING LIMITED (CHL) AND TETRIS CAPITAL PTY LTD (TETRIS)

Cairns Seniors Community Housing Project

NAIF LOAN	SECTOR	FORECAST PUBLIC BENEFIT	FORECAST JOBS
\$140M		\$140.8M	322
Up to	Social Infrastructure	Economic Impact	290 during construction and 32 during operations

In partnership with Housing Australia and the Queensland Government, the Cairns Seniors Community Housing Project will provide social, affordable and specialist disability accommodation to address the housing shortage in Cairns. The project will deliver 490 dwellings, comprised of 245 social, 223 affordable and 22 specialist disability apartments, providing housing to around 690 people.

The project exemplifies the strength of public private partnerships, where a multitude of stakeholders work closely together to deliver much needed infrastructure. Developed by Tetris Capital and Community Housing Limited (CHL), the project includes funding by the Queensland Government in the form of a capital grant and a 20 year operating subsidy, with financing by NAIF, ANZ and Housing Australia. The project will be operated by Community Housing (Qld) Limited once completed.

With completion expected by late 2026, the project will not only provide older Australians and those living with disabilities access to more suitable housing but will help to make rental properties across the city available to the families who need them.

How we helped

NAIF's support has addressed a financing gap for the Cairns Seniors Community Housing Project. The gap was primarily due to two key factors: the lack of appetite of the commercial sector to provide loans for projects of this nature on the terms required, and the constrained construction market and alternative construction methodology adopted for this project, associated with the project's regional location in Cairns.

INDIGENOUS ENGAGEMENT
STRATEGY COMMITMENTS



Under the terms of the borrower's Indigenous Engagement Strategy, Community Housing (Cairns) Limited has agreed to work closely with the Gimuy Walubara Yidinji people, the Traditional Owners of the land.

According to recent data, 10 per cent of Cairns' total population identify as Aboriginal or Torres Strait Islander and through employment, and participation opportunities and access to accommodation on site, benefits of the project will be shared with Traditional Owners.





PILBARA REGION, WA



ELEMENT 25 LIMITED

Butcherbird Manganese Project

NAIF LOAN	SECTOR	FORECAST PUBLIC BENEFIT	FORECAST JOBS
\$50M		\$909.1M	368
Up to	Resources	Gross Regional Product over 18 years	149 during construction and 219 during operations

NAIF is supporting Element 25 Limited's Butcherbird Manganese Project in the Pilbara region of Western Australia with a loan amount of up to \$50 million. With a total project value of \$84 million and forecast public benefits of \$909.1 million, the expanded operations will bolster production of manganese concentrate critical to the steel sector and global clean energy transition.

Element 25 Limited's flagship operation involves expansion of existing manganese ore mining and concentrating operations, increasing manganese concentrate production from 360Ktpa to 1.1Mtpa. The expanded operations involve larger-scale open-cut mining activities and beneficiation plant upgrades, including enhanced crushing and screening circuits and installation of a Dense Media Separation (DMS) unit for optimised recoveries and improved concentrate grade. The Butcherbird site benefits from existing infrastructure including road network

providing access to Port Hedland, administration buildings, operational facilities, tailings storage facility, water bores and worker accommodation.

How we helped

Securing commercial bank finance for the Butcherbird Manganese Project presented challenges due to limited transparency in the manganese market and few effective hedging mechanisms compared to established commodities. Commercial banks have limited experience with this commodity, and price volatility reduces risk appetite. NAIF plays a critical role as gap financier providing finance where commercial terms are unviable or unavailable, particularly for junior mining proponents with a limited balance sheet, as well as its remote location in the Pilbara region impacting supply and transport costs and the risks associated with the region's climate during construction.

INDIGENOUS ENGAGEMENT
STRATEGY COMMITMENTS



Element 25 developed their Indigenous Engagement Strategy with commitments to Indigenous participation, procurement, training and employment outcomes in collaboration with Karla Nyiyaparli Aboriginal Corporation.





PILBARA REGION, WA



DE GREY MINING LIMITED

Hemi Gold Project

NAIF LOAN	SECTOR	FORECAST PUBLIC BENEFIT	FORECAST JOBS
\$150M		\$6.2B	1,740
Up to	Resources	Economic Impact	1,240 during construction and 500 during operations

NAIF approved an Investment Decision to support De Grey Mining Limited's Hemi Gold Project in the Pilbara region of Western Australia with a loan amount of up to \$150 million.

Following NAIF's original Investment Decision, the proponent indicated an intention to refinance the project and therefore no longer requires NAIF's facility. This case study is included to note NAIF's original Investment Decision and recognise the expected public benefit to follow from the project.

Once operational, the project is forecast to produce more than 500,000 ounces of gold per annum, making it one of Australia's top five gold mines with substantial expansion potential beyond its initial 12-year mine-life.

The Hemi Gold Project has potential to further diversify and enhance resilience of the Pilbara economy, traditionally dominated by iron ore mining.

How we helped

While the proponent will no longer be proceeding with financing from NAIF, the original Investment Decision provided financing certainty to the proponents.

INDIGENOUS ENGAGEMENT STRATEGY COMMITMENTS

De Grey's Indigenous Engagement Strategy includes commitments developed in collaboration with the Kariyarra Aboriginal Corporation relating to procurement, training, a ranger program and cultural competency programs.





Portfolio Report Summaries



PERDAMAN

Urea Project

The first modules have landed on-site at the Perdaman Urea Project in Karratha, WA, marking a major milestone for what will soon be Australia's largest urea plant. This significant step forward is part of the broader \$6.5 billion project, which we are supporting with a \$220 million loan, helping to kickstart a new fertiliser industry in northern Australia. Once operational, the plant will produce approximately 2 million

tonnes of urea annually, fulfilling domestic agricultural needs and supplying key export markets, making it one of the largest urea plants in the world.

The Perdaman Urea Plant is part of a trio of NAIF-supported projects, alongside the Dampier Bulk Handling Facility and Water Corporation's seawater brine disposal scheme, with a combined debt financing of \$475 million.

GENEX POWER

Kidston Pumped Storage Hydro Project

The Kidston Pumped Storage Hydro Project, driven by NAIF's \$610 million Investment Decision from July 2019, is progressing towards completion. This innovative renewable energy storage project is transforming a former gold mine site into a cutting-edge pumped hydro facility in North Queensland. The project demonstrates NAIF's commitment to supporting renewable energy infrastructure in northern Australia. Construction activities have progressed substantially during FY 2024/25, with major civil works and infrastructure installation advancing toward the facility's operational readiness. The project will provide critical energy storage capacity for Queensland's renewable energy grid and create lasting employment opportunities in the region.



BCI MINERALS

Mardie Salt Project

BCI Minerals' Mardie Salt and Potash Project in the Pilbara region has achieved significant construction milestones backed with NAIF's \$490 million investment support. The project reached 61 per cent completion by Q1 2025 and remains on track for completion in 2026. The project represents one of Australia's largest salt production developments, delivering substantial economic benefits to Western Australia. The project is creating significant employment opportunities and will establish Australia as a major salt exporter. Final construction phases are progressing well, positioning the project for successful commissioning and operations by 2026.



CHARLES DARWIN UNIVERSITY (CDU)
Education and Community Precinct

CDU's campus development, supported by NAIF's \$151.5 million loan, achieved a major milestone with the official opening of the new Danala, Education and Community Precinct in Darwin city after more than 550,000 construction work hours. The new city campus officially opened in October 2024, marking the completion of a significant phase of the broader campus modernisation program. The project has delivered state-of-the-art educational facilities, enhanced community spaces, and strengthened CDU's capacity to serve Northern Territory students and communities. Construction quality and design excellence have been recognised as setting new standards for educational infrastructure in northern Australia.



NORTHERN TERRITORY GOVERNMENT
Territory Infrastructure Loans

Environmental Keystones secured the first Territory Infrastructure Loan to build a cutting-edge pyrolysis plant in Wishart, NT. Backed by NAIF and the Northern Territory Government, this \$8 million project will process up to 50,000 tonnes of green waste annually into biochar, bio-oil, syngas, and fertiliser to drive sustainable industry growth. This Australian-first CSIRO-developed technology will create 30 jobs during construction and 12 ongoing roles, boosting the NT's economy.



Portfolio Management

NAIF is committed to investing for impact across the north. We are prepared to accept a higher tolerance than commercial banks for risks on projects that deliver significant public benefits, without putting proponents at serious risk of defaulting on their financial commitments.

NAIF acts consistently with the Investment Mandate and our Risk Appetite Statement, continuing to have a high-risk tolerance for factors that are unique to investing in northern Australia. These include challenges relating to accessing capital from commercial markets, due to distances, remoteness and climate.

As part of our normal course of business, we follow rigorous due diligence and assessment processes to manage risk and our team works closely with proponents to actively manage risks as they arise, both with individual proponents and across the entire portfolio.

Our portfolio management team works with proponents across the investment lifecycle to ensure projects have every chance of success and deliver the economic and social benefits to regional communities. Areas of focus are:

- monitoring project construction, managing loan drawdowns, principal and interest repayments
- ensuring that terms and conditions under the facility agreements are met
- managing the credit risk of the portfolio.

There will be times when NAIF, as a financier, must make difficult decisions and our team, along with our independent Board, look to manage investments responsibly on behalf of the Australian taxpayers. NAIF is acutely mindful of the need to ensure there is a return to the Australian taxpayer from the loans we provide, wherever possible, along with jobs and the public benefit, even if projects become impaired.

Project repayments

As at 30 June 2025, four proponents have fully repaid their loans amounting to approximately \$325 million, and those projects will continue to deliver jobs and lasting economic benefits to their regions.

Proponents repaying their NAIF loans in full this year were:

- Onslow Marine Support Base, Western Australia.
- Queensland Airports Limited: Redevelopment of Townsville Airport, Queensland.
- Pembroke Resources: Olive Downs Steelmaking Coal Project, Queensland.
- Pilbara Minerals: P680 Expansion, Western Australia.

Proponents no longer proceeding with NAIF financing

As in the case of the Hemi Gold Project Investment Decision this year, see page 16, on occasion some of NAIF's proponents do not proceed with utilising NAIF financing. Reasons for this can range from the proponent refinancing and no longer requiring NAIF funding, to being unable to meet conditions precedent and therefore not reaching contractual close with NAIF.

Where projects can proceed without NAIF financing, we regard this as a success as NAIF has ultimately helped to derisk a project and enable the proponent to secure capital from the private sector. We provide the following update on Investment Decisions made in previous years:

- Mater Misericordiae advised NAIF that it had secured alternative finance for its Maternity and Renal Dialysis Unit project and would not be requiring financing from NAIF
- Metro Mining advised NAIF that it no longer wished to proceed with its previously approved Investment Decision for its Bauxite Hills Mine Expansion proposal near Weipa in Far North Queensland

- in December 2024, NAIF's contractual close sunset date lapsed in relation to a 2021 Investment Decision to the Yangibana Rare Earths Project in Western Australia. Consequently, pending any potential reapplication, the project will not proceed with NAIF financing at this time.

Impaired exposures

Kalium Lakes Beyondie Sulphate of Potash Project

Due to commissioning issues, Kalium Lakes went into administration and receivership in August 2023. The Beyondie mining operation was subsequently placed into care and maintenance in September 2023. In the absence of an acceptable buyer of the project, lenders agreed to liquidate the group's assets, and as at 30 June 2025, a limited receivership process continues.

NAIF's exposure to the project is \$84 million against which a specific provision of \$73.9 million has been recorded. Once the receivership process has concluded and the final distribution has been made, further detail will be provided on the NAIF website.

Strandline Resources Coburn Heavy Mineral Sands Project

Due to commissioning issues, Strandline went into administration and receivership in February 2025. The Coburn mining operation was subsequently placed into care and maintenance in June 2025. As at 30 June 2025, the receivership process continues.

NAIF's exposure to the project is \$150 million, against which a specific provision of \$143.75 million has been recorded. Once the receivership process has concluded and the final distribution has been made, further detail will be provided on the NAIF website.



Portfolio Project Outcomes



SIGNATURE ONFARM'S Beef Processing Facility

NAIF's \$24 million loan, approved in 2019, supported the construction of Signature Onfarm's beef processing facility in north Queensland's Isaac shire region.

Signature Onfarm's export-accredited beef slaughter and boning facility is a critical piece of multi-user supply chain infrastructure supporting the northern beef industry.

Project outcomes

- Construction activity is estimated to have contributed \$23.6 million to Gross Regional Product and supported 249 direct and indirect jobs.
- The quantified public benefit from operations is estimated to be \$4.5 million per annum on average since commencement of operations.
- Employment generated by operations reached 72 direct and indirect jobs in the 2024 financial year.
- Indigenous employment in operations reached a peak of 7 per cent.
- Cattle processed at Signature Onfarm's new facility has reduced the need for live cattle transport to specialised processing facilities in New South Wales, some 1,250 kilometres away, leading to increased supply chain value capture in northern Australia and improved animal welfare.
- The facility's high value adding, including improved by-product recovery and premium cuts, has increased meat yield and returns to northern producers.
- The time taken to achieve export accreditation was longer than anticipated, impacting the facility's short-term operating capacity. Public benefit is expected to increase as the project moves to full operating capacity.



MATER TOWNSVILLE HOSPITAL

Multi-Storey Car Park

A \$19.8 million NAIF loan, approved in 2020, was used to finance the construction of a new car park at Mater Private Hospital in Townsville.

The car park is a central element of Mater's Pimlico campus redevelopment project, which includes the relocation and development of maternity and renal dialysis services.

Project outcomes

- Construction of the car park is estimated to have supported 61 direct and indirect jobs and contributed \$11.3 million to Gross Regional Product.
- The project reached a peak of 25 per cent Indigenous employment (against a 3 per cent target) in construction.
- \$1.4 million was spent with First Nations suppliers, representing 8.8 per cent of total procurement in construction.
- A six-metre-high artwork by Torres Strait Islander artist Gail Mabo is displayed on the car park's external facade. The artwork acknowledges the four different Indigenous clans around Townsville.
- The car park has improved access and safety for patients, visitors and staff, who would otherwise need to walk long distances to reach cars parked in surrounding streets.
- Development of the car park has assisted in reducing congestion in surrounding neighbourhoods.

Portfolio Project Outcomes



HUMPTY DOO BARRAMUNDI'S Farm Expansion Project

NAIF finance (a \$7.2 million loan, approved in 2018, and a \$24.2 million loan, approved in 2020) was used to support Humpty Doo Barramundi's farm expansion project.

Humpty Doo Barramundi, located between Darwin and Kakadu in the Northern Territory, is one of Australia's most successful barramundi farms and a cornerstone of the Northern Territory's aquaculture industry.

Project outcomes

- Construction activity is estimated to have contributed \$14.4 million to Gross Regional Product and supported 120 direct and indirect jobs.
- The quantified public benefit from operations of the expanded farm was \$45.2 million as at June 2024.
- Over six years of expanded operations the farm has supported, on average, 94 direct and indirect jobs per annum.
- Fish sales increased 171 per cent from 2017-18 to 2023-24, delivering increased procurement, employment and supply chain activity in the Northern Territory.
- In 2024, 4.5 per cent of Humpty Doo Barramundi's workforce identified as Indigenous.
- As at June 2024, Humpty Doo Barramundi has spent \$1.9 million through First Nations identified contractors and sub-contractors including local businesses endorsed by the Northern Territory Indigenous Business Network.



STRANDLINE RESOURCES

Coburn Heavy Mineral Sands Project

NAIF's \$150 million loan, approved in 2020, supported the construction of Strandline Resources' Coburn Heavy Mineral Sands Project, including construction of an open pit mining operation, processing facilities and ancillary infrastructure.

Located 240km north of Geraldton in the Gascoyne region of Western Australia, the Coburn project was one of the world's largest mineral sands mines, producing a high value heavy mineral concentrate and refined zircon, rutile and ilmenite products.

Project outcomes

- Construction activity is estimated to have supported 346 direct and indirect jobs and contributed \$11.7 million to Gross Regional Product.
- Employment in operations averaged 312 direct jobs (on

average, 10 per cent of employees resided in northern Australia) and is estimated to have contributed \$9.3 million to Gross Regional Product from the start of operations to January 2025.

- Construction of the Project was undertaken by a predominantly Perth-based FIFO workforce
- The project reached a peak of 17 per cent Indigenous employment in operations, including a workforce consisting of mostly Nanda Traditional Owners and a procurement spend of over \$1.3million towards Indigenous businesses including a significant portion towards Nanda owned businesses.
- Strandline made 19 shipments of heavy mineral concentrate from December 2023 to January 2025 and 2 shipments of ilmenite from the regional Port of Geraldton.

Indigenous Outcomes

As a condition of providing a loan, all projects backed by NAIF need to create and implement an Indigenous Engagement Strategy (IES). Each IES is bespoke and tailored to the aspirations of the local community with a focus on Indigenous participation, procurement, training and employment outcomes.

Critically, the strategies are a partnership between project proponents and the local First Nations community including Traditional Owner groups. NAIF facilitates collaboration between stakeholders and requires proponents to commit to delivering and reporting on the progress of their IES.

As NAIF approves more finance, proponents will continue to develop additional strategies, creating new opportunities for collaboration between, government, business and local communities. These partnerships will help address key economic and social challenges. Under the IES, focus areas will include strengthening regional relationships, increasing employment and procurement and supporting social investment, community development and cultural initiatives.

NAIF's Indigenous Outcomes team works closely with the Northern Australia Indigenous Reference Group (IRG) that works alongside the Office of Northern Australia (ONA) as part of the Department of Infrastructure, Transport, Regional Development, Communications, Sports and the Arts, providing regular updates on NAIF's Indigenous program. The NAIF team also plays an active role coordinating and participating in the quarterly meetings with Indigenous Land and Sea Corporation (ILSC), Indigenous Business Australia (IBA) and the National Indigenous Australians Agency (NIAA) as part of the Memorandum of Understanding arrangements.

Closing the Gap

The National Agreement on Closing the Gap is centred around four Priority Reforms to transform the way governments work with Aboriginal and Torres Strait Islander peoples and includes 17 socio-economic outcomes.

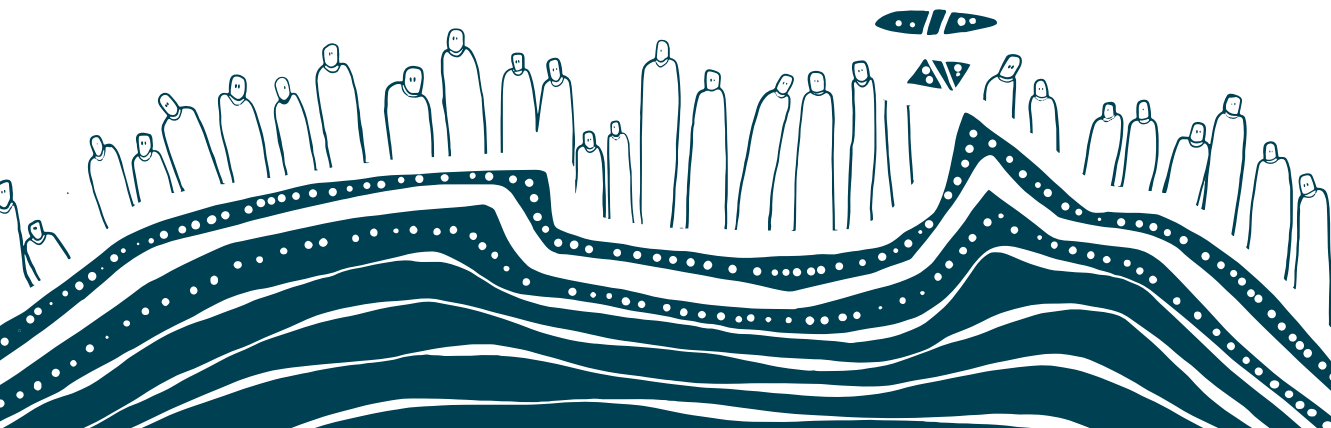
While NAIF is not required to report directly against the Closing the Gap targets, our alignment with outcomes achieved through the IES criteria particularly in procurement, employment, and community development is consistent with the intent of the initiative. This is most notably reflected in Outcome 8: Strong economic participation and development of Aboriginal and Torres Strait Islander people and communities.

Enabling Indigenous Jobs and Businesses

During FY24-25, NAIF proponents reported spending over \$74 million towards Indigenous supply chains in support of their projects. This takes the total amount to more than \$147 million toward Indigenous procurement and supporting over 1,300 Indigenous jobs. NAIF projects further support skills development, vocational training, and job creation, contributing to increased First Nations workforce participation and economic empowerment across the north.

On the Ground Resource in WA

NAIF now has representation on the ground in Western Australia through its Indigenous Outcomes team to strengthen local relationships, build trust, and ensure meaningful engagement with Traditional Owners, First Nations businesses and communities. Being regionally present allows NAIF to understand the local context, priorities, and opportunities and help work with proponents ensuring that project planning and





delivery are culturally responsive, inclusive, and generate tangible benefits.

Special Investment Vehicle

The IES is a flagship initiative that sets NAIF apart as the sole Specialist Investment Vehicles (SIV) dedicated to implementing a holistic strategy aimed at achieving First Nations participation, procurement and employment through infrastructure projects across northern Australia. Reflecting the IES within NAIF's mandate, NAIF has dedicated significant time building relationships and sharing our knowledge with other SIVs including - Clean Energy Finance Corporation, Export Finance Australia, Housing Australia as well as commercial lenders, sharing insights into how an IES requirement can deliver meaningful and significant outcomes when placed within the finance mechanism or their Investment Mandate.

