



Australian Government

NAIF

Northern Australia Infrastructure Facility

FY 24-25

Modern Slavery Statement

Acknowledgement 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, present and emerging.

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Contents

- 1. From the Chair4**
 - 1.1. Modern slavery statement.....4
 - 1.2. Approval of the principal governing body.....4
 - 1.3. Signature of responsible member.....4
- 2. Introduction 5**
- 3. About NAIF..... 6**
- 4. Our structure, operations and supply chain7**
 - 4.1. Our structure7
 - 4.2. Our location and people7
 - 4.3. Our operations, supply chain and projects we support.....9
- 5. Our risks of modern slavery practices.....10**
- 6. Addressing our risks of modern slavery practices.....11**
- 7. Assessing the effectiveness of our actions13**

1. From the Chair

1.1. Modern slavery statement

This voluntary modern slavery statement is made in respect of Northern Australia Infrastructure Facility (NAIF) for the financial year ended 30 June 2025. It has been prepared to comply with the reporting requirements under the *Modern Slavery Act 2018 (Cth)* (Act).

NAIF is committed to continuously improving the way we identify and mitigate the risk of modern slavery occurring within our business operations, supply chain and customer relationships. This statement sets out our approach to modern slavery and how we identify and mitigate this risk.

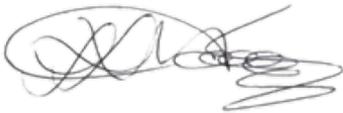
NAIF's Board Audit and Risk Committee and Board have had the opportunity to consider and provide input into this statement.

1.2. Approval of the principal governing body

This statement was approved by the NAIF Board in their capacity as the principal governing body of NAIF on 26 November 2025. It will be reviewed and updated annually.

1.3. Signature of responsible member

This statement was signed by the Chair of NAIF, a responsible member of NAIF (as defined in the Act) on 26 November 2025.



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

2. Introduction

Modern slavery is a relationship based on exploitation. The *Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities* states that modern slavery is only used to describe serious exploitation where individuals are coerced, threatened or deceived into situations that violate their freedom and dignity. The key characteristics are that victims cannot refuse or leave due to threats, violence, deception or abuse of power. It does not include practices like substandard working conditions or underpayment of workers. However, these practices are also illegal and harmful and may be present in some situations of modern slavery. These practices may escalate into modern slavery if not addressed. Modern slavery can exist in any country, regardless of wealth, legal system or development status.

The following definitions for modern slavery are taken from the Guidance for Reporting Entities.

Modern Slavery Type ¹	Definition
Human trafficking	Describes the recruitment, harbouring and movement of a person for exploitation through modern slavery.
Slavery	Describes situations where the offender exercises powers of ownership over the victim, including the power to make a person an object of purchase and use their labour in an unrestricted way.
Servitude	Describes situations where the victim's personal freedom is significantly restricted, and they are not free to stop working or leave their place of work.
Forced labour	Describes situations where the victim is either not free to stop working or not free to leave their place of work.
Forced marriage	Describes situations where coercion, threats or deception are used to make a victim marry or where the victim does not understand or is incapable of understanding the nature and effect of the marriage ceremony.
Debt bondage	Describes situations where the victim's services are pledged as security for a debt and the debt is manifestly excessive or victim's services are not applied to liquidate the debt, or the length and nature of the services are not limited and defined.
The worst forms of child labour	Describes situations where children are: <ul style="list-style-type: none"> ▪ exploited through slavery or similar practices, including for sexual exploitation; ▪ engaged in hazardous work which may harm their health, safety or morals; or ▪ use to produce or traffic drugs.
Deceptive recruiting practices	Describes situations where the victim is deceived about whether they will be exploited through a type of modern slavery.

¹Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities, pg77-80

3. About NAIF

Our purpose is to contribute to the nation by proudly investing in the growth of northern Australia.

As the Australian Government’s flagship financing agency in the north, NAIF is dedicated to delivering economic and social growth. This positions NAIF as a proactive responder to the challenges faced by the region, emphasising the role in providing financial support and facilitating the necessary investment to unlock the north’s potential and address its unique circumstances.

NAIF’s region spans across 50 per cent of Australia’s landmass. We support projects that deliver public benefit to the north through new jobs, regional income, business to local suppliers and Indigenous employment opportunities.

NAIF helps to grow economies and populations and encourages private sector investment in all industries including agriculture, water, energy, financing partnerships, social infrastructure, resources and transport and logistics. These projects contribute to the region’s overall economic prosperity and diversity.

\$7B

Allocated financing available for infrastructure projects

2016

NAIF was established



We’re focused on growth, jobs and Indigenous Outcomes



NAIF is a key part of the Federal Government’s 20-year plan for northern Australia

We achieve our purpose by fulfilling our legislative function to provide financial assistance to the States and Territories and other entities for the development of northern Australia economic infrastructure.

Since our establishment in 2016, NAIF has²:

32 Projects proceeding with NAIF finance	\$4.3B In committed loans ³	\$4.1B Reached contractual close	\$2.6B Capital deployment	\$356M Capital repaid	4 Projects fully repaid
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² NAIF’s progress since inception to 30 June 2025

³ 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.