Reconciliation Action Plan

NAIF's Innovate Reconciliation Action Plan (RAP), endorsed by Reconciliation Australia, is the next step forward in our commitment to strengthening relationships with Aboriginal and Torres Strait Islander communities and enhancing our employees' cultural understanding.

The development of the Innovate RAP builds upon the foundation laid by our inaugural Reflect Reconciliation Action Plan.

Enhanced Cultural Awareness

We have implemented, and continue to develop, in-house learning and training programs to increase our employees' understanding of Aboriginal and Torres Strait Islander cultures and histories. This has led to a more culturally competent workforce capable of engaging meaningfully with First Nations communities.

Strengthened Relationships

Our monthly RAP Working Group meetings have fostered continuous dialogue between our employees and First Nations stakeholders, enabling us to monitor progress and adjust our strategies effectively. These meetings ensure that we remain accountable and responsive to our employees and the needs of the communities we serve.

Our team has collaborated with Government SIVs to develop the Innovate Reconciliation Action Plan and advanced the development of a governance framework for our RAP Working Group meetings.

Community Engagement Initiatives

All staff are encouraged and a number have participated in events such as NAIDOC Week, National Reconciliation Week and other community events, celebrating First Nations cultures and reinforcing our commitment to reconciliation.

Looking Ahead

NAIF's Innovate Reconciliation Action Plan is a living document that reflects our dedication to action, learning, and partnership. As we continue this journey, we aim to deepen relationships, overcome challenges, and deliver on our commitments for reconciliation with Aboriginal and Torres Strait Islander peoples in northern Australia.

Annual Performance Statement

Introductory Statement

I, on behalf of the accountable authority, the Board of the Northern Australia Infrastructure Facility (NAIF), present the 2024-25 Annual Performance Statement of NAIF, as required under paragraph 30(1)(a) of the Public Governance, Performance and Accountability Act 2013 (PGPA Act).

In our opinion, based on material provided to the Board, this Annual Performance Statement accurately reflects the performance of the entity and complies with the subsection 39(2) of the PGPA Act.



Tracey Hayes
CHAIR OF THE NAIF BOARD

Purpose

NAIF contributes to the Nation by proudly investing in the growth of northern Australia.

NAIF achieves this purpose by fulfilling its 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 are associated with:

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

NAIF's contribution to the Nation is reflected in the economies of the north by way of the public benefit value generated by NAIF funded projects including the delivery of Indigenous engagement initiatives. Our impact is measured through an independent assessment of the economic impact, employment opportunities, regional income and business for local suppliers.

NAIF's purpose facilitates the achievement of a program outcome, as outlined in the FY24-25 Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts Portfolio Budget Statement (page 462), to 'enable economic growth in northern Australia, by facilitating private sector investment in economic infrastructure, primarily through the provision of concessional financing delivered through the State and Territory Governments.'

Results

NAIF achieved eight of its performance criteria, while partially achieving three criteria and not achieving one performance criteria. A summary of results is included in figure 1.

NAIF has made favourable progress over FY24-25 with the Board making three Investment Decisions to offer loans totalling \$340 million, to support projects with a total capital value over \$2.1 billion.

The analysis of NAIF's overall performance should be read in conjunction with the remainder of the Annual Report including the Chair and CEO Report.

Figure 1: NAIF Performance Summary for FY24-25

Source of Performance Criterion: NAIF Corporate Plan FY24-25 page 9-12

Performance criteria	Measure /Target	Outcome
Financing transformational opportunities in northern Australia		
1. DOLLAR VALUE OF INVESTMENT DECISIONS (ID's)	>\$700 million	Partially achieved \$340 million of Investment Decisions in FY24-25 against a target of >\$700 million. NAIF is a proponent led model that assesses each proposal independently of this target.
2. CAPITAL DEPLOYED (le cumulative drawdowns)	> \$2.5 billion	Achieved NAIF has deployed a cumulative total of \$2.6 billion.
3. NAIF LOAN RATIO (Private sector contribution to NAIF finances)	<75% contribution	Achieved NAIF finance is a cumulative total of 16% of the capital contributed over the three approved Investment Decisions, meaning the private sector has contributed the other 84% of required capital for the projects to proceed.
Facilitates economic and sustainable growth		
4. PUBLIC BENEFIT (Dollar value of forecast public benefit from Investment Decisions)	>\$4 billion	Achieved Total public benefit of \$7.2 billion forecast across the three Investment Decisions.
5. JOB CREATION (Forecast direct and indirect jobs from Investment Decisions)	>2,500 jobs	Partially achieved Total jobs forecast of 2,430 across the three Investment decisions.
Delivering Indigenous Outcomes		
6. INDIGENOUS STRATEGIES (New investments in projects with significant Indigenous ownership)	> 2 new Investments (small loan and/or ID)	Not achieved The three Investment Decisions in FY24-25 did not have significant Indigenous ownership.
7. INDIGENOUS EMPLOYMENT (Annual average percentage of Indigenous specific jobs for new ID's)	>5 %	Achieved The three Investment Decisions in FY24-25 committed to an average percentage of 5% of new jobs being Indigenous specific jobs.
Efficient use of NAIF resources		
8. NAIF IS NET ZERO COST TO GOVERNMENT (Net notional revenue covers operational expenses for the year)	>1	Achieved Net notional revenue in FY24-25 totalled ~ \$45 million, over twice the annual operating budget and ~2.5x actual expenditure.

Performance criteria	Measure /Target	Outcome
Collaborate and partner to ensure cohesive efforts to advance northern Australia		
9. EFFECTIVE STAKEHOLDER ENGAGEMENT AND THOUGHT LEADERSHIP ON GROWTH FOR NORTHERN AUSTRALIA (Rating of good or better by NAIF's Stakeholders in stakeholder survey)	80%	Partially achieved NAIF has been measuring the satisfaction of its proponents and stakeholders since 2022. The most recent FY23-24 survey results showed high levels of satisfaction with NAIF's various communications. While satisfaction with NAIF's existing communications is high, NAIF identified an opportunity in FY24-25 to better understand proponent information, engagement and communication needs at each stage of the investment journey. NAIF therefore took a different approach and undertook qualitative research with proponents to better understand their information gaps and needs, so an optimised origination, communications & engagement strategy could be developed.
10. DEMONSTRATE ACTIVE COLLABORATION WITH OTHER SPECIALIST INVESTMENT VEHICLES (SIV'S), AND ACTIVITIES THAT ADVANCE INDIGENOUS ECONOMIC EMPOWERMENT	✓	Achieved During FY24-25 the NAIF stakeholder relations team met with other SIVs on a monthly basis, whilst the Indigenous Outcomes team held regular meetings with IBA, NIAA, ILSC, and Traditional Owner organisations such as prescribed bodies corporate, land councils and other Traditional Owner groups.
Supporting Government priorities		
11. DEMONSTRATE ALIGNMENT OF INVESTMENT DECISIONS TO GOVERNMENT POLICY PRIORITIES (Each ID contributes to at least one Government priority)	>1	Achieved Each of the three Investment Decisions were aligned with at least two Government policy priorities.
12. DEVELOP STRATEGIES FOR NAIF OPERATIONS TO MEET GOVERNMENT PRIORITIES	✓	Achieved

Analysis of Performance Criteria

1. Dollar Value of Investment Decisions

Figure 2: Summary of Investment Decisions made in FY24-25

Proponent	Jurisdiction	Project	NAIF Loan Investment Decision	Total Project Size
De Grey Mining Limited ²	Port Hedland, WA	Hemi gold project	\$150m	\$1,617m
Community Housing Ltd	Cairns, QLD	Senior community housing project	\$140m	\$426m
Element 25	Pilbara, near Newman, WA	Butcherbird manganese project	\$50m	\$84m

NAIF has committed new investment finance of \$340 million through FY24-25 Investment Decisions against a target of >\$700 million. NAIF is a proponent led model with demand directly impacted by economic conditions. NAIF has had several projects not progress through the pipeline for a variety of reasons including material increase in construction costs, delays in securing offtake agreements, higher interest rates, as well as ongoing tight labour market conditions and higher geopolitical risk creating longer term uncertainty. NAIF continues to work with proponents and strives to find appropriate funding structures where possible within the bounds of our legislative instruments.

The total capital value of projects NAIF has supported during the year is \$2.1 billion. The projects reflect NAIF's role in developing northern Australia, including a gold mine in the Port Hedland (Hemi), construction of social, affordable and specialist disability accommodation (Cairns Senior Community Housing) and a manganese project in the Pilbara (Butcherbird).

For the reporting period, contractual close was reached on projects totalling \$495 million. Contractual close is a key point of economic enablement for NAIF's projects, as this is when proponents have the confidence to carry out design and construction, driving the first phase of employment and economic growth. On 30 June 2025 NAIF had reached contractual close on \$4.1 billion of financings in total, which relates to 28 projects that are now generating economic activity in northern Australia.

Since inception NAIF has financed a diversified spread of projects across both geography and sector, as illustrated on the northern Australia map on pages 6-7

of this report. NAIF is a proponent led model, which can result in sector or location concentration over shorter time periods.

2. Capital Deployed

During FY24-25, NAIF deployed around \$549 million to supported projects, total capital deployed since inception is over \$2.5 billion.

3. NAIF Loan Ratio

Over the three Investment Decisions in FY24-25, NAIF loans accounted for approximately 16% of the projects total capital value, meaning that other financiers have supported 84% of the value of these projects.

4. Public Benefit

To be eligible for NAIF financial assistance under the Investment Mandate, mandatory criteria 2, requires that the Board must be satisfied that the proposed project:

- Will produce benefits to the broader economy and community beyond an economic return to the Project Proponent.

Public benefit on each project was independently assessed in line with NAIF's Public Benefit Guideline which outlines the requirements of the NAIF Board. The potential benefits vary for each project and have been assessed spanning different periods depending on the life of the asset. Public benefits are assessed quantitatively, where possible, to determine a net public benefit number. Where it is not possible to value costs and benefits in monetary terms, they are considered qualitatively. Construction jobs and operational jobs are also forecast (see further information in 5. Jobs Creation).

² Following NAIF's original Investment Decision, the proponent indicated an intention to refinance the project and will therefore no longer require NAIF's facility.

The FY24-25 Investment Decisions are forecast to generate \$7.2 billion of public benefit to the northern Australia economy being a multiplier of 21 times for every NAIF loan dollar committed.

The following public benefit has been recognised in this financial year:

- Hemi Gold project – the project was set to become one of the largest gold mining operations in Australia, helping to diversify the local economy which is currently highly concentrated around iron ore and gas industries. In addition to created new skilled job opportunities, the project will have significant flow-on benefits locally and attract further investment in community and public infrastructure. The project has established plans in place to encourage employment and procurement from the local region. An independent economist has forecast that the project will generate \$6.2 billion of positive economic impact to the Pilbara region over construction and 12 year operational life.
- Cairns Senior Community Housing – the project will develop social, affordable and specialist disability accommodation which will provide housing to around 690 people. This project will support a range of unquantified socio-economic benefits including contributing to the clear and pressing need for more social and specialist disability housing in the Cairns region. It has been forecast that the project will also contribute approximately \$141 million of quantified positive benefit to the Cairns region.
- Butcherbird Manganese project – the project will support expanded operations to bolster the production of manganese concentrate critical to the steel sector and global clean energy transition. An independent economist has forecast an economic impact of \$909 million in to the Pilbara region during construction and over an 18 year operational life.

In addition, the proponents on projects that have commenced drawdown have reported that approximately \$420 million of goods and services have been procured from northern Australian suppliers during FY24-25, stimulating further economic growth in the region.

5. Job Creation

The Investment Decisions by the NAIF Board in FY24-25 are forecast to support 2,430 jobs in either the construction or operational phase which will directly contribute to economic and population growth in the regions of those projects.

The forecast jobs stemming from the three investment decisions are as follows:

- Hemi Gold project – had been forecast to generate 1,240 new jobs during construction and 500 new ongoing jobs during the operational life.
- Cairns Seniors Community Housing project– has been forecast to support approximately 290 new jobs during construction and 32 ongoing jobs during the operational life of the project.
- Butcherbird manganese project – has been forecast to generate 149 new jobs during construction and 219 new ongoing jobs during the operational life.

In addition, existing proponents that have commenced drawdown, have reported that approximately 5,624 jobs³ have been supported in FY24-25 stimulating economic activity and population growth in the region.

6. Indigenous Strategies

While each of the three Investment Decisions made in FY24-25 developed and adopted an Indigenous Engagement Strategy (IES) to be implemented over the life of the project, NAIF did not make any Investment Decisions to provide financing to majority owned Indigenous projects.

NAIF engaged with several First Nations led projects, mostly in the energy sector, but varying in size, location, scope, and stage of development. A common feature across these projects is that Prescribed Body Corporates (PBCs) are seeking to leverage their Native Title rights to pursue long-term economic opportunities for their Traditional Owner groups, including through joint ventures, equity participation, or acting as lead project proponent. A consistent theme is that many of these projects are still in the early stages, particularly regarding project design and capital structuring. NAIF will continue to engage with these, and other First Nations led initiatives, providing guidance on structuring viable projects, navigating pathways to capital, and connecting with Specialist Investment Vehicles (SIVs) and other supporting resources that may assist.

³ Actual annual job numbers are provided by Proponents based on a requirement to report actual jobs related to NAIF funded projects. They are not comparable to job forecasts at the time of Investment Decision, as the forecast modelling includes both direct and indirect jobs stimulated by a project.

NAIF remains committed to supporting First Nations economic development across northern Australia through strong collaboration with key partners. Under its Memorandum of Understanding (MoU) with Indigenous Business Australia (IBA), the Indigenous Land and Sea Corporation (ILSC), and the National Indigenous Australians Agency (NIAA), NAIF continues to exchange resources and identify opportunities to support First Nations led projects. This work is further strengthened by new and ongoing relationships with other Commonwealth SIVs, including Export Finance Australia (EFA), the Clean Energy Finance Corporation (CEFC), Housing Australia, and the Australian Renewable Energy Agency (ARENA). These partnerships enhance NAIF's ability to identify and refer co-invest opportunities in First Nations led initiatives, while also helping to understand ongoing barriers. Through potential direct financing and the Indigenous Engagement Strategy (IES) requirements attached to every project NAIF funds, NAIF is focused on enabling meaningful Indigenous participation and long-term economic outcomes.

7. Indigenous Employment Opportunities

NAIF supports Indigenous employment outcomes through the IES criterion, where all NAIF financed projects develop and deliver bespoke strategies focussing on local Indigenous participation, procurement and employment outcomes. Each of the proponents who reached an Investment Decision in FY24-25 adopted an IES to be implemented over the life of the loan. NAIF assesses each IES on a case-by-case basis, noting there are many ways the proponent can meet the IES criterion. Refer to the Indigenous Engagement Strategy Guideline on NAIF's website.

Across the three Investment Decisions during the financial year, an average percentage of 5% was committed to new Indigenous specific jobs, matching a target of >5%. Employment strategies established under each IES is distinct from each other.

The projects supported this year have committed to the following Indigenous employment obligations:

- Cairns Seniors Community Housing project - a First Nations participation target of 3%, either through the value of subcontract works awarded to certified First Nations businesses or through an equivalent percentage of on-site labour hours performed by First Nations employees.
- Hemi Gold project – At the time of the NAIF ID, the project committed to Indigenous employment target of 1% from the start of construction, 3% from first

gold production and 5% from 5 years after first gold production and thereafter.

- Butcherbird Manganese project – Indigenous employment target of 3% in the first year of operations and increasing to 6% by the third year of operations.

Some key achievements during the financial year through the IES include:

- Airport Development Group (ADG) revised its IES to align with the repurposing of the NAIF loan, with oversight from the Indigenous Advisory Committee. During the year, ADG reported \$4.1m in procurement spend with Indigenous suppliers, bringing the total procurement spend up to \$6.2m, and continued to support Indigenous Training Academy trainees through formal qualifications and mentoring by Tanyah Nasir Consulting;
- Construction commenced on the Cairns Seniors Community Housing project with strong early Indigenous participation across employment and procurement on-site, where First Nations employment reached 41.2% and Supply Nation-certified businesses engaged contributing to \$6.5m making up for 45.4% of the total procurement; and
- The Perdaman Urea project, First Nations procurement reached \$11.6 million and Indigenous employment reached 2.4%. Perdaman initiated entry-level pathways, training programs, and an active recruitment drive. The company also maintained regular engagement with the Murujuga Aboriginal Corporation and supported school outreach programs in Karratha and Roebourne.

8. NAIF is Net Zero Cost to Government

Since its inception in 2016, the Commonwealth Government has provided NAIF with an annual appropriation to cover operational expenditure. Although all interest income, commitment fees and establishment fees from NAIF investment flow to consolidated revenue, NAIF tracks its annual and cumulative cost recovery on a notional basis.

Taking into account a notional borrowing cost based on the Commonwealth 10-year bond rate, NAIF's FY24-25 investment activity generated a net notional revenue of \$45.3 million, over twice the annual operating budget of \$22.4 million and ~2.4x actual expenditure of \$18.6 million.

Since inception, NAIF's investment portfolio has cumulatively generated net notional revenue of \$157.4 million compared to \$132.4 million received in Commonwealth appropriation to cover operating costs, making NAIF net zero cost to Government based on the comparison of operational cost to net notional revenue.

9. Effective Stakeholder Engagement and Thought Leadership on Growth for Northern Australia

NAIF plays a critical role in driving growth and prosperity across Northern Australia by fostering meaningful stakeholder engagement and providing thought leadership on key development opportunities.

By collaborating with governments, Indigenous communities, industry leaders and regional stakeholders, NAIF ensures projects align with community priorities, respect cultural and environmental values, and deliver lasting economic and social benefits. Tailored engagement strategies help build trusted relationships; support knowledge sharing and assist proponents in navigating complex regional dynamics.

Key activities include:

- Extensive stakeholder engagement across more than 20 locations in Northern Australia, including Croydon, Ravenshoe, Tablelands, Mareeba, Cassowary Coast, Karratha, Mount Isa, Cloncurry, Cairns, Rockhampton, Alice Springs, Katherine, Broome, Kununurra, Tennant Creek, Nhulunbuy, Port Hedland, Carnarvon, Exmouth and Maningrida.
- 72 meetings with regional development organisations to strengthen relationships and align with local priorities.
- Formalised monthly meetings with jurisdictional governments in Queensland, the Northern Territory and Western Australia to support collaboration and alignment.
- Commonwealth consultation was undertaken for four projects following completion of the strategic assessment phase.
- Representation at a total of 58 conferences this financial year and 22 (38%) of these were speaking spots.
- 288 participated in the webinar this financial year, which focused on housing investment.

The team uses strategic engagement plans based on the International Association for Public Participation (IAP2) framework to identify key stakeholders and deliver meaningful, effective engagement.

As a thought leader, NAIF shares insights into infrastructure needs and opportunities across sectors such as energy, transport, resources and social infrastructure, highlighting pathways for economic diversification and resilience.

Through this collaborative approach, NAIF builds confidence in Northern Australia's growth prospects and drives investment that supports a stronger, more connected and prosperous future.

10. Demonstrate Active Engagement with Other SIV's and Activities that Advance Indigenous Empowerment

NAIF had over 20 stakeholder meetings with other SIV's including CEFC, EFA, Housing Australia, as well as commercial lenders, sharing insights into how an IES requirement can be a mandatory criterion under their Investment Mandate. In the financial year, NAIF continued its relationship under the MOU with IBA, ILSC and NIAA with the purpose of identification and cross-referral of potential projects and investment opportunities.

11. Demonstrate Alignment of Investment Decisions to Government Policy Priorities

Each of NAIF's Investment Decisions were aligned with more than one of the Government policy priorities as outline in Schedule 2 of NAIF's Investment Mandate. All three ID's are aligned with the following Government policy priorities:

- Sustainable and resilient Economic Development; and
- Materially improving the lives of Indigenous people and communities.

In addition, one project was aligned with each of the following priorities:

- Working with Jurisdictions to deliver key infrastructure; and
- Sustainability, climate change and circular economy.

12. Develop Strategies for NAIF Operations to Meet Government Priorities

NAIF has developed a comprehensive strategy aligned with the Australian Governments Net Zero strategy. It includes targeted actions across energy, buildings, procurement, fleet, travel, ICT and people capability. The highlights of progress of the year are:

- Energy - transitioned NAIF's only managed office to 100% green energy, plan is to transition other managed offices where available and based on cost.
- Buildings - moved Perth office to a building with a higher NABERS rating (previously 4, now 4.5) and plants have been introduced to Cairns, Sydney and Perth offices contributing to cleaner air and staff wellbeing.
- Procurement – active approach to embedding sustainability in purchasing decisions, updating Procurement policy to include sustainability as a principle, this has driven a change in purchasing decision for office products.
- Fleet – introduced EV option when renting vehicle while travelling, continued to promote salary sacrificing for leased EV private vehicles.
- Travel – procuring carbons offsets for flights.
- Information Communication Technology – recycled headsets and donated old laptops / phones to charity, standard laptops are made from 50-90% recycled materials and can be returned to manufacturer for recycling.
- People, Culture & Capability – NAIF offices participated in Earth Hour, staff benefit from a Working Flexibly policy, whereby they have the opportunity to work from home 2 days a week contributing to reduced emissions from vehicles and public transport.

NAIF has also developed a promoting Indigenous employment which is aligned with the Australian Governments priority on Improving First Nations outcomes promoting Indigenous employment. The NAIF Indigenous Employment Strategy was endorsed by the NAIF People and Remuneration Committee in November 2024, and encompasses three pillars - Recruitment, Retention and Representation. The strategy includes a focus on building a cohort of Indigenous employees and professionals, developing talent pipelines to develop Indigenous candidates and ensuring a culturally safe environment with support frameworks in place for Indigenous employees. In addition, NAIF has made considerable progress on the NAIF

Innovate Reconciliation Action Plan (RAP) completing approximately 50% of the 67 identified actions during the FY24-25 period.

NAIF's enhanced procurement principles are also aligned with improving First Nations outcomes. The Procurement Policy explicitly embeds First Nations participation as a core principle, whereby NAIF aims to:

- Promote Indigenous procurement through preferred supplier engagement;
- Use Indigenous procurement databases such as Supply Nation, Black Business Directory, and state-based Aboriginal business directories; and
- Align with the Commonwealth Procurement Rules and PGPA Act, ensuring value for money while advancing social sustainable outcomes.

Corporate Governance

Legislative Framework

NAIF was established on 1 July 2016 as a corporate Commonwealth entity under the Northern Australia Infrastructure Facility Act 2016 (NAIF Act).

An independent review of the NAIF Act was concluded in February 2025. The report was tabled on the 27 August, once its recommendations are considered by Government, the NAIF's Act and Investment Mandate may be amended to best position NAIF for the future.

Accountability

NAIF is a portfolio agency within the Department of Infrastructure, Transport, Regional Development, Communications, Sports and the Arts. The responsible Ministers for the FY24-25 period were the Hon Madeleine King MP, Minister for Resources and Northern Australia (the Minister) and Senator the Hon Katy Gallagher, Minister for Finance, Women, Government Services and Public Service.

NAIF's Board is the Accountable Authority with a focus on strategic direction, risk appetite and monitoring performance. The Ministers appoint the members of NAIF's Board and provide direction through the Investment Mandate.

As a corporate Commonwealth entity, the requirements of the PGPA Act apply to NAIF's corporate governance, reporting and accountability.

Corporate Governance Framework

NAIF is committed to maintaining high standards of corporate governance.

NAIF has a comprehensive suite of governance policies that are fit for purpose and appropriate for its size and functions. It is a tailored governance framework that incorporates statutory responsibilities under the NAIF Act, Investment Mandate, PGPA Act and other relevant legislation.

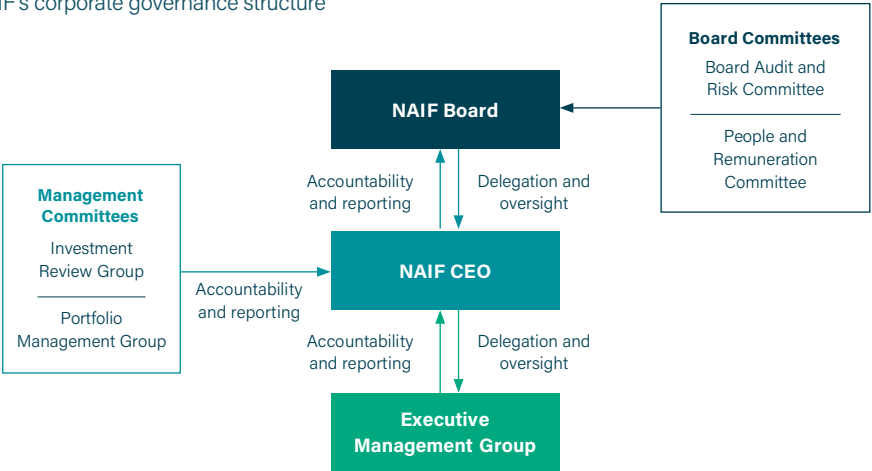
Board Charter

NAIF's Board Charter sets out the Board's roles and responsibilities. This Charter builds on the Board's duties as the accountable authority under the PGPA Act and outlines key duties and responsibilities. <https://www.naif.gov.au/our-organisation/governance/>

Board Audit and Risk Committee Charter

Pursuant to section 45 PGPA Act, NAIF is required to have in place a functioning audit committee. The NAIF Board constituted the Board Audit and Risk Committee (BARC) to review the appropriateness and provide advice on NAIF's financial and performance reporting, systems of risk management and oversight and system of internal control. The BARC Charter is available on the NAIF website. <https://naif.gov.au/our-organisation/governance/>

Figure 3: NAIF's corporate governance structure



People and Remuneration Committee Charter

The People and Remuneration Committee (PRemCo), operates under a People and Remuneration Committee Charter. The primary role of the PRemCo is to provide strategic advisory oversight of NAIF's people and remuneration policies, frameworks, initiatives and strategies to assist in enabling NAIF to fully and effectively perform its functions.

Review and Continuous Improvement

NAIF approaches its operations on a continuous improvement basis to ensure that it has regard to Australian best practice government governance principles, and relevant Australian best practice corporate governance, as required by section 20(1) of the Investment Mandate.

Strategic and Corporate Planning

NAIF's strategic documents align with its corporate governance framework and purpose. The Corporate Plan FY25-26, sets out how we will build on our achievements to date by working with our partners to generate more jobs and economic activity in northern Australia. The plan is available on the NAIF website.

Ethical and Responsible Behaviour

Code of Conduct

The Code of Conduct seeks to foster a culture where ethical conduct is valued and demonstrated in NAIF's day-to-day business. The Code of Conduct provides the principles, standards, and behaviours that support expectations of integrity, accountability, transparency, and professionalism.

Public Interest Disclosure (whistleblower) Protection

NAIF is committed to maintaining the highest standards of ethical and accountable conduct and ensuring that individuals who make public interest disclosures are provided with the protections available under the *Public Interest Disclosure Act 2013*.

NAIF has a process for reporting, investigating and responding to disclosures made under the PID Act. NAIF's Public Interest Disclosure Policy provides a framework for the escalation of disclosable conduct. This includes conduct that is illegal, corrupt, unethical or is an abuse of public trust. The Policy applies to all Board members and current and former employees, consultants and contractors of NAIF.

Conflicts of Interest

NAIF manages conflicts of interest in accordance with its Conflicts of Interest Policy which covers actual, potential or perceived conflicts of interest for NAIF Board members, employees and contractors.

Board members with a material personal interests in relation to a project under consideration are excluded from discussions and information relating to the project. A disclosed interest register is maintained to record actual, perceived or potential Board members' conflicts of interests. Board meeting minutes record recusals to protect any disclosed personal interests from occurring. In addition, a disclosed interest register is maintained for employees and contractors, with appropriate barriers implemented for employees with material personal interest in projects under consideration.

Anti Money Laundering and Counter Terrorism

NAIF has an anti-money laundering and counter-terrorism (AML/CTF) program to detect and prevent money laundering and terrorism financing when providing designated services. The program is designed in accordance with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act) and Rules. In FY24-25, NAIF continued to invest and refine its AML/CTF program in line with guidance material, conducting an annual review of its ML/TF risk register and controls to ensure ongoing appropriateness relative to its risk profile, size and complexity.

Privacy

The NAIF Privacy Policy, and Privacy Management Plan describes how NAIF collects, uses and discloses personal information and implements the requirements of the Privacy Act 1988 and Privacy (Australian Government Agencies – Governance) Code 2017. NAIF continues to improve its privacy management measures to progress towards its target maturity within the Privacy Management Plan.

Fraud and Corruption Control Plan

NAIF's Fraud and Corruption Control Plan (Plan) prevents the incidence of fraud and corruption through identifying risks and establishing adequate control strategies. In addition, the Plan establishes a clear set of procedures for detecting and dealing with allegations of fraud, including mandatory reporting requirements. In FY24-25, NAIF held a targeted fraud risk workshop with key business units to review emerging fraud and corruption risks and strengthen existing controls.

Compliance

NAIF manages its compliance obligations through the compliance management framework, and the governance, risk, and compliance system. The framework provides a consistent and transparent methodology to manage obligations while promoting a culture that recognises the importance of adhering to regulatory requirements.

All incidents in FY24-25 were recorded in the NAIF Incident Register and satisfactorily addressed with no systemic issues identified

Corporate Reporting

Internal Audit

EY is NAIF’s internal auditor. During the period, the internal audit program maintained a focus on delivery of value-adding services and compliance and performance audits in accordance with the Strategic Internal Audit Workplan.

External Financial Audit

The Australian National Audit Office (ANAO) is NAIF’s external auditor who confirmed that NAIF’s FY24-25 Financial Statements are compliant with Australian Accounting Standards and the PGPA Rule 2015 and issued an unmodified audit opinion. The field work associated with the FY24-25 financial statement audit was outsourced by ANAO to KPMG.

Judicial and Administrative Decisions and Reviews

There were no judicial or administrative decisions during the period.

Indemnities and Insurance

Insurances provided by Comcover and Comcare have general application that includes Board members and NAIF employees as per the ordinary insurances required of Commonwealth entities. Total premiums paid during the reporting period were \$60,894.

Legislative Reporting

Ministerial Direction

The responsible Ministers give NAIF direction through the NAIF Investment Mandate which is available on the NAIF website <https://naif.gov.au>

NAIF Act – Section 42(1) Reporting

For the purpose of s42(1) of the NAIF Act, NAIF reports as follows:

- (a) Investment Mandate changes:** There were no changes to the Investment Mandate during the period.
- (b) Summary of proposal notices given to the Minister:**
NAIF provides a written proposal notice to the Minister for each project. NAIF proposes to provide financial assistance as required under section 11(2) of the NAIF Act.

NAIF provided proposal notices for the three Investment Decisions made by the NAIF Board between 1 July 2024 and 30 June 2025 which are summarised in Figure 4.
- (c) Summary of rejection notices by the Minister:**
There were no rejection notices from the Minister during the period.

Figure 4: Summary of proposal notices

Proponent	Jurisdiction	Project	Max amount of NAIF financial assistance
De Grey Mining Limited	Port Hedland, WA	Hemi Gold Project	\$150m
Community Housing Limited	Cairns, QLD	Cairns Senior Community Housing Project	\$140m
Element 25	Pilbara, WA	Butcherbird Manganese Project	\$50m

Figure 5: Summary of important features of financial assistance approved during the period

Proponent ⁴	Tenor (years)	Senior	Secured	Interest rate concession
De Grey Mining Limited	10	✓	✓	✓
Community Housing Limited	23	✓ (Partial)	✓	
Element 25	11	✓	✓	

⁴ See proponent names and project details in Figure 4. Summary of Proposal Notices

(d) Summary of projects for which financial assistance was approved during the period:

- (i) For amounts of financial assistance and kinds of northern Australia economic infrastructure refer to Figure 4: Summary of proposal notices.
- (ii) All financial assistance provided during the period was in the form of a loan. Figure 5 provides a summary of the important features of each loan during FY24-25.

Each loan pays an upfront facility fee and an interest rate above the Commonwealth cost of borrowing which represents returns to the Commonwealth.

- (iii) The risks to the Commonwealth are rigorously assessed during the due diligence process to ensure the risks are understood and mitigated where possible. Risks include project, credit, transaction, structure, environmental and social, construction, technology, operation, management, market, industry, business, financial and concentration risk.

(e) Summary of adjustments or concessions made by NAIF in relation to infrastructure projects that have not progressed as planned:

There were six adjustments / concessions of this type during the reporting period which are summarised in Figure 6.

Figure 6: Summary of adjustments or concessions for projects that have not progressed as planned

Proponent	Adjustment / Concession	Reason
Merricks Capital	Principal repayments deferred to 30 September 2025.	To provide time for the proponent to resolve commercial issues associated with the projects.
Strandline Resources	Principal and interest repayments deferred to 28 February 2025.	To provide time for the proponent to restore its operating activities pending a longer-term capital restructure.
Humpty Doo Barramundi	Principal repayments deferred to 8 November 2025 with option to capitalize interest over the same period. Relief on the financial covenants to 30 September 2025.	To provide time for the proponent to adjust its operating activities in the face of changing market conditions.
Signature Onfarm	Principal and interest repayments deferred to 31 March 2025. Adjustment to the financial covenants commencing 30 June 2025.	To accommodate delays in ramp up of the project due to delays in obtaining export licenses.
Kimberley Mineral Sands	Waive the requirement to test financial covenants at 30 June 2025.	To provide time for the proponent to deliver an updated Base Case Financial Model and Project Budget.
North Queensland Airports	Release of Sponsor Holding Company from the NQA Group financing structure and security granted.	NQA Group responding to the Treasury Laws Amendment (Making Multi-nationals Pay Their Fair Share – Integrity and Transparency) Bill 2023.

NAIF Act – Section 42(2) Reporting

NAIF had no subsidiaries in existence during FY2024-25.

Environmental Reporting

NAIF's sustainability ambitions are in line with its purpose, to contribute to the nation by investing in the growth of northern Australia. This includes actively consulting across government in priority areas as they impact investment in northern Australia, such as the Net Zero Economy Authority, areas of the Commonwealth's National Adaptation Plan and the development of Australia's Sustainable Finance Taxonomy. Priority areas for NAIF during FY24-25 included:

- transition, adaptation and decarbonisation activities;
- publication of a disclosure log relating to potential financed emissions;
- Environmental, Social and Governance (ESG) reporting.

NAIF is also an Associate Member of the Australian Sustainable Finance Institute (ASFI) and continued to actively collaborate with key stakeholders in advancing Australian sustainable finance initiatives. During FY24-25, representatives from NAIF participated in the following workshops, forums and activities:

- ASFI First Nations Reference Group;
- IGCC Climate Change Investment & Finance Summit 2024;
- Launch of the Green Building Council of Australia (GBCA's) and Australian Sustainable Finance (ASFI's) Sustainable Finance Guide;
- 2024 Australian Sustainable Finance Summit;
- 2025 2nd Public Sector Climate-Related Risk & Disclosure Summit;
- Australasian launch of the Taskforce on Nature-related Financial Disclosures (TNFD); and
- 2024 First Nations Clean Energy Symposium.

In addition, NAIF has been actively building inhouse capability through a variety of training / education programs including:

- AICD Introduction to Climate Governance;
- ESG for Risk Professionals; and
- Climate Risk and Opportunity Management Program (CROMP).

Australia's Emissions Reduction Targets

NAIF recognises the impact of climate change on our business and communities and supports Government policy and carbon reduction targets to achieve net zero by 2050. NAIF is committed to publicly report on

exposure to climate risks and opportunities, as well as actions to manage them in line with Government policy for government entities. Following NAIF's voluntary opt-in to the Commonwealth Climate Disclosure Pilot in FY23-24, NAIF's Commonwealth Climate Disclosure follows on page 70.

Ecological Sustainable Development

Section 516A of the Environmental Protection and Biodiversity Conservation Act 1999 (Cth) (EPBC Act) requires NAIF's annual report to:

- report on how NAIF's activities accord with the principles of ecologically sustainable development (ESD principles);
- document the effect of NAIF's activity on the environment;
- identify any measures NAIF is taking to minimise the impact of its activities on the environment; and
- identify the mechanisms (if any) for reviewing and increasing the effectiveness of those measures.

The Environmental Reporting section of the Annual Report, and particularly the section titled E&S Impacts Overview – FY24-25 Investment Decisions, addresses this reporting requirement.

Section 20(1) of the Investment Mandate also requires NAIF have regard to best practice government governance principles, and relevant Australian best practice corporate governance for Commercial Financiers when performing its functions, and to develop and review annually policies regarding environmental, social and governance issues, climate and transition risks, and shared risks. Consideration of the environmental impact of our activities is a consideration in all decisions made in compliance with Australia's legislative landscape.

Disclosure Log

NAIF's commitment to environmental accountability and transparent governance is reflected in the publication of its Disclosure Log relating to potential financed emissions. The Disclosure Log provides information on projects that have progressed through the strategic assessment phase and remain subject to NAIF due diligence. Specifically, it identifies each project's relative likelihood of exceeding the Safeguard Mechanism threshold of 100,000 tonnes of carbon dioxide equivalent in any given year of operation. This assessment is based on data deemed appropriate by NAIF or verified by independent environmental consultants.

Environmental and Social Review of Projects Policy

NAIF's activities accord with ESD principles and best practice corporate governance through the application of its Environmental and Social Review of Projects Policy (ESR Policy). The ESR Policy ensures that each project submitted for an Investment Decision has been assessed through environmental and social due diligence. It relevantly ensures that NAIF's due diligence processes leading to an Investment Decision include an assessment of environmental and social impacts (E&S impacts), which are considered along with the public benefit assessment, as outlined in NAIF's Public Benefit Guideline. The guideline provides direction on how NAIF will assess the public benefit of each project, including both beneficial and adverse E&S impacts (where applicable), alongside a range of other short and long term economic and social considerations for each proposed project. In performing due diligence, NAIF requests detailed information from project proponents regarding actual or proposed project plans and resources (for example, planning and environmental consultations, community consultation plans, biodiversity action plans, native title plans and cultural heritage plans). NAIF's assessment is performed using internal resources and expert external advice (as required). NAIF also consults with government agencies relevant to the E&S impacts of a project as appropriate. Emphasis is placed upon the project proponent's capacity to comply with approvals. NAIF also investigate the project proponents':

- E&S systems, plans, policies, and procedures for compliance with applicable E&S approvals (and the conditions of those approvals); and
- record of compliance with E&S regulatory requirements.

NAIF also assess the degree to which requests for financial assistance have the potential to adapt or mitigate the negative impacts of climate related risks and contribute to the achievement of Australia's greenhouse gas emissions reduction targets. NAIF seeks to confirm that the project proponent has undertaken appropriate stakeholder consultation, including, where relevant, acknowledging the principle of Free, Prior and Informed Consent (FPIC). NAIF also expects to see appropriate resources and systems allocated to the management of social impacts, including the commitment to ongoing stakeholder consultation and complaints handling during project construction and operations.

NAIF monitors compliance with E&S obligations during the lifecycle of the project, according to specific E&S contractual provisions, specific E&S reporting, and the nature of the potential risks identified. Should a project

fail to comply with contractual E&S obligations, NAIF will endeavour to work with the project proponent to make the project compliant or, as necessary, exercise the Facility's contractual remedies.

FY24-25 Investment Decisions - E&S Impacts Overview

NAIF assessed the E&S impacts for the following Investment Decisions during the FY24-25 in accordance with our ESR Policy.

Cairns Seniors Community Housing Project

The Project has been specifically designed to provide social, affordable and specialist disability accommodation. There are several design features which address the tropical climate in Cairns, including:

- Sunhoods, building overhangs and double glazing to protect from heat and water;
- Wide corridors to maximise natural ventilation and ensure accessibility;
- Covered parking and walkways;
- Energy efficient buildings (including Section J Building Efficiency modelling and a target of seven stars under the Nationwide House Energy Rating Scheme (NatHERS) regime);
- Solar arrays on roofs reducing resident and operating electricity costs;
- Façade weatherproofing; and
- Climate-specific landscaping, including shading and landscaping with native vegetation.

The construction contractor, FCC Construction (FCC), integrates the United Nations Sustainable Development Goals (SDGs) in its activity and value creation model. FCC's objective is to promote the socioeconomic growth of the local communities it serves with the buildings and infrastructures it builds, while preserving the environment.

The operator, Community Housing Queensland Limited, is part of the Community Housing Limited (CHL) Group, which is the largest community housing provider in Australia. CHL is experienced in managing similar community housing projects across QLD and utilises a social impact framework to evaluate the impact of safe, secure, and affordable housing.

The project developer, Tetris Capital (Tetris), works with construction partners to achieve environmentally friendly and sustainable design, particularly through use of green technologies and on-site renewable energy generation. Tetris is Climate Active Carbon Neutral certified and signatory to the Principles for Responsible Investment.

An Independent Technical Expert (ITE) assessed the Project against the Equator Principles and found it to be consistent with a project with minimal E&S impacts. NAIF due diligence considered the projects E&S principles in line with ESR Policy, environmental considerations are assessed as negligible due to the suburban location and clear alignment in the projects approach to climate resilience, sustainability, and community wellbeing. The consortium, builder and operator have strong track records of managing E&S risks across their portfolios, demonstrated in their delivery of several projects of this nature.

Hemi Gold Project

Due diligence has considered E&S impacts in line with the NAIF ESR of Project Policy. Overall, environmental and social risk is considered moderate, which is acceptable to NAIF for a project of this nature.

The Project is currently the subject of several State and Federal environmental approvals processes. On 30 June 2025, the EPA recommended that the project be approved, subject to certain conditions. The statutory public appeals period ends on 21 July 2025, following which the decision of the Minister is expected to be forthcoming not before December 2025. Final primary approvals are required from both the EPA (State) and EPBC (Federal) in order to allow the development of the Project. Final secondary approvals are also required from various regulators.

In terms of due diligence process, Environmental Resources Management Australia Pty Ltd (ERM) were commissioned to undertake an independent review of Environmental and Social Due Diligence (ESDD) of the Project. As an independent review the assessment of the Project sought to determine E&S gaps against the 'Applicable Standards' and identify potential material E&S risks. Applicable Standards are defined as follows:

- Laws, legislation and regulations of Australia and Western Australia relating to environmental and social matters;
- The Equator Principles (EPs); and
- The International Finance Corporation's (IFC) Performance Standards on Environment and Social Sustainability and IFC Environment, Health, and Safety (EHS) Guidelines for Mining, where local legislation does not support the intent of the EPs.

Based on its review and categorisation, ERM assessed the Project as Category B, with potentially limited adverse E&S risks and/or impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures.

De Grey engaged Energetics to undertake a study to estimate emissions based on three scenarios (Gold Mining "Standard Practice", Hemi Base Case and Hemi Low Emissions). A peer benchmarking exercise was also undertaken to assist De Grey to understand the performance of its peers in WA. Study shows that emissions across all scenarios are predominately emissions from grid electricity (Scope 2), diesel (Scope 1), and carbonates in the ore (Scope 1 chemical reaction).

The study by Energetics suggested that the proposed design for the Project was expected to result in a lower emission intensity than the WA average for peer gold mines. During our due diligence process, De Grey Mining Ltd completed a Greenhouse Gas Environmental Management Plan (GHG EMP) for the Project. It outlined that the anticipated emissions determined that the proposed Project (prior to the ongoing review by Northern Star Resources Ltd) will exceed the Safeguard Mechanism threshold and will be deemed a "designated large facility" under Section 22XJ of the NGER Act. Once operational and assuming the Project proceeds in the form subject of the DFS (that is, with no decarbonisation options incorporated into the Project and prior to Northern Star Resources Ltd's takeover), base case Scope 1 emissions were forecast to be in the range of 200,000 – 250,000 tpa. A climate risk assessment was also completed by De Grey Limited capturing transition and physical risk assessment.

Butcherbird Manganese Project

During NAIF's due diligence, a third-party expert prepared an IESR, focusing on Stage 2 of the project.

The project was also assessed during the due diligence phase for compliance with NAIF's Environmental and Social Review of Project Policy. In assessing a bespoke project of this nature, reliance is placed on the IESR, however emphasis is placed on the environmental and social assessment and approvals required under State legislation.

Climate risk has been specifically considered, and Element 25 has developed a Climate Related Approach and Emissions Reduction Strategy for Project activities. Overall,

the nature of the project and its focus on commercialisation and production of manganese concentrate sustainably supplying global EV markets align with NAIF's ESR Policy.

Element 25 engaged a third-party expert SLR Consulting (SLR) to produce an Independent Environmental and Social Report (IESR) to assist in assessing the project's Commonwealth, State and local approvals and authorisations. SLR provides comprehensive environmental management, permit and compliance services and have a clear understanding of Australia's legislative frameworks and specific regulatory requirements. From a Commonwealth perspective, the IESR's independent review of baseline flora, vegetation and fauna assessments and associated searches concluded that the project did not trigger referral under the Environment Protection and Biodiversity Conservation (EPBC) Act. From a Western Australia State perspective, the existing Butcherbird operations did not trigger referral under the Environmental Protection (EP) Act.

The planned Stage 2 expansion received formal approval from the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) Resource and Environmental Compliance Division in January 2025. This was closely followed by Works Approval from Department of Water and Environmental Regulation (DWER), which represented final statutory approval for the Project. This specific approval endorses the project under the Western Australia regulatory framework, so Element 25 can commence construction of the proposed Stage Two expansion.

Carbon footprint analysis was undertaken on each of the Project stages. Greenhouse gas emissions (GHG) are estimated as annual Scope 1 emissions of approx. 21,678 tCO₂-e per year, and 390,200 tCO₂-e over an 18-year project life. There are not forecast to be any Scope 2 emissions. With Stage 2 being a larger-scale operation than the initial Stage 1 development, the carbon intensity is potentially lower (<0.04 kg CO₂ per kg manganese concentrate). Should Element 25 proceed with the development of its proposed US refinery (a future focused project, separate to Butcherbird), a portion of the manganese concentrate produced from Butcherbird's operations is expected to be diverted for downstream processing into manganese sulphate – a key component of cathodes in lithium-ion batteries in electric vehicles (EVs). EVs are expected to produce significant reductions in GHG compared to fossil-fuel powered vehicles.

GHG estimates are at levels which would not trigger the regulatory baseline Safeguard Mechanism (> 100,000 tCO₂-e per year) under the National Greenhouse and Energy Reporting (NGER) Act, nor trigger annual reporting to the Clean Energy Regulator (>25,000 CO₂-e per year). Scope 3 emissions – from road train haulage of concentrate to Port Hedland port – are estimated at 28,248 tCO₂-e.

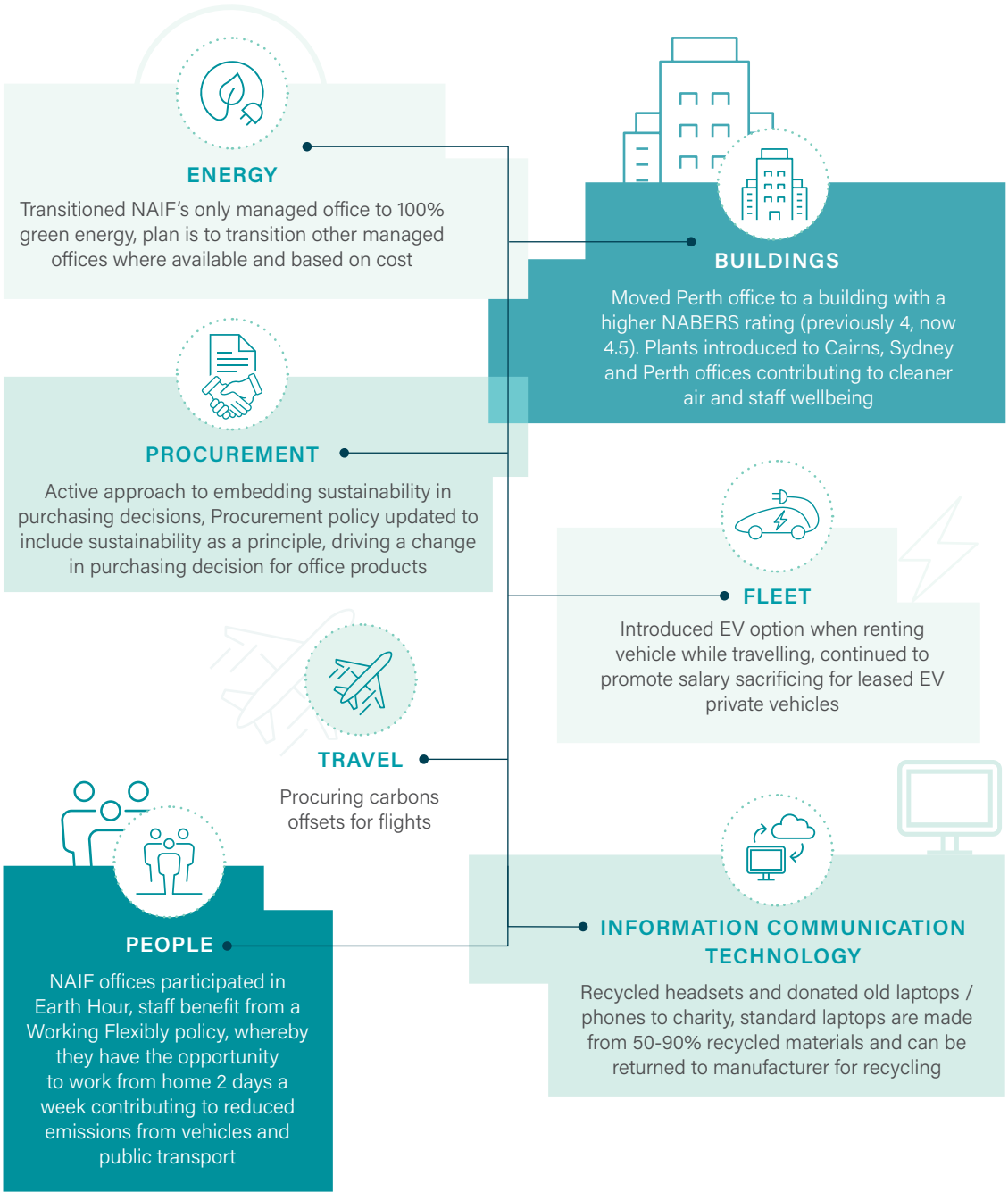
Element 25 has flagged potential improvements to CO₂ emissions intensity and ESG outcomes via the following initiatives:

- Integration of renewable energy (targeting year 3 of project operations);
- Equipment selection criteria for energy efficiency, investigating potential for autonomous mining fleet; and
- Transition to EV mining fleet (targeting year 3 of project operations).

NAIF Organisational Sustainability Initiatives

NAIF has embedded sustainability across its operations, governance, and investment strategy, aligning with the Australian Government's Net Zero 2030 policy and broader climate objectives. Figure 7 following summarises NAIF's progress during the year on reducing emissions.

Figure 7: NAIF's progress in reducing emissions





Board

Board Skills

Board members are appointed by the responsible Minister. All Board members have relevant experience as required under section 15 of the NAIF Act. The Board incorporates a broad range of skills and knowledge, combined with the extensive experience necessary to make Investment Decisions. Board members also draw on the expertise of NAIF’s Executive, or other independent experts as required, to aid in decision making.

NAIF Board Role and Responsibilities

The Board is the accountable authority responsible for the overall operation and stewardship of NAIF and reports to Parliament through the responsible Ministers. The Board decides within the scope of the NAIF Investment Mandate the strategies and policies to be followed. It monitors compliance with those strategies and policies, defines NAIF’s risk appetite, makes Investment Decisions and otherwise ensures the proper, efficient and effective performance of NAIF.

Figure 8: Summary of Board Member meeting attendance FY24-25

Board Member	Board	
	Eligible	Attended
Grant Cassidy	9	9
Kate George	9	8
Mark Gray (ended 30/11/2024)	4	4
Tracey Hayes (Chair)	9	8
Lisa Hewitt	9	9
Steve Margetic	9	9
Vanessa Elliott	9	9
Robert Edel (started 01/12/2024)	5	5
Government Member (Delegates of the Secretary) ¹	9	9

¹ Jane Christie was appointed as an additional alternate on 25 January 2025.

Board Audit and Risk Committee

In accordance with the PGPA Act and the PGPA Rule the primary function of the Board Audit and Risk Committee (BARC) is to review the appropriateness of and provide advice on NAIF’s:

- financial reporting;
- performance reporting;
- the system of risk management and oversight; and
- the system of internal control.

Figure 9: Summary of Board Audit and Risk Committee Member meeting attendance FY24-25

Board Member	BARC	
	Eligible	Attended
Mark Gray (Chair) (ended 26/11/2024)	2	2
Lisa Hewitt (Chair) (started 26/11/2024)	4	4
Steve Margetic	4	4
Robert Edel (started 1/12/2024)	2	2

People and Remuneration Committee

The People and Remuneration Committee (PRemCo) is a sub-committee of the Board and its primary role is to provide strategic advisory oversight of NAIF’s people

and remuneration policies, frameworks, initiatives and strategies to assist in enabling NAIF to fully and effectively perform its functions to ensure the success of NAIF.

Figure 10: Summary of People and Remuneration Committee Member meeting attendance FY24-25

Board Member	PRemCo	
	Eligible	Attended
Grant Cassidy (Chair)	4	4
Kate George	4	4
Vanessa Elliott	4	4



Board (Board Profiles and Photos)



Tracey Hayes

EMBA, GradCert Rangeland Science MAICD JP

Chair and member from Northern Territory

Appointed to the Board and as Chair - 01/07/2021

A nationally and internationally recognised senior executive leader with extensive experience across northern Australia. Proven track record as Chair, Director, and CEO, with diverse leadership roles spanning the private sector, not-for-profit organisations, and government-owned corporations. Brings deep expertise in infrastructure, agriculture, health, aviation, and regional development, with a reputation for delivering outcomes that drive sustainable growth and create lasting impact.

Current roles include: Federal Chair of the Royal Flying Doctor Service of Australia; Director at AAM Investment Group; Managing Director at Wiltrac Pty Ltd.

Previous Roles: Chief Executive, Northern Territory Cattlemen's Association; Council Member, Order of Australia Honours Council; Member, Cooperative Research Centre for Northern Australia, Board of the Australia- Indonesia Institute; Member of the National Resilience and Recovery Agency advisory board; Director, Corporate Affairs AAMIG; Director, Lion Twin Pty Ltd.



Grant Cassidy

OAM FAICD JP

Member from Queensland

Appointed 24/11/2021

A business person and highly experienced company Director specialising across a range of sectors including tourism and hospitality, media, regional economic development, beef cattle and ports. Over 35 years of living and working across central and northern Queensland including Cairns, Mackay and the Whitsundays, Rockhampton and Gladstone.

Current roles include: Managing Director, Cassidy Hospitality Group; Director, Gladstone Ports Corporation Ltd; Director, Gladstone Marine Pilot Services; Chairman, Regional Development Australia Central and Western Qld; Vice Chairman, Beef Australia Ltd; Chair, Rockhampton Red Shield Appeal Business Committee; Chair, Capricornia Business Advisory Alliance.

Previous roles include: 15 Years in Commercial Media (Radio) and Multi Media.



Kate George

LLB, Hon DLaws GAICD

Member from Western Australia

Appointed 29/3/2019

A consultant with an extensive legal background and significant experience working in the resources industry, and renewable energy, regional and Indigenous business, infrastructure and asset management and is experienced as a Board Member. A Putejorra woman involved in Aboriginal affairs for over 40 years including holding senior public service positions. Background in land access agreements and development opportunities with traditional owners, government and resources sector across northern Australia including the Pilbara.

Current roles include: Senior Consultant, Claypan Services Pty Ltd; Director, Warlparringu Pty Ltd.

Previous roles include: CEO, Kariyarra Mugarinya Property Joint Venture; Ministerial Advisor State and Federal Governments; Member, Northern Region TAFE Governing Council; Managing Director, PwC Indigenous Consulting; Director, IBA Assets Management Pty Ltd. (IBA-AM).



Steve Margetic

FAICD

Member from Northern Territory

Appointed 01/07/2021

Extensive experience across northern Australia in the private sector and government owned corporation experience in regional and remote strategic infrastructure development and delivery through Public Private Partnerships, Alliancing, Managing Contractor delivery and traditional delivery models across tourism, defence, health, education, institutional and civil engineering sectors. Involvement in northern Australia includes over 35 years in business and industry with a keen interest in the importance of strategic economic infrastructure as a key enabler to underpinning long term economic growth in northern Australia.

Current roles include: Managing Director, Sitzler Pty Ltd; Director, Master Builders Australia; Chair, Darwin Major Business Group; Director, RPM Pty Ltd.

Previous roles include: Chairman of the Northern Territory Land Development Corporation; Director of Power Water Corporation; President of Master Builders NT; Member of the Territory 2030 Strategic Plan Steering Committee.

Board (Continued)



Lisa Hewitt

BBus (Accounting), MBA (Finance) MAICD

Member from Queensland

Appointed 27/01/2022

With a career spanning senior leadership roles in finance, agribusiness, and infrastructure — including a previous role as Regional Executive for the Australian and New Zealand Banking Group Limited (ANZ) — Lisa brings deep expertise in banking and finance, governance and operations, risk management, supply chains, real estate, and regional Australia. Lisa is widely recognized for her ability to combine financial acumen with strategic leadership, ensuring value creation and sustainable growth.

Current roles include: General Manager, Qld/NT Elders Limited and Director, Queensland Rail.

Previous roles include: Regional Executive, Business Banking North Queensland, Australia and New Zealand Banking Group Limited.



Vanessa Elliott

AM

Member from Western Australia

Appointed 12/07/2023

A distinguished leader from Western Australia, Northern Territory and Queensland, recognised for her significant contributions to the Indigenous community, mining industry, and public administration. With over two decades of experience, she has established herself as a respected figure in economic development, community services, and project management.

Current roles include: Director of Desert Knowledge Australia; Board Member of the East Metropolitan Health Service; Advisory Board member for Newmont Global Indigenous Relations and with the Centre for Social Responsibility in Mining.

Previous roles include: Director of Indigenous Business Australia; Co-Chair of the Aboriginal Working Group for the Chamber of Minerals and Energy of Western Australia.



Robert Edel

LLB, LLM, GAICD

Member from Western Australia

Appointed 01/12/2024

A commercial lawyer and corporate advisor with over 35 years’ experience in mining, energy, infrastructure, renewable energy, and digital infrastructure sectors. Former Global Head of Mining at King & Wood Mallesons and another major international firm. Advises on strategy, risk management, corporate governance, project development and financing across Australia, Asia, Africa, and Latin America, with particular expertise in northern Australia.

Current role: Non-executive director, Syrah Resources Limited.

Previous roles include: Board Member, Fremantle Ports; Foundation Chairman, Stop the Toad Foundation.



Jim Betts

Secretary, Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts

A public servant with over 30-years’ experience working in the UK, Victorian, New South Wales and Australian Governments across transport, infrastructure and planning portfolios.

Current role: Secretary, Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (appointed July 2022).

Previous roles include: Partner, EY Port Jackson Partners; Secretary, NSW Department of Planning, Industry & Environment; Chief Executive Officer, Infrastructure NSW; Secretary, Victoria Department of Transport; Director of Public Transport, Victoria.

Under the NAIF Act, the Secretary of the Department is able to delegate the Ex-Officio responsibilities to authorised Senior Executive Service officials from the department as nominated alternatives.

During 2024-25, the Secretary has authorised the First Assistant Secretary, Partnerships and Projects Division and the Assistant Secretary Northern Australia Investments and Projects Branch to act as Secretary’s Delegate during NAIF meetings.

Board (Continued)



Mark Gray

D.Univ, BEcon (1st Class Hons), FAICD

Member from Queensland

Appointed 24/11/2021, resigned 30/11/2024

An accomplished Chair and Company Director with extensive experience and skills in strategic leadership, financial services, investment banking, corporate governance and organisational change. An outstanding record of significant achievement in non-executive and executive roles across both the private and public sectors.

Involvement in northern Australia includes previous employment and current Directorships which have interests and operations in northern Queensland, at locations such as Cairns, Townsville, Mackay, Mourilyan, Lucinda, Mt Isa and Cape York.

Current roles include: Chair, Data#3 Limited; Chair, Sugar Terminals Limited; Deputy Chair, the Central SEQ Distributor-Retailer Authority (Urban Utilities); Deputy Chair, the Royal Flying Doctor Service (Queensland); Non-executive Director, the Queensland Cricket Association.

Previous roles include: Chief Executive Officer, Queensland Treasury Department; Chief Executive Officer, Queensland Competition Authority; Chief Executive Officer, the Queensland Independent Commission of Audit.

Nominated alternates

Lisa Rauter PSM

First Assistant Secretary,
Partnerships and Projects Division

Andrew Burke

(until 25/01/2025)

Jane Christie

(from 25/01/2025)

Assistant Secretary, Northern Australia Investment and Projects Branch, Partnerships and Projects Division



Risk Management

Our Risk Management Framework

NAIF's Risk Management Framework (Framework) empowers our employees to confidently approach and harness the opportunities that risk provides. This framework enables our Board, Executive Management Group (EMG), and employees to make informed risk decisions through a consistent methodology. Our Framework ensures that risks are considered and mitigated through internal controls, supporting the achievement of NAIF's strategic goals while maintaining alignment with the International Standard for Risk Management (ISO 31000), Commonwealth Risk Management Policy and the PGPA Act.

Enterprise Risks and Appetite

The Board-approved Risk Appetite Statement (RAS) sets the risk limits within which NAIF operates to achieve our objectives. In FY24-25 as part of the annual review of our RAS, we clarified our risk focus to assist risk based decision making in pursuit of NAIF's objectives.

NAIF continuously scans the internal and external environment for emerging risks which may impact NAIF's ability to achieve strategic goals.

Risk Management Maturity

NAIF has an ongoing commitment to risk management and compliance practices. Continuous improvement of these practices ensures that our Board, Executive, and employees appropriately consider risk and adhere to applicable compliance obligations in executing our key activities. To further these efforts and integrate risk thinking and techniques into decision-making, we focused on several key initiatives.

Achieving an Embedded Risk Culture

NAIF achieved a notable uplift in risk management maturity in the 2025 Comcover Risk Management Benchmarking Survey, achieving our target of "Embedded" risk management maturity (level 4 out of 5). This progress reflects our commitment to implementing a robust, organisation-wide risk culture and strengthening compliance practices. The Comcover Survey assesses key dimensions of risk capability across the Commonwealth, including risk culture, governance, frameworks, and emerging risk practices. NAIF's improved results demonstrate the effectiveness of targeted initiatives to align behaviours, values, and systems with our risk appetite. As we continue to embed risk into day-to-day decision-

making, these insights provide a valuable baseline for sustaining mature, accountable, and forward-looking risk management.

Integrating Risk with Purpose

In FY24-25, we focused on integrating risk practices across the organisation to support informed, strategic decision-making. Central to this was the expansion of our risk matrix to consider impacts across key domains including sustainability, people, compliance, and continuity. This broadened lens ensures that risks are assessed not only for their operational implications, but also for their alignment with NAIF's long-term objectives.

Risk through Systems and Capability

To achieve the integration of risk practices we focused on the adoption of systems and improved process design. These enhancements have enabled more consistent risk capture, assessment, and reporting across the organisation. System improvements have also supported greater visibility of risks at both operational and enterprise levels, improving responsiveness and decision-making. By aligning technology with risk workflows, we have strengthened frontline engagement and supported a more confident, capability-led approach to risk management. This work marks a shift from policy to practice, ensuring risk is embedded not only in intent but in execution.

Risk Oversight

The Board has overall responsibility for risk management, setting NAIF's risk appetite and monitoring performance against the appetite. The Board's oversight is supported by the Board Audit and Risk Committee (BARC), and internal management groups.

The Board engages an independent internal auditor to review the adequacy of risk management and internal controls. In addition, the ANAO perform an independent audit of NAIF's financial statements.

Role of Committees

The BARC has responsibility for assisting the Board to fulfil its corporate governance and oversight responsibilities, providing an objective non-executive review of the effectiveness of NAIF's risk management and internal control. Underpinning this responsibility is Quarterly Risk and Compliance reporting. This reporting details NAIF's current risk profile and control environment, incidents and compliance breaches, and management actions.

Internal management groups support our processes and demonstrate risk management through individual accountability by the relevant executive team members. The groups are as follows:

- ▶ Executive Management Group (EMG)
- ▶ Portfolio Management Group (PMG)
- ▶ Investment Review Group (IRG)

Figure 11: Key Enterprise Risks



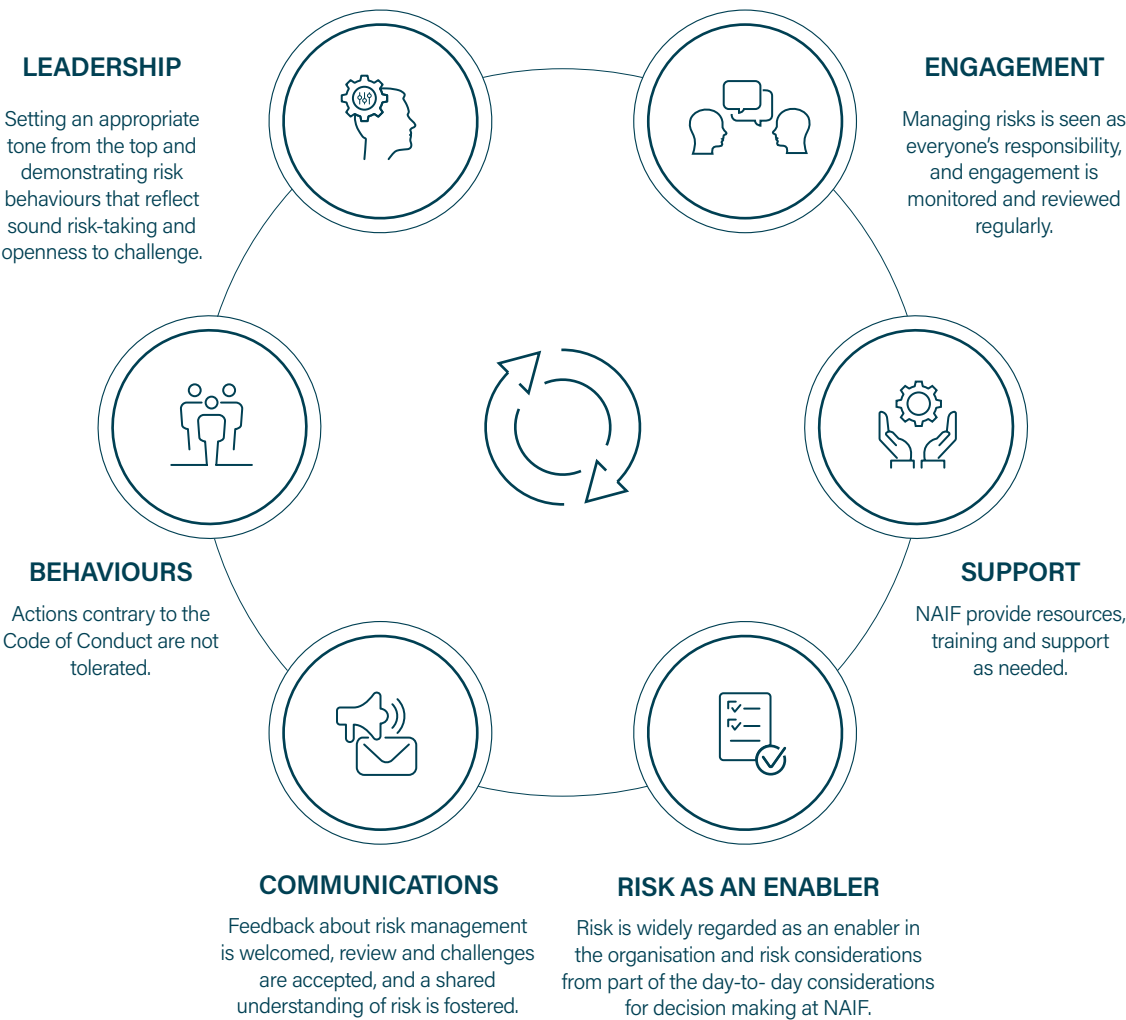
Figure 12: Key Management Groups

EXECUTIVE MANAGEMENT GROUP (EMG) Identifies and reviews NAIF's strategic and operational risks, implementation of risk management, and management of issues in the completion of NAIF's day to day activities.	PORTFOLIO MANAGEMENT GROUP (PMG) Oversees NAIF's portfolio of investments, including portfolio performance, risks and issues.	INVESTMENT REVIEW GROUP (IRG) Reviews Investment due diligence and decisions prior to being provided to the Board.
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Risk Management

NAIF’s Risk Vision is to use risk management as an enabler to seize opportunities to achieve NAIF’s vision and strategic imperatives. Establishment of a positive risk culture is integral to delivering NAIF’s risk vision. Risk culture is fundamental to the safe and sound operation of the organisation. The Framework defines risk culture as the following:

Figure 13: Risk Culture Elements





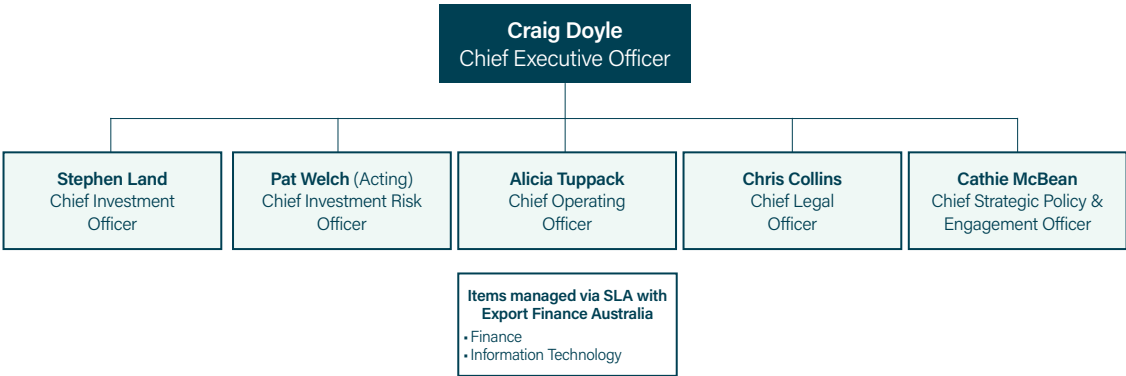
People

Organisational Structure and Location

NAIF's head office in Cairns allows the CEO and employees to develop strong relationships across northern Australia. NAIF also has employees located in Darwin, Townsville, Brisbane, Perth and Sydney. NAIF's Executive Management Group includes the CEO and business unit leads. Specialists within these business units have responsibilities for work health and safety, people and culture, financial analysis and contract negotiations, Indigenous outcomes, portfolio management, corporate planning and reporting, communications and stakeholder relations, legal, governance, risk and compliance.

NAIF relies on its people and culture to achieve its purpose. Attracting and retaining the right people is critical to NAIF's ongoing success. The recruitment approach is continually refined and enhanced to ensure NAIF reaches a diverse range of candidates that have experience living and working in northern Australia along with the technical expertise required. NAIF remains positioned to anticipating and responding to changes in government policy and market conditions and the needs of proponents and projects investing in northern Australia.

Figure 14: NAIF Executive Management Organisational Structure (as at 30 June 2025)



Service Level Agreement (SLA) with Export Finance Australia

NAIF leverages the back-office functions of Export Finance Australia through a Service Level Agreement.

As NAIF has grown and matured, a number of corporate service functions have transitioned inhouse and will continue to be reviewed based on operational efficiencies.

People

NAIF has secured a committed team with extensive experience as lenders and/or financial advisors in the commercial market. This includes expertise advising both public and private sector counterparts. NAIF has also recruited people with specialist legal, stakeholder relations and communications, risk and governance, Indigenous outcomes and corporate administration expertise.

Values

NAIF is guided by our core values which underpin our organisational culture and the way we go about our work to deliver on our purpose.

NAIF is committed to providing a high performing culture where its people have support to succeed and grow. 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.

Workforce Demographics

As NAIF grows and matures, it continues to expand its capabilities by recruiting experienced talent to meet its current and future needs. During FY24-25 NAIF grew its team from 51 to 54 (an increase of 3 people) through targeted recruitment, primarily to support business expansion. As at 30 June 2025, NAIF had 52.3 Full Time Equivalent (FTE) employees. This includes one Australian Government Average Staffing Level position, representing the CEO position, as reported in the Portfolio Budget Statements.

Figure 15: NAIF core values

NAIF Purpose: *We contribute to the Nation by proudly investing in the growth of northern Australia*

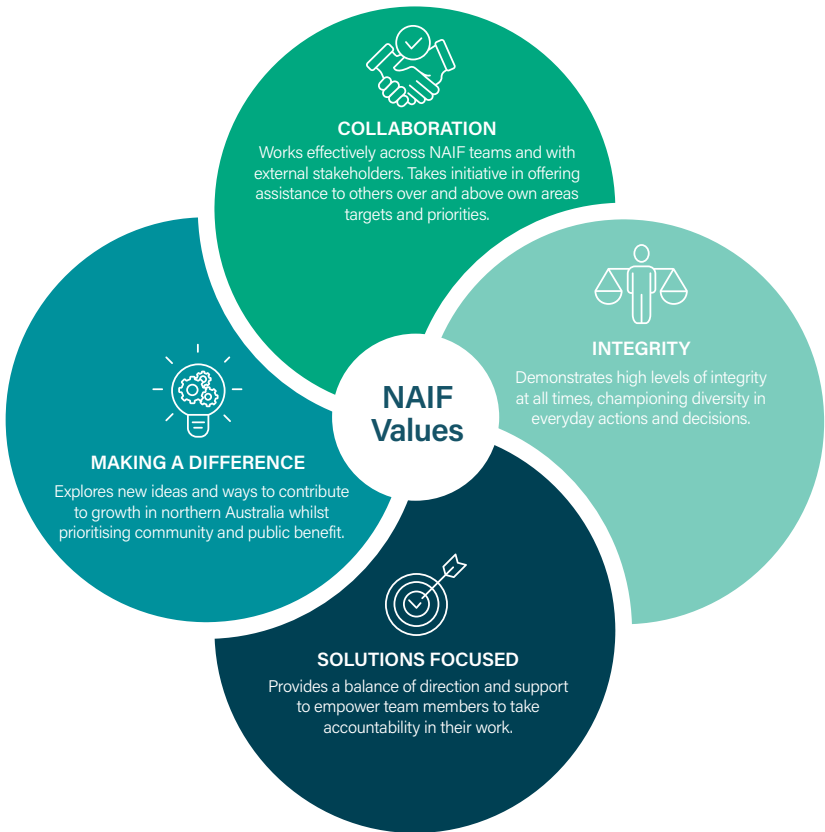


Figure 16: Number of FTE Employees

	30 June 2025	30 June 2024
Total FTE staff	52.3	48.6

Figure 17: Number of Full-Time / Part-Time Employees (by headcount)

	30 June 2025	30 June 2024
Full-Time Employees	48	42
Part-Time Employees	6	9

Figure 18: Location of Employees (by headcount)

	30 June 2025	30 June 2024
Cairns	27	25
Brisbane	2	3
Darwin	4	3
Townsville	1	2
Perth	6	5
Sydney	14	13

Diversity and Inclusion

It is a strategic priority for NAIF to build and maintain a diverse workforce with the technical skills to fulfill its purpose. NAIF believes that diversity of thought helps to build employee engagement, drive innovation and results, and allow it to respond effectively to the diverse needs of all stakeholder groups.

NAIF champions a constructive and inclusive culture that embraces the different perspectives, identities and experiences of its people. NAIF provides equal opportunity in all aspects of employment, including employment conditions, recruitment and selection, remuneration and learning and development. NAIF recognises that its culturally diverse team enhances its ability to deliver projects that are culturally appropriate for northern Australia.

NAIF’s Equal Employment Opportunity (EEO) Program has a specific focus on designated groups which

include those identifying as female, Aboriginal or Torres Strait Islander; those who migrated to Australia whose first language is not English and the children of those persons; persons with physical or mental disability.

During the reporting period, NAIF established an EEO Advisory group with representation from each designated group to support and help drive NAIF’s diversity and inclusion strategy through the EEO Program.

NAIF is committed to Indigenous diversity and has achieved 7% Indigenous employee representation.

The 2024 NAIF employee engagement survey received positive results with respect to EEO and Inclusion initiatives undertaken by NAIF, indicating it is a diverse organisation that respects all cultural values and beliefs, with team members feeling supported to bring their full and authentic self to work.

Figure 19: NAIF gender diversity profile at 30 June 2025

Classification	Female Headcount		Male Headcount		Uses a different term	
NAIF Employees	25	46%	29	54%	0	0%

Figure 20: NAIF workforce diversity at 30 June 2025

Classification	NESB ¹ Headcount		ATSI ² Headcount		PWD ³	
NAIF Employees	22	41%	4	7%	1	2%

¹ NESB = Non English speaking background (or with parents from a non-English speaking background).

² ATSI = Aboriginal or Torres Strait Islander background.

³ PWD = People with a disability.

Employee Engagement

In December 2024, NAIF conducted a Pulse survey to assess employee engagement and ensure the continued cultivation of a positive organisational culture aligned with NAIF’s values and purpose. This was the third culture survey undertaken, following previous surveys in June 2023 and March 2024.

Between June 2023 and December 2024, survey results indicated a positive cultural trajectory, with notable improvements in collaboration, solution-focused behaviours, integrity, and making a difference. The findings were shared with all employees, and each Business Unit team engaged in discussions on how to further strengthen and build upon NAIF’s organisational culture.



Learning and Development

NAIF employees are provided access to a comprehensive learning and development curriculum. Employees complete a structured induction process facilitated by the People & Culture team, which encapsulates all areas of the business.

Upskilling and other specialist training is made available to all employees as required for their role.

As part of NAIF's annual performance and development program, employees have career discussions with their People Leaders and identify development plans looking at both current and future skill needs.

With a build talent strategy, NAIF offers developmental opportunities for its employees to succeed in their careers. NAIF's succession planning process identifies critical positions and critical people throughout the business, including the Executive Management team. The process considers future leadership capability; business direction and continuity; retention of high value talent and retention of organisational knowledge. NAIF undertakes succession planning annually with regular review of action outcome plans.

NAIF encourages its employees to attend, participate in, and present at, thought leadership and industry conferences, and to share what they have learnt within their team and business unit.

Employee Benefits

Working Flexibly

NAIF offers an agile working environment to provide employees with options to assist them in managing their work, travel and personal commitments. This flexibility takes many forms, allowing each employee to adopt an approach that meets their individual needs. All employees have the technology to work remotely, or from any NAIF office. NAIF employees have both structured and ad-hoc (as required) flexible work arrangements available.

Wellbeing Initiatives / Employee Assistance Programs

NAIF has adopted a holistic approach to wellbeing, emphasising areas such as inclusion and diversity, financial benefits and wellbeing practices through an employee benefits program assisting with managing the growing cost of living and physical and mental wellbeing. NAIF's employees benefit from a number of tailored wellbeing initiatives, which promote improved health awareness, self-management skills and healthy work practices. NAIF's employees and their immediate families have access to an Employee Assistance Program, with

access to a free confidential counselling service and other support services.

Work, Health and Safety

NAIF is committed to providing a positive and safe work environment for all its people in line with the requirements under the *Work Health and Safety Act 2011* (WHS Act).

NAIF's WHS committee comprising of Site WHS Leads and with sponsorship from Executive Management meets on a quarterly basis. During this reporting period the Committee's focus has been to continue to provide education on psychological safety throughout the business and creating a positive reporting culture.

NAIF's office space is in secure buildings with restricted security pass access and ergonomic equipment.

NAIF engages with its employees on WHS matters, including the adequacy of its facilities and work environment. It takes steps to ensure a positive, productive risk-free working environment. and records and monitors hazards and controls. Key risk areas that require specialised monitoring have been identified, such as domestic travel, often to remote areas of northern Australia. Specific actions have been taken this year to ensure appropriate journey management and minimisation of risks associated with remote travel by employees.

Reports of incidents and near misses are reviewed and investigated, with improvement controls implemented to reduce the risk and mitigate consequences of an event.

NAIF has again had no reportable workplace injuries among employees and contractors for the reporting period. NAIF was not investigated and did not receive any notices or record any 'notifiable incidents' under the WHS Act, during the reporting period.

Executive Remuneration Policies and Practices

In accordance with the requirements of the PGPA Rule 2014 and the Department of Finance Resource Management Guide (RMG) -138, Commonwealth entities Executive Remuneration Reporting Guide for Annual Reports, NAIF reports on its policies which support its remuneration practices.

Figure 21 lists the Key Management Personnel (KMPs) for FY24-25. It includes all Board Members and those Executives deemed to be KMPs by the Board. These individuals are identified as KMPs consistent with the definition in the Australian Accounting Standards Board (AASB) 124 Related Party Disclosures.

A further four employees are classified as other highly paid employees for the purposes of the Commonwealth's remuneration reporting, refer to figure 24. Other highly

paid staff are employees who are neither KMP nor senior executives and whose total remuneration exceeds the \$260,000 threshold for the FY24-25 reporting period.

Figure 21: FY24-25 KMPs

Name	Title	Term as KMP
Board		
Ms Tracey Hayes	Chair	Full year
Mr Grant Cassidy	Board Member	Full year
Ms Kate George	Board Member	Full year
Mr Mark Gray	Board Member	Part year - ended 30 November 2024
Ms Lisa Hewitt	Board Member	Full year
Mr Steve Margetic	Board Member	Full year
Ms Vanessa Elliott	Board Member	Full year
Mr Robert Edel	Board Member	Part year - started 1 December 2024
Delegates of the Secretary	Board Member	Full year
Management		
Mr Craig Doyle	Chief Executive Officer	Full year
Mr Nicholas Mant	Chief Investment Risk Officer and Chief Sustainability Officer	Part year - ended 4 June 2025
Ms Alicia Tuppack	Chief Operating Officer	Full year
Mr Christopher Collins	Chief Legal Officer	Full year
Mr Stephen Land	Chief Investment Officer	Full year
Ms Catherine McBean	Chief Strategic Policy and Engagement Officer	Full year

One Board member, Mr Mark Gray completed his term on 30 November 2024, with Mr Robert Edel commencing as a Board member on 1 December 2024 based in Western Australia.

Remuneration

To achieve its business outcomes, as outlined in the Corporate Plan and more broadly through Government direction including the Investment Mandate, NAIF needs to be able to attract, reward and retain skilled employees. NAIF's Employee Remuneration framework and processes are directed to supporting that outcome, recognising that NAIF works within an acceptable cost framework

and complies with relevant Commonwealth Government policies for its statutory agencies.

NAIF employees are employed on common law contracts. They are not considered public servants and are not covered by the Australian Public Service Act 1999.

NAIF's remuneration structure is designed to be competitive and reward high performance while complying with NAIF's regulatory obligations.

All employees' remuneration consists of fixed annual remuneration inclusive of superannuation only. NAIF's remuneration structure acknowledges the parameters of the APSC Workplace Bargaining Policy.

Fixed Annual Remuneration (FAR)

FAR is comprised of base salary, superannuation contributions and any non-cash benefits.

Factors considered when setting the appropriate FAR for each executive includes market data for comparable roles, complexity of the role, internal relativities, an individual's skills and experience and performance assessments.

NAIF uses salary benchmarking data, including the Financial Institutions Remuneration Group (FIRG) data, other relevant Government and market information to establish appropriate remuneration bands for each role. NAIF benchmarks remuneration with the aim to position total remuneration competitively against comparable organisations. The guiding principle for remuneration benchmarking is to position total remuneration towards the mid-point of the benchmark for comparable roles in the Australian market while working within the parameters set by the APSC.

Remuneration Governance Arrangements

The CEO and Senior Director, People and Culture are accountable for ensuring NAIF rewards employees responsibly, with regards to performance of NAIF, individual performance, statutory and regulatory requirements, and current business norms.

The Board is responsible for ensuring NAIF has coherent policies and practices that fairly and responsibly manage the performance and remuneration arrangements for the CEO and senior executives. The NAIF Board includes a People and Remuneration Committee (PRemCo) whose primary role is to provide oversight of NAIF's people, remuneration policies and strategies.

Salary Increases

NAIF takes into consideration the parameters of the Remuneration and Funding Declaration (Declaration) under the Workplace Bargaining Policy approved by the APSC Commissioner.

Employees who commence after 1 April are not eligible for a salary review in September of their starting year.

Employees on extended leave including parental leave are eligible and considered for a remuneration increase. This principle is consistent with best practice, as a mechanism to assist in reducing the gender pay gap.

Salary increases have regard to individual performance, career progression and comparable market data.

The CEO's salary is reviewed and paid according to the determination of the independent Commonwealth Remuneration Tribunal (the Tribunal).



COMMUNITY HOUSING LTD AND TETRIS CAPITAL PTY LTD
Cairns Seniors Community Housing Project, Queensland

Board Members

All NAIF Board Members are appointed by the Commonwealth Government through the responsible Minister. These appointments are made in accordance with s15 of the NAIF Act. Board Fees for Board Members are set and paid according to the Tribunal, an independent statutory authority overseeing the remuneration of key Commonwealth officers.

The Tribunal sets annual Chair and Board fees (exclusive of statutory superannuation contributions). Additional fees are payable to those Board Members appointed as members of the NAIF Board Audit and Risk Committee (BARC).

Figure 22: Remuneration Tribunal (the Tribunal) Board and Committee fees (excluding superannuation) for FY24-25

Position	Annual Fee set by the Tribunal	Note
NAIF Chair	\$132,610	
NAIF Board Member	\$65,920	The Delegates of the Secretary are not remunerated.
NAIF BARC Chair	\$18,070	
NAIF BARC Member	\$9,040	

CEO Remuneration and Performance Evaluation

The CEO position is classified as a Full-Time Public Office holder under the Tribunal Determinations.

In accordance with the Tribunal Determination 2024, total remuneration for the Chief Executive Officer was \$521,040. In accordance with the Tribunal's determination the CEO position is not entitled to a Bonus.

The NAIF Board sets annual KPI's for the CEO, and undertakes a formal performance evaluation each year which is coordinated by the Chair.

FY24-25 Remuneration Information

The tables following detail the remuneration paid to NAIF KMPs, and other highly paid staff in FY24-25.



Figure 23: Remuneration paid to KMP's in FY24-25

Name	Position Title	Salary	Annual Leave Adjustment	Short-Term Benefits			Post-Employment Benefits	Other Long-Term Benefits			Total Remuneration
				Base Salary	Variable Remuneration	Other Benefits And Allowances		Long Service Leave	Other Long-Term Benefits	Termination Benefits	
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Board Members											
Tracey Hayes	Board Chair	132,610	-	132,610	-	-	15,250	-	-	-	147,860
Lisa Hewitt	Board Member & Chair Audit Committee	80,228	-	80,228	-	-	9,226	-	-	-	89,454
Stephen Margetic	Board Member & Audit Committee	74,960	-	74,960	-	-	8,620	-	-	-	83,580
Grant Cassidy	Board Member	65,920	-	65,920	-	-	7,581	-	-	-	73,501
Kate George	Board Member	65,920	-	65,920	-	-	7,581	-	-	-	73,501
Vanessa Elliott	Board Member	65,920	-	65,920	-	-	7,581	-	-	-	73,501
Robert Edel	Board Member	43,726	-	43,727	-	-	5,029	-	-	-	48,756
Mark Gray	Board Member & Chair Audit Committee	34,996	-	34,996	-	-	4,025	-	-	-	39,021
Craig Doyle	Chief Executive Officer, NAIF	467,235	23,620	490,855	-	-	53,804	11,682	-	-	556,341
Nicholas Mant	Chief Investment Risk Officer	433,038	759	433,797	-	-	30,306	8,940	-	-	473,043
Stephen Land	Chief Investment Officer	473,026	-8,228	464,798	-	-	30,387	11,435	-	-	506,620
Christopher Collins	Chief Legal Officer	373,563	-9,670	363,893	-	-	30,260	9,107	-	-	403,260
Catherine McBean	Chief Strategic Policy & Engagement Officer	316,793	-9,813	306,980	-	-	36,480	7,998	-	-	351,458
Alicia Tuppack	Chief Operating Officer	287,939	-9,070	278,869	-	-	53,917	7,407	-	-	340,193
Subtotal		2,919,636	-12,402	2,903,473	-	-	300,047	56,569	-	-	3,260,089

Figure 24: Remuneration paid to other highly paid staff in FY24-25

		Short-Term Benefits			Post-Employment Benefits	Other Long-Term Benefits	Termination Benefits	Total Remuneration	
Remuneration Band	Number Of Other Highly Paid Staff	Average Base Salary	Average Variable Remuneration	Average Other Benefits And Allowances	Average Superannuation Contributions	Average Long Service Leave	Average Other Long-Term Benefits	Average Termination Benefits	Average Total Remuneration
		\$	\$	\$	\$	\$	\$	\$	\$
\$260,000 – \$270,000	1	229,661	-	-	27,160	5,932	-	-	262,752
\$270,001 – \$295,000	1	247,132	-	-	28,779	6,081	-	-	281,992
\$295,001 – \$320,000	1	267,455	-	-	32,178	7,417	-	-	307,051
\$320,001 – \$345,000	1	299,148	-	-	34,683	8,968	-	-	342,799
\$345,001 – \$370,000	1	312,316	-	-	38,767	7,989	-	-	359,072
\$370,001 – \$395,000	1	342,011	-	-	30,241	8,438	-	-	380,689



CHARLES DARWIN UNIVERSITY
Community and Education Precinct (Danala), Northern Territory
Image Credit: Mode Design

Climate Disclosure

Climate Statement

NAIF acknowledges the impact of climate change on businesses and communities and aligns with government policy on carbon reduction.⁵

During FY24-25, NAIF matured its understanding and management of climate-related risks and opportunities, strengthening its overall approach to climate assessment. Our efforts have focused on balancing climate-related risks and opportunities against the delivery of our strategic objectives, in a way that creates enduring value for stakeholders and supports enhanced reporting requirements. In FY24-25 we implemented a series of targeted initiatives, including:

- Reduced operational emissions by sourcing GreenPower in NAIF's larger office locations, where available, as part of ongoing efforts to lower the organisation's carbon footprint;
- Continued the measurement of NAIF's financed emissions across its portfolio, embedding emissions analysis into investment assessment and reporting processes;
- Implemented a disclosure log to support transparency in internal risk management processes during early stage project assessments;
- Continued to integrate climate-related risks and opportunities into the implementation of NAIF's Environmental and Social Review of Projects (ESRP) Policy, with a focus on physical climate impacts across the life of projects;
- Completed an organisation wide climate risk assessment to identify and evaluate climate-related risks and opportunities across NAIF's operations and Investment Decisions; and

- Participated in public sector climate risk forums and collaborative initiatives, contributing to discussions on climate-related policy development, regulatory reform, and better practice approaches to climate risk management.

Northern Australia faces varied climate-related physical and transition risks, as well as opportunities. NAIF is continuing its climate risk maturity uplift, aligning its operations and Investment Decisions with the objectives of reducing emissions, adapting to climate change and supporting the transition to a low-carbon economy through investments in greenhouse gas (GHG) emissions reduction and climate resilience initiatives. NAIF will continue to evolve and integrate these risks and opportunities into its operations, aligning with the Enterprise Risk Management Framework (ERFM) and NAIF's strategic focus.

NAIF's Investment Mandate will guide its strategic response to Government's environmental, social and governance (ESG) goals, with high-priority areas, including decarbonisation and the clean energy transition, job creation and socio-economic responsibility, engagement with First Nations peoples and communities, and building a skilled and diverse workforce.

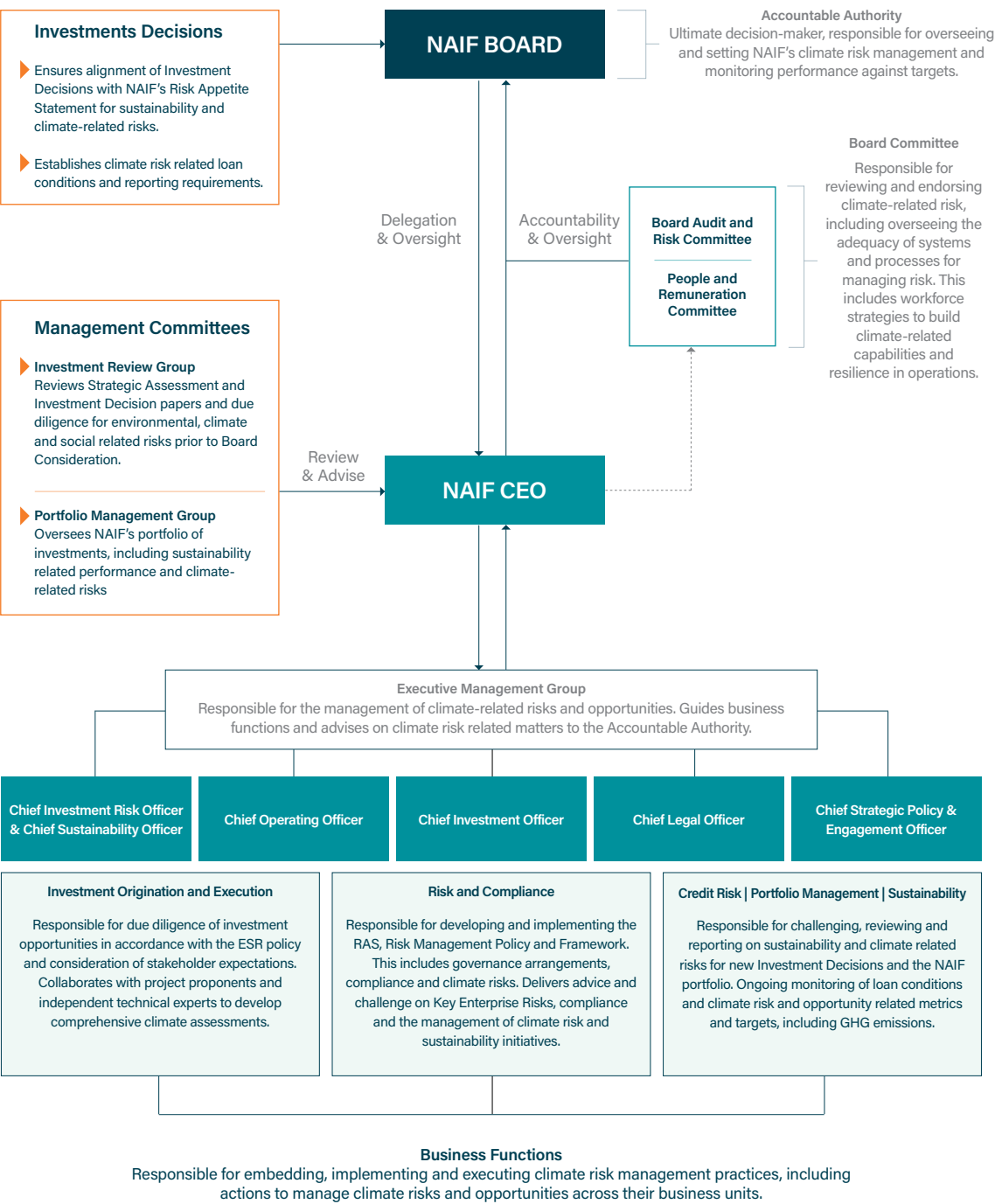
Governance

NAIF's governance framework is supported by a comprehensive suite of policies that incorporate statutory responsibilities under relevant legislation. For further details, refer to the Corporate Governance section (pages 38-46).

Figure 25 presents NAIF's governance structure for climate change, while figure 26 offers additional information on roles and responsibilities.

⁵ This climate-related disclosure contains forward-looking statements, including statements in relation to climate change and other environmental and energy transition and adaptation scenarios. While these forward-looking statements reflect NAIF's expectations, and strategic focus at the date of this report (including with respect to its objectives and plans regarding climate change), they may be affected by a range of variables which could cause actual outcomes and developments to differ materially from those expressed in such statements. These variables include but are not limited to: financial and economic conditions in various markets; fluctuations in demand, price, or currency; operating capacity; development progress, including approvals; risks, including physical, technology and GHG emissions reduction risks; commercial industry competition; loss of market for NAIF's products; government policy, legislative, fiscal, and regulatory developments; the conduct of joint participants and contractual counterparties; and estimates relating to cost, reserves and resources.

Figure 25: NAIF's Climate Governance Structure



Throughout the year, the Board and BARC were regularly updated on climate change initiatives, with progress tracked against agreed KPI's. In addition, FY24-25 climate-related plans have been endorsed. The Figure 26 below

should be read alongside the Board, Risk Management, and People sections (pages 48-69) of this Annual Report for further details on roles and responsibilities.

Figure 26: Roles and responsibilities related to climate risk and opportunity management

Role	Responsibilities
Board	The Board, established under the NAIF Act and appointed by the responsible Minister, is the accountable authority, with overall responsibility for NAIF's governance, strategic direction, and management of the Risk Management Framework, including climate-related risks and opportunities.
Board Audit and Risk Committee (BARC)	The BARC oversees sustainability management, performance, assurance, and reporting with a focus on monitoring climate risk, providing quarterly reporting to the Board on these matters.
People and Remuneration Committee (PRemCO)	The PRemCO, oversees how sustainability considerations are incorporated into NAIF's people, capability, and accountability frameworks, supporting cultural change and workforce planning aligned with NAIF's climate objectives, reporting quarterly to the Board on these matters.
Investment Review Group (IRG) / Portfolio Management Group (PMG)	NAIF's IRG/PMG meets quarterly, to contribute and monitor Investment Decisions, ensuring alignment with sustainability objectives.
CEO	The CEO guides the Executive team in advancing NAIF's climate strategy and objectives.
Chief Sustainability Officer (CSO)*	The CSO defines the sustainability framework and drives climate-related strategic initiatives across NAIF's operations and Investment Decisions.
Chief Investment Risk Officer (CIRO)	The CIRO manages portfolio risks, including emissions monitoring from Investment Decisions.
Chief Investment Officer (CIO)	The CIO ensures compliance with the ESR Policy and legislative climate requirements within Investment Decisions.
Chief Strategic Policy and Engagement Officer (CSPEO)	The CSPEO oversees stakeholder consultation, Indigenous outcomes, and policy engagement, ensuring alignment with NAIF's strategy and climate goals.
Chief Legal Officer (CLO)	The CLO ensures NAIF's contractual obligations with Proponents, including information and audit rights.
Chief Operating Officer (COO)	The COO oversees enterprise risk, compliance, property, procurement and reporting, integrating elements to support NAIF's climate goals.
Risk and Compliance team	The Risk and Compliance team provides quarterly Risk Management and Compliance (RMAC) reports to the BARC on sustainability risks and opportunities, offering a review and challenge function for climate-related risks identified in NAIF's first line of defence, and to highlight key activities.

* The role of CSO was held by the CIRO until 4 June 2025, at which point the position transferred to the CLO

Strengthening our climate-related governance, capability and accountability

To support the effective management of climate-related risks and opportunities, NAIF continued to strengthen its internal governance structures, capabilities and accountabilities throughout FY24-25. These efforts build on the foundations established in the previous reporting period, further enhancing our organisational climate readiness and resilience. We developed a climate-related skills and competencies matrix, aligned with existing roles and responsibilities, tailored to NAIF’s operating model. This work was complemented by a review and update of position descriptions, which now explicitly incorporate sustainability and climate risk management accountabilities, bringing greater clarity to roles across the organisation.

To embed climate capabilities more broadly, NAIF delivered targeted climate training. All employees,

including new starters, completed the Department of Climate Change, Energy, the Environment and Water (DCCEEW) introductory climate change module, which is now included within our compliance training program.

In addition, employees with defined responsibilities and those participating in NAIF’s climate risk and opportunity assessment program completed the Climate Risk and Opportunity Principles module, to deepen their knowledge and understanding of climate risk and potential opportunities associated with their work at NAIF.

Figure 27 outlines NAIF’s key documents and policies that guide the consideration of climate-related risks and opportunities in its operations. The below should be reviewed alongside NAIF’s Corporate Governance and Risk Management chapters of this annual report.

Figure 27: Key Climate Risks and Opportunities Documents and Policies

Document	Description
Investment Mandate	NAIF’s Investment Mandate incorporates climate considerations, allowing higher risk tolerance for projects affected by extreme weather, and ensuring resilient infrastructure. Environmental assessments are required to mitigate climate impacts, ensuring compliance and public benefits, such as reduced carbon emissions and enhanced climate resilience, in line with government policies.
Statement of Expectation	NAIF’s SOE, as issued by its responsible Ministers, reflects the Australian Government’s policy priorities, including support for a sustainable and low-emissions economy. The most recent addendum reinforces NAIF’s role in enabling the energy transition, particularly through investment in critical minerals and downstream processing, as well as supporting climate resilience, sovereign capability, and emissions reduction objectives.
Statement of Intent (SOI)	NAIF’s SOI integrates climate-related considerations into its governance framework, aligning with national sustainability objectives and setting strategic goals for managing climate risks and opportunities.
Corporate Plan	The FY25-26 Corporate Plan includes key performance measures and commits to developing an inaugural net zero strategy, with targets and monitoring processes (see Metrics and Targets).
Risk Appetite Statement (RAS)	The RAS defines tolerance levels for environmental and social factors, guiding NAIF’s operations, project selection and Investment Decisions.
Risk Management Framework (RMF)	The RMF outlines NAIF’s approach to risk oversight, management, and internal controls, including climate risk.
ESRP Policy	NAIF’s ESRP Policy mandates consideration of climate impacts in project assessments. In 2025, the ESRP Policy was updated to ensure due diligence on climate risks, including how projects adapt to these risks or mitigate them, in order to contribute to Australia’s emission reduction targets.
Due Diligence Guidance Note	Supplements the ESRP Policy by outlining climate-related considerations during project assessment, including climate risk screening, adaptation measures, and alignment with emission reduction objectives.
Disclosure Log	Publishes information on projects progressing through strategic assessment, including potential funding and estimated likelihood of triggering the Safeguard Mechanism threshold. Supports transparency and responsible investment aligned with climate-related commitments.

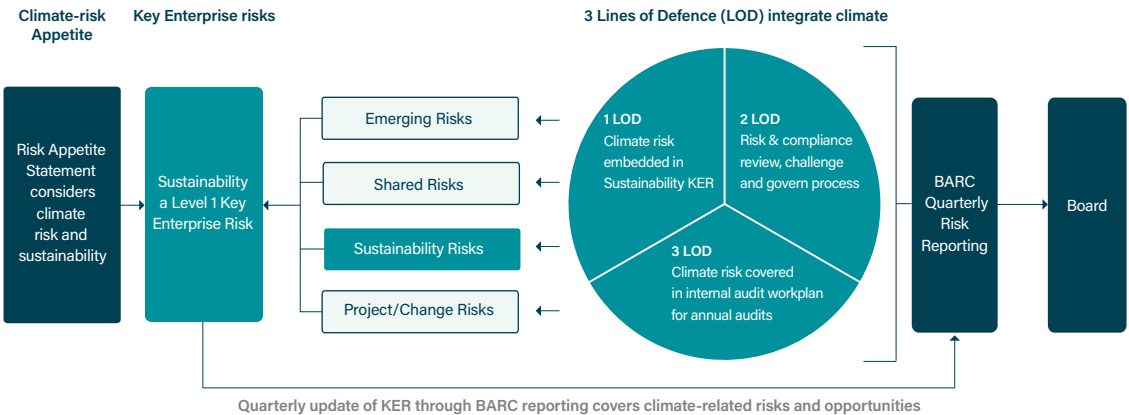
Risk and Opportunity Assessment

During the reporting period, NAIF embedded climate considerations across the RAS and RMF. This included addressing climate-related risks and opportunities such as increased weather variability, the management of net-zero transition risks, and the potential for assets to become stranded as new energy technologies are adopted and industries transition to clean energy. We utilised the 3LOD framework to integrate these considerations into internal audit planning, control testing, and quarterly risk reviews. NAIF aims to align its climate risk management practices

with the [Commonwealth Risk Management Policy](#), and be guided by The [Australian Government’s Approach to Climate Risk and Opportunity Management in the Public Sector 2024-2026](#).

An overview of NAIF’s risk management approach to climate change is outlined in Figure 28. See the Risk Management section for further details.

Figure 28: Overview of NAIF’s Risk Management approach integrating climate-related risk



During FY24-25, NAIF commenced its climate risk and opportunity program, following initial scoping and design in the previous reporting period. The program assesses the actual and potential impacts of climate change across our operations, aligning with the organisational risks and opportunities scope required in Year 1 of the [progressive implementation schedule](#), with the addition of Investment Decisions. This supports a structured integration of climate considerations into our enterprise risk management and investment processes. The program was designed in alignment with the [Climate Risk and Opportunity Management Program \(CROMP\)](#), which provides guidance for assessing physical and transition risks and opportunities over relevant time horizons and under differing climate scenarios. This alignment ensures consistency with broader Commonwealth expectations and provides a clear foundation for future scenario analysis.

Scope, Sources and Timeframes

Our assessed scope included both NAIF’s enterprise operations and its current investment portfolio. To inform this assessment, we drew on a range of internal data sources, including our RMF, incident and insurance registers, strategic planning documents such as the Corporate Plan, and the FY2023 financed emissions inventory. This was complemented by input from employees across the organisation, whose technical expertise and understanding of our portfolio helped identify climate-related risks and opportunities most relevant to our operations and investments. To validate our assessment, we drew on a broad range of external data sources. These included [tools developed by the DCCFEW](#), sector-specific insights from the Australian Climate Service, particularly in relation to infrastructure and remote communities, as well as risk guidance from the UN Environment Programme Finance Initiative

covering the mining, metals and industrial sectors. Together, these sources formed the foundation for our approach.

Scientific sources further supported our work. Scenario considerations were informed by the IPCC Sixth Assessment Report, CSIRO's Pathways to Net Zero Emissions, and physical climate projections from Climate Change in Australia. To ensure our assessment reflected emerging better practice, we also reviewed climate-related disclosures from peer organisations, including major banks, infrastructure funds and superannuation providers.

Working with an external consultant, we identified and evaluated transition and physical climate risks, as well as potential opportunities aligned with NAIF's mandate and investment strategy. As part of this process, we categorised the material climate-related risks and opportunities outlined in Figure 30. Key Attributes and outputs of the Preliminary Climate Risk and Opportunity Assessment. The material climate-related risks identified through NAIF's assessment fall into two primary categories that have the potential to impact both NAIF's operations and the projects we finance:

- Transition risks, which arise from the shift toward a low-carbon economy. These may result from policy and regulatory change, market shifts, technological disruption, or evolving social and stakeholder expectations.

- Physical risks, which result from climate variability and long-term environmental change. These include acute risks, linked to extreme weather events such as floods, droughts, or cyclones, and chronic risks, associated with gradual changes in climate patterns, such as sustained temperature increases, sea level rises, and altered rainfall patterns.

In addition to these risks, climate change also presents a range of opportunities, including improved resource efficiency, increased resilience across regional supply chains and communities, and access to emerging technologies and markets that support the low-carbon transition.

In assessing these risks and opportunities, NAIF considered short, medium, and long-term time horizons, consistent with the guidance in the [CROMP Application Guide](#), see Figure 29 NAIF time horizons. These timeframes were selected to reflect the nature of NAIF's operating environment, including the duration of our investment commitments, the scale of supported infrastructure, and the objectives of our Act and Investment Mandate. Applying these time horizons helped determine when risks and opportunities are likely to emerge and informed how we assessed their materiality, financial impact, and relevance to our strategic planning.

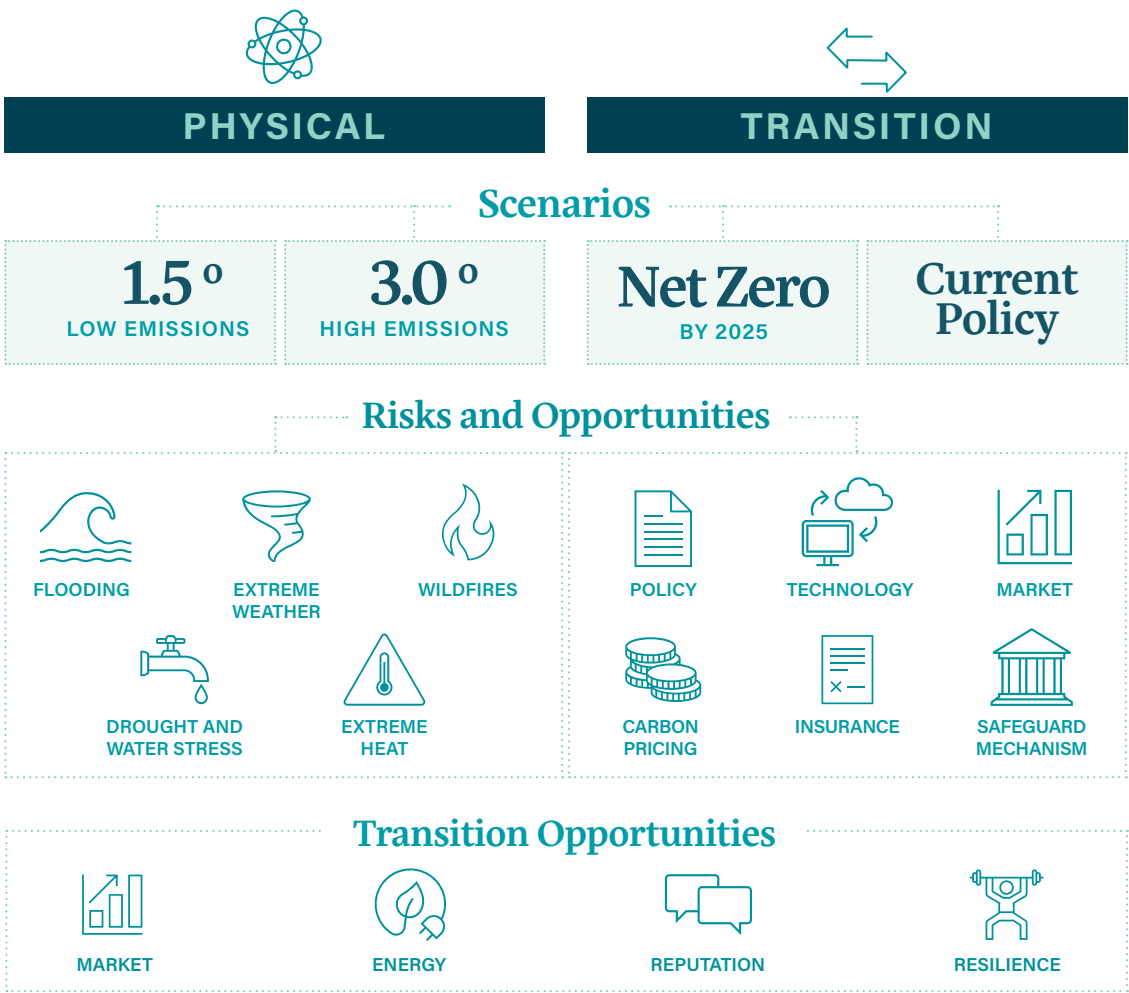
Figure 29: NAIF time horizons



The scenarios, and climate-related risks and opportunities identified through this process are summarised in the Figure 30 below.

Climate-related risks and opportunities were prioritised by applying NAIF’s existing RMF and Risk Matrix, assigning inherent impact ratings using our established consequence and likelihood criteria, alongside tailored

Figure 30: Key Attributes of Preliminary Climate Risk and Opportunity Assessment



uncertainty ratings developed to reflect the complexities of climate projections and market transitions. For opportunities, we effectively inverted the matrix to evaluate their potential positive contributions on a comparable scale. These combined ratings produced an overall prioritisation rating, which was then used to determine which climate-related risks required deeper analysis, and which opportunities warranted further strategic engagement or capital focus. This approach ensures climate-related risks and opportunities are prioritised relative to all other organisational risks and opportunities, consistent with NAIF's risk appetite statement and decision-making framework, and integrated into our enterprise risk management and investment processes.

Key Findings and Forward Actions

Our preliminary assessment indicates that climate-related risks and opportunities are anticipated to influence NAIF's operations, investment portfolio, and engagement approach over time. Physical risks are projected to impact regional infrastructure, project delivery, and workforce availability, particularly in northern Australia. Transition risks may affect the financial performance of proponents, especially those operating in emissions-intensive sectors. At the same time, the transition to a low-emissions economy presents emerging opportunities. Investments aligned with clean energy, critical minerals, and physical resilience may support stronger long-term performance, improve proponent repayment capacity, and open new areas for capital deployment. These opportunities are more pronounced under low-emissions scenarios, where clear policy drives technological advancement and market demand.

While these risks and opportunities are not evenly distributed, our preliminary assessment suggest concentrated impacts across specific sectors and project types. As we move into FY25–26, planned scenario analysis and stress testing will enhance our understanding of climate-related risks and opportunities across NAIF's portfolio.⁶ This forward-looking work will inform assessments, while supporting the phased expansion of our climate disclosures in alignment with the Commonwealth Climate Disclosure Requirements.

Climate Related Metrics

NAIF continues to measure emissions from its operations, in accordance with the Department of Finance's requirements under the APS Net Zero Emissions Reporting Framework. This includes scope 1 and scope 2 emissions, as well as relevant scope 3 emissions.

NAIF's operational emissions (scope 1 and 2) primarily stem from electricity consumption in leased offices. Data from shared services offices is excluded, as it cannot be separated from landlord data. Scope 3 emissions largely arise from business travel necessary to fulfill NAIF's purpose. Additionally, NAIF continues to measure financed emissions from its investment portfolio to better understand these impacts. This initiative will also enable collaboration with the Department of Finance on developing methodologies for estimating financed emissions.

The GHG emissions reported in the following tables represent carbon dioxide emissions (CO₂-e) from NAIF operations, including scope 1, 2, and business travel related scope 3 items. Financed emissions are reported separately in Figure 33.

⁶ There are limitations to scenario analysis, including climate-related scenario analysis, and it is challenging to predict which, if any, of the scenarios might materialise. Scenario analysis is not a forecast and does not indicate probable outcomes; it relies on assumptions that may or may not prove to be correct or eventuate.

Figure 31: FY24-25 Greenhouse Gas Emissions Inventory– Location-based method

Emission Source	Scope 1 t CO ₂ -e	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e
Electricity (Location Based Approach)	n/a	47.22	4.98	52.19
Natural Gas	-	n/a	-	-
Solid Waste	-	n/a	-	-
Refrigerants	-	n/a	n/a	-
Fleet and Other Vehicles	-	n/a	-	-
Domestic Commercial Flights	n/a	n/a	201.30	201.30
Domestic Hire Car	n/a	n/a	-	-
Domestic Travel Accommodation	n/a	n/a	25.68	25.68
Other Energy	-	n/a	-	-
Total t CO₂-e	-	47.22	231.96	279.18

Note: The table above presents emissions related to electricity usage using the location-based accounting method.
CO₂-e = Carbon Dioxide Equivalent.
n/a = not applicable

Figure 32: FY24-25 Electricity Greenhouse Gas Emissions

Emission Source	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e	Electricity kWh
Electricity (Location Based Approach)	47.22	4.98	52.19	68,882.05
Market-based electricity emissions	18.95	2.57	21.52	23,390.38
Total renewable electricity consumed	n/a	n/a	n/a	45,491.68
<i>Renewable Power Percentage¹</i>	n/a	n/a	n/a	12,533.09
<i>Jurisdictional Renewable Power</i>	n/a	n/a	n/a	-
<i>GreenPower²</i>	n/a	n/a	n/a	32,958.59
<i>Large-scale generation certificates²</i>	n/a	n/a	n/a	-
<i>Behind the meter solar⁴</i>	n/a	n/a	n/a	-
Total renewable electricity produced	n/a	n/a	n/a	-
<i>Large-scale generation certificates²</i>	n/a	n/a	n/a	-
<i>Behind the meter solar⁴</i>	n/a	n/a	n/a	-

Note: The table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods. CO₂-e = Carbon Dioxide Equivalent. Electricity usage is measured in kilowatt hours (kWh).

¹ Listed as Mandatory renewables in 2023-24 Annual Reports. The renewable power percentage (RPP) accounts for the portion of electricity used, from the grid, that falls within the Renewable Energy Target (RET).

² Listed as Voluntary renewables in 2023-24 Annual Reports.

³ The Australian Capital Territory is currently the only state with a jurisdictional renewable power percentage (JRPP).

⁴ Reporting behind the meter solar consumption and/or production is optional. The quality of data is expected to improve over time as emissions reporting matures.

General Caveats from Emissions Reporting

- Solid waste data was not available at the time of the report and amendments to data may be required in future reports.
- Emissions from hire cars for FY24-25 are incomplete due to the lack of available data.
- The quality of data is expected to improve over time as emissions reporting matures.

Action in Focus – Financed Emissions

During the reporting period, NAIF measured the financed emissions associated with its portfolio of investments for FY23-24.⁷

NAIF applied the methodologies from Standard A, Financed Emissions, developed by the Partnership for Carbon Accounting Financials (PCAF), ratified by the GHG Protocol. The methodologies and assumptions used in calculating these emissions are detailed in the Basis of Preparation document, which is available upon request.

Under the climate-related disclosure requirements established by the Department of Finance, NAIF must report its financed emissions in the FY26-27 annual report. While mandatory reporting is not yet required, the Department of Finance encourages voluntary disclosure where entities are well placed to do so. NAIF plans to enhance its financed emissions measurement and reporting over time and will collaborate with the Department of Finance to develop consistent reporting methodologies for Commonwealth Entities ahead of mandatory reporting.

Figure 33 presents NAIF's financed emissions calculations by asset class and sector, covering the majority of NAIF's investments⁸ by outstanding amount as of 30 June 2024. NAIF has classified its investments into asset classes including business loans and project finance, in accordance with PCAF standards. Financed emissions are disclosed by sector, as defined by NAIF's classification.

The weighted average data quality score for the whole portfolio was 2.31 in FY23-24, slightly deteriorating in comparison to the prior year (FY22-23: 2.21). This was explained by a decline in data quality reporting from some projects, that more than offset data quality increase in others. NAIF maintains its commitment to improve data quality in future reports.

Overall financed emissions totalled 110,744 tCO₂-e in FY23-24, experiencing an increase in comparison to the previous year (FY22-23: 60,646). This is an expected outcome as existing projects advance in construction and transition to operations, coupled with new projects being added.

Figure 33: FY23-24 NAIF financed emissions inventory

Asset Class	Total outstanding investments covered (\$m)	Scope 1 + Scope 2 Emissions (t CO ₂ -e)	Scope 3 Emissions (t CO ₂ -e)	Total Financed Emissions (t CO ₂ -e)	Emissions intensity (t CO ₂ -e/\$m)
Project Finance	1,385	68,358	22,218	90,576	65.40
Business Loans	511	10,645	9,524	20,168	39.48
Total*	1,896	79,002	31,742	110,744	58.41

Sector	Total outstanding investments covered (\$m)	Scope 1 + Scope 2 Emissions (t CO ₂ -e)	Scope 3 Emissions (t CO ₂ -e)	Total Financed Emissions (t CO ₂ -e)	Emissions intensity (t CO ₂ -e/\$m)
Agriculture & Water	41	1,452	764	2,216	54.27
Energy	695	20,426	3,106	23,531	33.86
Financing Partnerships	-	-	-	-	-
Resources	674	47,922	19,039	66,961	99.29
Social Infrastructure	398	8,936	8,545	17,481	43.87
Transport & Logistics	87	265	289	555	6.36
Total*	1,896	79,002	31,742	110,744	58.41

* Total exposure excludes \$116m in investments to Kimberley Cotton Gin, Kalium Lakes and NT Local Jobs Fund.

⁷ Limitations apply to FY24-25 financed emissions reporting due to data availability timelines.

⁸ NAIF total investments exclude \$116m in investments to Kimberley Cotton Gin, Kalium Lakes and NT Local Jobs Fund.

Climate-related Targets

NAIF supports climate-related initiatives aimed at transitioning to a low-carbon, climate-resilient economy. Although formal climate targets and emission reduction plans are not yet established, NAIF recognises the importance of these goals and is committed to advancing its efforts to address climate risks and reduce emissions in FY25-26.

In FY24-25, NAIF commenced the development of an Emissions Reduction Plan, initiating an Emissions Reduction Program to create and implement strategies for lowering emissions. This initiative will integrate climate related targets, emissions reduction plans, and strategies with NAIF's overall sustainability goals, with outcomes subject to Board endorsement.

NAIF's Enterprise

NAIF is dedicated to reducing its enterprise emissions through alignment with the APS Net Zero by 2030 Target that currently covers scope 1 and 2 emissions. Additionally, NAIF plans to take steps to reduce scope 3 emissions.

The Emissions Reduction Program will explore initiatives to reduce NAIF's enterprise emissions, such as enhancing energy efficiency in office locations, sourcing 100% renewable energy, reducing and offsetting travel related emissions, and collaborating with suppliers and stakeholders. These initiatives will align with the APS Net Zero Emissions Reporting Framework.

NAIF's Investment Decisions

NAIF Investment Decisions involve providing financial assistance to infrastructure projects in northern Australia.

These decisions have the potential to contribute positively to Australia's net zero targets and support the economy and communities in northern Australia in adapting to and benefiting from the global transition to a net zero, climate resilient economy.

In FY25-26, NAIF will progressively evolve its climate-related investment strategy to demonstrate the Facility's contribution towards Australia's transition to net zero by 2050. This process will include consideration of relevant metrics and targets to support the Government's net zero and climate adaptation priorities and contribute to real economy outcomes.

Financial Statements

Statement by Board Members Chief Executive Officer and Chief Financial Officer	83	Notes to and forming part of the Financial Statements	92
Independent Auditor’s Report	84	Note 1: Financial Performance	
Statement of Profit or Loss and Other Comprehensive Income	86	1.1 Expenses	92
Statement of Financial Position	87	1.2 Revenue	93
Statement of Changes in Equity	88	Note 2: Financial Position	
Cash Flow Statement	89	2.1 Financial Assets	94
Overview	90	2.2 Non-Financial Assets	94
		2.3 Financial Liabilities	95
		2.4 Interest Bearing Liabilities	96
		Note 3: People and Relationships	
		3.1A Employee Provisions	97
		3.2 Key Management Personnel Remuneration	97
		3.3 Related Party Relationships	98
		Note 4: Remuneration of External Auditors	98
		Note 5: Current / Non-Current Distinction for Assets and Liabilities	99

Statement by Board Members, Chief Executive Officer and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2025 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*, and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Northern Australia Infrastructure Facility (NAIF) will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board.



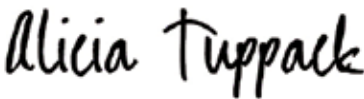
Tracey Hayes
CHAIR

23 September 2025



Craig Doyle
CHIEF EXECUTIVE OFFICER

23 September 2025



Alicia Tuppack
CHIEF FINANCIAL OFFICER

23 September 2025



INDEPENDENT AUDITOR'S REPORT

To the Minister of Northern Australia

Opinion

In my opinion, the financial statements of the Northern Australia Infrastructure Facility (the Entity) for the year ended 30 June 2025:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2025 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2025 and for the year then ended:

- Statement by the Board Members, Chief Executive Officer and Chief Financial Officer;
- Statement of Profit or Loss and Other Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and their delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Board is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Board is also responsible for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Mark Vial
Executive Director

Delegate of the Auditor-General

Canberra

23 September 2025

Statement of Profit or Loss and Other Comprehensive Income

For the period ended 30 June 2025

*commentary below

	Note	2025 \$'000	2024 \$'000	Original Budget \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	12,199	11,016	16,152
Suppliers	1.1B	5,761	4,289	5,116
Depreciation on right of use assets	2.2A	522	523	461
Depreciation on plant and equipment	2.2A	72	58	32
Finance costs	1.1C	8	9	21
Total expenses		18,562	15,895	21,782
Own Source Income				
Own source revenue	1.2A	1,640	868	-
NET COST OF SERVICES				
		(16,922)	(15,027)	(21,782)
Revenue from Government	1.2B	21,782	21,295	21,782
Total comprehensive income attributable to the Australian Government		4,860	6,268	-

* The budget for the 2024-25 financial year shown is the budget presented to Parliament in the 2024-25 Portfolio Budget Statements. Some initiatives in the budget experienced timing adjustments, with associated costs now expected to be incurred in the next financial year. As a result, there have been timing differences with resourcing and related activities, leading to a delay in expensing the funding for these initiatives. Many initiatives relied on additional staffing resources which make up a significant component of the underspend. In addition, targeted cost control measures such as a focused reduction in contractor spend have contributed to lower than budget expenditure. Furthermore, NAIF's higher opening retained surplus has enabled strategic investment in short term deposits and generated strong interest income.

Recruitment was implemented in phases throughout the year, resulting in a significant favourable outcome to staff costs. Some positions have taken more time than anticipated to recruit as sourcing suitably qualified staff remains challenging due to a highly competitive Australian job market. NAIF is committed to providing jobs wherever possible to staff in Northern Australia. Flow on effects from this included further favourability in other cost categories such as travel and training.

Depreciation increased during 2024-25 due to the reconfiguration of the Cairns office, aimed at optimising space and accommodating additional workstations in preparation for projected staff growth through to the end of the lease period. In addition, the Perth office transitioned from a short term serviced arrangement to a longer term right of use lease which also included recognition of an asset for the associated fit out.

Own source revenue comprises interest income generated from surplus funds held in the operational bank account and term deposits. The above statement should be read in conjunction with the accompanying notes.

Statement of Financial Position

For the period ended 30 June 2025

	Note	2025 \$'000	2024 \$'000	Original Budget \$'000
ASSETS				
Financial assets				
Cash and liquid assets	2.1A	6,098	25,167	18,136
Short term investments	2.1B	23,000	-	-
Other receivables	2.1C	570	125	104
Total financial assets		29,668	25,292	18,240
Non-financial assets				
Right of use assets	2.2A	822	1,097	698
Plant and equipment	2.2A	327	324	135
Other non-financial assets	2.2B	45	119	76
Total non-financial assets		1,194	1,540	909
Total assets		30,862	26,832	19,149
LIABILITIES				
Financial liabilities				
Suppliers	2.3A	1,869	2,755	2,432
Other payables	2.3B	359	276	245
Total payables		2,229	3,031	2,677
Interest bearing liabilities				
Lease liabilities	2.4A	785	1,027	501
Total interest bearing liabilities		785	1,027	501
Provisions				
Other provisions	2.5A	292	275	275
Employee provisions	3.1A	1,687	1,489	954
Total provisions		1,978	1,764	1,229
Total liabilities		4,992	5,822	4,407
Net assets		25,870	21,010	14,742
Equity				
Retained surplus		25,870	21,010	14,742
Total equity		25,870	21,010	14,742

NAIF's increase in retained surplus for 2024–25 is primarily driven by a higher opening retained surplus, which enabled strategic investment in short term deposits and generated strong interest income. Asset growth during the year reflects the reconfiguration of the Cairns office to optimise space and accommodate additional workstations in anticipation of future staffing needs through to the end of the lease. Additionally, the Perth office transitioned from a short term serviced arrangement to a longer term right of use lease, with the associated fit out capitalised.

Supplier liabilities decreased following a shift in payroll on charge settlements moving from quarterly to monthly. Other provisions increased, driven by the recognition of make good obligations under the new Perth lease, and an increase in employee provisions, primarily due to accrued long service leave.

The above statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the period ended 30 June 2025

	Retained Surplus		
	2025 \$'000	2024 \$'000	Original Budget \$'000
RETAINED SURPLUS			
Opening balance as at 1 July	21,010	14,742	14,742
Comprehensive income			
Surplus for the period	4,860	6,268	-
Total comprehensive income	25,870	21,010	14,742
Closing balance as at 30 June	25,870	21,010	14,742

Budget figures assumed all of the funding for this year would be spent in the 2024-25 financial year. Some initiatives in the budget experienced timing adjustments, with associated costs now expected to be incurred in the next financial year. As a result, there have been differences with resourcing and related activities, leading to a delay in expensing the funding for these initiatives. Many initiatives relied on additional staffing resources which make up a significant component of the underspend. In addition, targeted cost control measures such as a focused reduction in contractor spend have contributed to lower than budget expenditure. Furthermore, NAIF's higher opening retained surplus has enabled strategic investment in short term deposits and generated strong interest income.

The above statement should be read in conjunction with the accompanying notes.

Cash Flow Statement

For the period ended 30 June 2025

	2025 \$'000	2024 \$'000	Original Budget \$'000
OPERATING ACTIVITIES			
Cash received			
Receipts from Government	21,782	21,295	21,782
Interest	426	868	-
Total cash received	22,208	22,163	21,782
Cash used			
Employees	11,918	10,384	16,152
Suppliers	7,019	3,960	5,051
Other	-	-	21
Total cash used	18,936	14,344	21,224
Net cash from operating activities	3,271	7,819	558
INVESTING ACTIVITIES			
Cash received			
Interest on investments	1,214	-	-
Total cash received	1,214	-	-
Cash used			
Short term investments	23,000	-	-
Purchase of property, plant and equipment	74	184	-
Total cash used	23,074	184	-
Net cash used by investing activities	(21,860)	(184)	-
FINANCING ACTIVITIES			
Cash used			
Principal payments of lease liabilities	481	467	500
Total cash used	481	467	500
Net cash used by financing activities	(481)	(467)	(500)
Net increase/(decrease) in cash held	(19,070)	7,168	58
Cash at beginning of the reporting period	25,167	17,999	18,078
Cash at end of the reporting period	6,098	25,167	18,136

Budget figures assumed all of the funding for this year would be spent in the 2024-25 financial year. Some initiatives in the budget experienced timing adjustments, with associated costs now expected to be incurred in the next financial year. As a result, there have been timing differences associated with resourcing and related activities, leading to a delay in expensing the funding for these initiatives. Many initiatives relied on additional staffing resources which make up a significant component of the underspend.

A change in payroll on charge settlement moving from quarterly to monthly saw an increase in cash used to pay suppliers. In addition, NAIF's higher opening retained surplus has enabled strategic investment in short term deposits.

The above statement should be read in conjunction with the accompanying notes.

Northern Australia Infrastructure Facility - Overview

For the period ended 30 June 2025

The Northern Australia Infrastructure Facility (NAIF) is a corporate Commonwealth entity financing projects and businesses in the Northern Territory, Queensland and Western Australia. NAIF operates on a not-for-profit basis with the primary purpose to contribute to the Nation by proudly investing in the growth of northern Australia. NAIF plays a key role in growing northern Australia with financing to projects driving public benefit, economic and population growth and Indigenous outcomes and participation and accelerating participation in the development of new industry sectors, production processes and technologies.

Basis of preparation

The Financial Statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The financial statements have been prepared in accordance with:

- a) Australian Accounting Standards and Interpretations - Simplified Disclosures for Tier 2 Entities issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period; and
- b) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR).

The Financial Statements are prepared in Australian dollars and rounded to the nearest thousand dollars (\$'000).

The Financial Statements have been prepared on an accrual basis and in accordance with the historical cost convention. No allowance is made for the effects of changing prices on the results or the financial position.

New accounting standards

Consistent with government policy, no accounting standard has been adopted earlier than the application date as stated in the standard. There has been no new standards that have an application date for this financial year that affect the financial statements. New standards not yet effective are not anticipated to have a material impact.

Taxation

NAIF is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

- where the amount of GST incurred is not recoverable as an input tax credit from the Australian Tax Office (ATO), it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; and
- the net amount of GST recoverable from, or payable to, the ATO is included as part of the receivables, payables, or commitments.

Property, plant and equipment

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for:

- items of property with a project cost less than \$15,000 (which are expensed in the year of acquisition; and
- items of plant and equipment costing less than \$7,500 (which are expensed in the year of acquisition).

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the entity using, in all cases, the straight-line method of depreciation.

Depreciation rate (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

The useful lives of major depreciable asset categories are as follows:

Right-of-use assets	Unexpired lease term
Furniture and Fittings	10 years
Equipment	5 years

Overview (continued)

For the period ended 30 June 2025

Leases

Leased Right Of Use (ROU) assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

The lease liability is initially measured at the present value of scheduled future lease payments, discounted using the Australian Government's incremental borrowing rate. The ROU asset is initially measured at cost, which is the initial amount of the lease liability increased by initial direct costs, prepaid lease payments and estimated costs to restore, and reduced by lease incentives received.

In other provisions, a make good provision has been provided to allow for the return of the leased space to the original condition at the end of the lease.

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

During the period, NAIF leased office space in Cairns, Sydney and Perth.

Employee policies

Liabilities for short-term employee benefits expected within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

The liability for employee benefits includes provision for annual leave and long service leave. The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the entity's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to the shorthand method, and with management assessments relating to salary growth rates. The estimate of the present value of the liability takes into account an estimate of attrition rates and pay increases through promotions and inflation.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave estimated to be taken in the future by NAIF employees is less than the annual entitlement for sick leave.

NAIF's employees are members of superannuation funds held outside the Australian Government. NAIF makes employer contributions to these funds as per the Superannuation Guarantee Contribution rate. The liability for superannuation recognised as at 30 June 2025 represents outstanding contributions.

Trade and other payables or receivables

Supplier and other payables or receivables are recognised at amortised cost. Liabilities or prepayments are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

Events after the reporting period

NAIF entered into a new lease agreement for office spare in Darwin, commencing on 1 July 2025 for a term of 3 years. Annual payments of \$99,572 plus GST payable in monthly instalments and increasing by 4% annually. This lease will be recognised as a right of use asset and corresponding lease liability in the financial year ending 30 June 2026. The lease does not impact the current reporting period and it is disclosed as a non adjusting event in accordance with AASB 110 Events after the Reporting Period and AASB 16 Leases.

Notes to and forming part of the Financial Statements

For the period ended 30 June 2025

Financial Performance

	2025 \$'000	2024 \$'000
NOTE 1.1 EXPENSES		
1.1A Employee Benefits		
Wages and salaries	10,690	9,303
Superannuation defined contribution plans	1,136	1,016
Leave and other entitlements	373	697
Separation and redundancies	-	-
Total employee benefits	12,199	11,016
Accounting policies for employee related expenses is contained in the Overview section.		
1.1B Suppliers		
Consultants	1,519	911
Professional fees	772	658
Computer and communication costs	1,189	731
Travel	798	631
Property costs	405	357
Contractors	35	279
Training	188	211
Services provided by Export Finance Australia	337	209
Advertising and promotional costs	247	87
Insurance	62	58
Other	208	157
Total suppliers	5,761	4,289
1.1C Finance costs		
Interest on lease liabilities	8	9
Total finance costs	8	9

Notes to and forming part of the Financial Statements(continued)

For the period ended 30 June 2025

	2025 \$'000	2024 \$'000
NOTE 1.2 REVENUE		
1.2A Own source revenue		
Interest	1,640	868
Total own source revenue	1,640	868

NAIF uses Commonwealth Bank of Australia (CBA) to fund operational activities including receiving Government appropriations. Interest is paid monthly on surplus funds at applicable interest rates that are set out by CBA, however, the rates are subject to change. The current credit interest rate is at 3.35% per annum.

Holding surplus funds are invested in investment grade term deposits across a combination of Moody's 'A' rated financial institutions for periods of 3, 6 or 9 months. Rates over the year have ranged from 4.50% to 5.07%.

1.2B Revenue from Government

Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts

Corporate Commonwealth entity payment	21,782	21,295
Total revenue from Government	21,782	21,295

Revenue from Government: Funding received from the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (DITRDCA), are appropriated to NAIF as a Corporate Commonwealth Entity and is recognised as Revenue from the Government when NAIF gains control of the funding.

Notes to and forming part of the Financial Statements(continued)

For the period ended 30 June 2025

Financial Position

	2025 \$'000	2024 \$'000
NOTE 2.1 FINANCIAL ASSETS AT AMORTISED COST		
2.1A Cash		
Cash at bank	6,098	25,167
Total cash	6,098	25,167

Cash is recognised at its nominal amount as this is considered fair value and is available at call which are readily convertible to cash on hand.

2.1B Investments

Short term investments	23,000	-
Total investments	23,000	-

Investment securities are held in Australian investment grade term deposits across a combination of Moody's 'A' rated financial institutions. No material impairment exists at 30 June 2025.

2.1C Other Receivables

Interest	340	-
Goods and services tax	231	125
Total other receivables	570	125

NOTE 2.2 NON-FINANCIAL ASSETS

2.2A Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment and Right of Use Assets

	Right of Use Assets \$'000	Furniture and Fittings \$'000	Office Equipment \$'000	Total \$'000
Gross Value				
Balance as at 30 June 2024	2,448	174	260	2,882
Additions	232	74	-	306
Remeasurement	16	-	-	16
Disposals	-	-	-	-
Gross Value as at 30 June 2025	2,695	249	260	3,204
Accumulated Depreciation				
Balance as at 30 June 2024	1,351	37	73	1,460
Depreciation charged	522	20	52	594
Depreciation as at 30 June 2025	1,873	56	125	2,054

Notes to and forming part of the Financial Statements(continued)

For the period ended 30 June 2025

NOTE 2.2A CONTINUED

	Right of Use Assets	Furniture and Fittings	Office Equipment	Total
	\$'000	\$'000	\$'000	\$'000
Net book value as at 30 June 2024	1,097	137	187	1,421
Net book value as at 30 June 2025	822	192	135	1,149

Total as at 30 June 2025 represented by

Gross book value	2,695	249	260	3,204
Accumulated depreciation	1,873	56	125	2,054
Total as at 30 June 2025	822	192	135	1,149

NAIF began a lease agreement for new office premises located in Perth commencing on 1 May 2025 for a term of 3 years. NAIF recognised a right of use asset of A\$232,000 and lease liability of A\$215,542.

The Cairns right of use asset and liability were remeasured during the year due to an amendment to the recorded lease term. The adjustment was made in accordance with AASB 16 and reflects the accurate contractual lease period.

Refer Overview section for accounting policy on property, plant, equipment and leases.

	2025 \$'000	2024 \$'000
2.2B Other non-financial assets		
Prepayments	45	119
Total other non-financial assets	45	119

NOTE 2.3 FINANCIAL LIABILITIES MEASURED AT AMORTISED COST

2.3A Suppliers

Trade creditors and accruals	1,869	2,755
Total suppliers	1,869	2,755

Supplier payables are recognised at cost to the extent that goods and services have been received irrespective of having been invoiced. Credit terms for goods and services is usually within 30 Days.

2.3B Other Payables

Salaries and wages	318	246
Superannuation	41	30
Total other payables	359	276

The liability for salaries and wages and superannuation recognised represents outstanding amounts for the final fortnight of the financial year.

Notes to and forming part of the Financial Statements (continued)

For the period ended 30 June 2025

NOTE 2.4 INTEREST BEARING LIABILITIES

	2025 \$'000	2024 \$'000
2.4A Lease liabilities		
Lease liabilities	785	1,027
Total lease liabilities	785	1,027
Future lease payments analysis		
Not later than 1 year	576	485
Later than 1 year and not later than 5 years	223	550
Total lease payments	800	1,035

Future lease payments based on actual and not the net present value as in the lease liability account.

Total cash outflow for leases for the year ended 30 June 2025 was \$481,000 (2024: \$469,000).

Refer Overview section for accounting policy on leases.

NOTE 2.5 OTHER PROVISIONS

2.5A Other provisions		
Provision for restoration	292	275
Total other provisions	292	275

Increase driven by the recognition of make good obligations under the new Perth lease.

Notes to and forming part of the Financial Statements(continued)

For the period ended 30 June 2025

People and Relationships

	2025 \$'000	2024 \$'000
3.1A Employee Provisions		
Leave	1,687	1,489
Other	-	-
Total employee provisions	1,687	1,489

Leave

The employee provision includes provision for annual leave and long service leave. The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the applicable employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination. Long service leave is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date and discounted using appropriate market yields at reporting date. The estimate of the present value of the liability attrition rate and pay increases through promotion and inflation.

3.2 Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The entity has determined the key management personnel to be the Board members, the Chief Investment Officer, Chief Investment Risk Officer, Chief Operating Officer, Chief Strategic Policy and Engagement Officer, Chief Legal Officer, the Minister for Northern Australia, and the Portfolio Minister.

The key management personnel remuneration excludes the remuneration and other benefits of the Minister for Northern Australia and the Portfolio Minister. The Minister for Northern Australia and the Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by NAIF. NAIF key management personnel remuneration is:

	2025 \$'000	2024 \$'000
Short-term employee benefits	2,903,473	2,814,592
Post-employment benefits	300,047	287,770
Other Long-term employment benefits	56,569	54,666
Termination benefits	-	-
Total key management personnel remuneration expenses	3,260,089	3,157,028
Total number of key management personnel that are included in the above table are:	14	14

The number of key management personnel at 30 June 2025 are 14 positions comprising the Chief Executive Officer, 8 Board Members, Chief Investment Officer, Chief Investment Risk Officer, Chief Operating Officer, Chief Strategic Policy and Engagement Officer, and Chief Legal Officer. The numbers that hold this positions vary depending on how many positions had departures and new starters within the year.

Short-term employee benefits include salary, annual leave, other benefits and allowances. Post-employment benefits relates to superannuation. Other long-term benefits principally relates to long service leave.

The Board and CEO remuneration and other benefits are set by the Remuneration Tribunal. The Board members and CEO are not paid performance awards.

Notes to and forming part of the Financial Statements(continued)

For the period ended 30 June 2025

3.3 Related Party Relationships

NAIF is an Australian Government controlled entity. Related parties to the entity are the key management personnel as defined above and other Australian Government entities.

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens.

Significant transactions with related parties can include provision of corporate and administration services to NAIF, the provision of insurance, the provision of leases and the purchases of goods and services.

Where a NAIF Board member has an actual, apparent or potential conflict of interest in relation to a potential investment decision, that member does not receive papers or participate in discussions on that transaction. A conflicts of interest register is maintained to record Board members' disclosed interests. Minutes from Board meetings record recusals as and when they occur.

NAIF is supported through an SLA with Export Finance Australia allowing access to resources across ITC and Payroll functions. The SLA arrangement ensures an efficient use of existing Commonwealth resources, reducing the duplication of resourcing requirements across government entities. The SLA allowed NAIF to transition from its start-up phase to operational phase more effectively and faster than it would have otherwise.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the entity, it has been determined that there are no other material related party transactions to be separately disclosed.

Notes to and forming part of the Financial Statements(continued)

For the period ended 30 June 2025

	2025 \$'000	2024 \$'000
NOTE 4: REMUNERATION OF EXTERNAL AUDITORS		
An audit or review of the annual report	55	55
Total audit remuneration	55	55

Northern Australia Infrastructure Facility's auditor is the Australian National Audit Office (ANAO).

Notes to and forming part of the Financial Statements(continued)

For the period ended 30 June 2025

Other Information

	2025 \$'000	2024 \$'000
NOTE 5: CURRENT/NON-CURRENT DISTINCTION FOR ASSETS AND LIABILITIES		
Assets expected to be recovered in:		
No more than 12 months		
Cash and liquid assets	6,098	25,167
Short term investments	23,000	-
Interest receivable	340	-
Other receivables	231	125
Right of use assets	596	523
Plant and equipment	77	69
Other non-financial assets	45	119
Total no more than 12 months	30,386	26,003
More than 12 months		
Right of use assets	226	574
Plant and equipment	250	255
Total more than 12 months	476	829
Total assets	30,862	26,832
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	1,869	2,755
Other payables	359	276
Lease liabilities	567	479
Employee provisions	704	697
Total no more than 12 months	3,499	4,207
More than 12 months		
Lease liabilities	218	548
Employee provisions	983	792
Other provisions	292	275
Total more than 12 months	1,493	1,615
Total liabilities	4,992	5,822
Total aggregated assets and liabilities	25,870	21,010

Index of Statutory Reporting Requirements

The Board of NAIF is obligated under section 46 of PGPA Act to prepare an annual report and section 17BE(u) of the PGPA Rule sets out the mandatory content requirements.

Part A – Public Governance, Performance and Accountability Act 2013

Section	Subject	Location within Report	Page
Public Governance, Performance and Accountability Rule Sec 17BE			
s 17BE(a)	Details of the legislation establishing the body.	Corporate Governance	38
s.17BE(b)(i)	A summary of the objects and functions of the entity as set out in legislation.	Annual Performance Statement	30
s17BE(b)(ii)	The purposes of the entity as included in the entity's corporate plan for the reporting period.	Annual Performance Statement	30
s.17BE(c) – (f)	The annual report must provide details of:	Corporate Governance	
	• The name and title of the responsible Ministers of NAIF.	- Accountability	38
	• Any directions given by the responsible Minister.	- Accountability / Ministerial Directions	38
	• Any policy orders that applied to NAIF; and	- Not applicable	
	• Details of any non-compliance with the above.	- Not applicable	
s.17BE(g)	The annual report must include NAIF's Annual Performance Statements.	Annual Performance Statement	30
s.17BE(h) – (i)	The annual report must detail any significant issues reported to the Minister.	Corporate Governance - Legislative Reporting	N/A
s.17BE(j)	The annual report must detail particulars of the Board.	Board	48
		- Board Profiles and Photos	
s.17BE(k) – (l)	The annual report must detail particulars of NAIF's organisational structure and outline the location of the NAIF's major activities or facilities.	People	60
		- Organisational structure and location	60
	Statistics on NAIF's employees including the following:	- Workforce demographics	62
	• Full-time employees;		
	• Part-time employees;		
	• Gender; and		
	• Staff location.		

Section	Subject	Location within Report	Page
s.17BE(m)	The annual report must outline the main corporate governance practices of NAIF.	Corporate Governance	38
s.17BE(q) – (s)	The annual report must detail any judicial and administrative decisions or reviews or reports having a significant effect on NAIF.	Corporate Governance - Corporate Reporting	40
s.17BE(t)	The annual report must detail any indemnity applied during the financial year.	Corporate Governance - Corporate Reporting	40
s. 17BE(taa)	The following information about NAIF's audit committee (BARC):		
	(a) Reference to the BARC charter;	Corporate Governance	38
	(b) Name of each member of the BARC;	Board	48
	(c) Qualifications of each member of the BARC;	Board	50
	(d) Information about each member's attendance at BARC meetings; and	Board	48
	(e) Remuneration of each member of the BARC.	People	67
s.17BE(ta)	Information about executive remuneration.	People	64

Part B – Other legislation

Section	Subject	Location within Report	Page
Northern Australia Infrastructure Facility Act 2016			
s. 42	NAIF's annual report must include:	Corporate Governance	
	(a) Particulars of any changes to the Investment Mandate during the period and their impact on the operations of the Facility;	- Legislative Reporting	40
	(b) A summary of the proposal notices given by the Facility to the Minister during the period;		40
	(c) A summary of any rejection notices given by the Minister during the period and the Minister's reasons for giving the notices;		40
	(d) For financial assistance provided by the Facility during the period, a summary of:		40
	(i) the amounts of financial assistance and kinds of Northern Australia economic infrastructure concerned;		
	(ii) the forms in which financial assistance was provided and their important features; and		
	(iii) the risks and returns to the Commonwealth.		
	(e) A summary of any adjustments or concessions made by the Facility during the period in relation to the Northern Australia economic infrastructure projects that have not progressed as planned.		41
Environment Protection and Biodiversity Conservation Act 1999			
s.516A (3)(6)	Ecologically sustainable development and environmental performance.	Corporate Governance - Environmental Reporting	42
Work Health and Safety Act 2011			
Sch2, Pt 4, Clause 4(2)	Work health and safety initiatives, outcomes, statistics and investigations.	People - Work, Health and Safety	64

Part C – Other disclosure

Section	Subject	Location within Report	Page
	Commonwealth Climate disclosure	Climate Disclosure	70

Abbreviations and Acronyms

Abbreviation / Acronyms	Description
ASFI	Australian Sustainable Finance Institute
BARC	Board Audit and Risk Committee
CEO	Chief Executive Officer
CO ₂ -e	Carbon Dioxide Emissions
CROMP	Climate Risk and Opportunity Management Program
E&S	Environmental and Social
EFA	Export Finance Australia
EMG	Executive Management Group
EPBC Act	Environment Protection and Biodiversity Conservation Act 1999 (Cth)
ESD	Ecologically Sustainable Development
ESG	Environmental, Social and Governance
ESR Policy	Environmental and Social Review of Projects Policy
FAR	Fixed Annual Remuneration
FC	Financial Close
FTE	Full Time Equivalent
FY	Financial Year
GHG	Greenhouse Gas
ICT	Information & Communications Technology
ID	Investment Decision (to offer finance)
IES	Indigenous Engagement Strategy
Investment Mandate	Northern Australia Infrastructure Facility Investment Mandate Direction 2018
IRG	Investment Review Group
KER	Key Enterprise Risks
KMP	Key Management Personnel
MOU	Memorandum of Understanding
NAIF Act	Northern Australia Infrastructure Facility Act 2016
NAP	National Adaption Plan
NGER	National Greenhouse and Energy Reporting
PBS	Portfolio Budget Statement
PGPA Act	Public Governance, Performance and Accountability Act 2013
PMG	Portfolio Management Group
PRemCo	People & Remuneration Committee
RAS	Risk Appetite Statement
RDA	Regional Development Australia
RMAC	Risk Management and Compliance
SIV	Specialist Investment Vehicle
SLA	Service Level Agreement
STI	Short Term Incentive
TNFD	Taskforce on Nature-related Financial Disclosures
WHS Act	Work Health and Safety Act 2011
WHS	Work, Health and Safety





Australian Government

NAIF

Northern Australia Infrastructure Facility

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www.transparency.gov.au