4. Our structure, operations and supply chain

4.1. Our structure

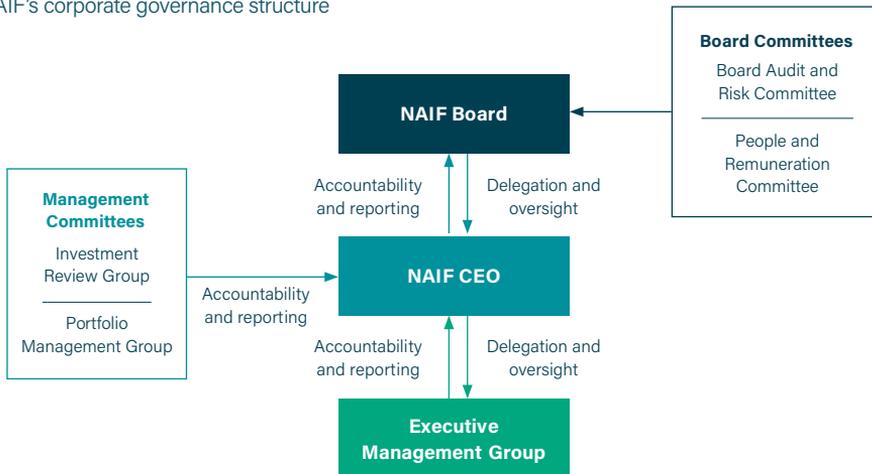
NAIF is a corporate Commonwealth entity with an independent Board that is the Accountable Authority for NAIF activities. This includes determining strategy, defining risk appetite and making financing decisions and ensuring the proper, efficient and effective performance of NAIF's functions. The Chief Executive Officer (CEO) reports to the Board and is responsible for the daily administration of NAIF.

In performing its functions, NAIF is governed by the requirements of the *Northern Australia Infrastructure Facility Act 2016* (NAIF Act), the *Northern Australia Infrastructure Facility Investment Mandate Direction 2023* (NAIF Investment Mandate) and has regard to the Statement of Expectation issued by NAIF's responsible Ministers' (as added from time to time) which formalise the Ministers' expectations of NAIF.

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

A breakdown of our corporate governance structure is set out in Figure 1. below:

Figure 1: NAIF's corporate governance structure



4.2. Our location and people

Our 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.

As at 30 June 2025, our headcount was 54 staff. Our workforce gender and workforce diversity profile are set out in Figures 2 and 3.

Figure 2: NAIF’s gender diversity profile as at 30 June 2025

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

Figure 3: NAIF’s workforce diversity profile as 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.

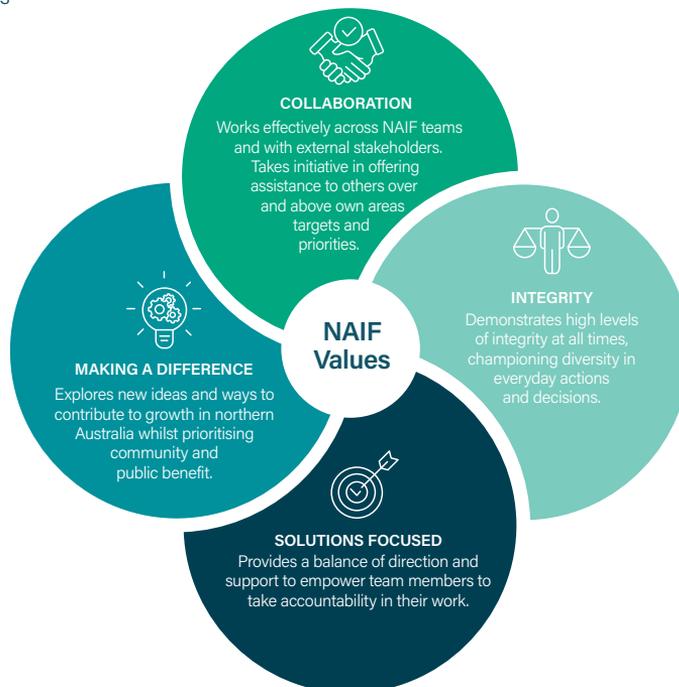
³ PWD = People with a disability.

We have secured a committed team with extensive experience as lenders and/or financial advisors in the commercial market, this includes expertise in 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.

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.

Our values set out in Figure 4 underpin our culture, the way we go about our work, how we interact with stakeholders and how we deliver on our purpose.

Figure 4: NAIF’s values



4.3. Our operations, supply chain and projects we support

We take a risk-based approach to modern slavery risk in our business operations, supply chain and projects we support.

We are an Australian based entity, and our primary operations providing finance are office-based, we consider the risk of modern slavery occurring directly within our business operations to be low, but it cannot be eliminated. We recognise that our operations may indirectly support modern slavery occurring in our supply chain or via the proponents and projects we support.

In accordance with the *United Nations guiding Principles on Business and Human Rights*, we have prioritised our focus and actions on areas where we consider the potential impact of modern slavery to be the greatest and where we might have a greater opportunity to influence outcomes.

NAIF has reviewed the overall modern slavery risk profile of our proponents, the projects they manage and our supply chain. Our assessment indicates that the modern slavery risk centres primarily on the financial transactions and projects we support, rather than our direct supplier contracts where procurement exposures exist, but to a lesser extent. Our direct supplier contracts are representative of the direct supply chain categories set out below.

Figure 5: Direct supply chain categories – by dollar and percentage

Direct Supply Chain Category	FY2024-25 Cost \$	% of Total Cost
Consultants	\$1,518,759	26%
Professional fees	\$771,899	13%
Computer and communication costs	\$1,188,859	21%
Travel	\$797,715	14%
Property costs	\$405,012	7%
Contractors	\$35,402	1%
Training	\$187,992	3%
Services provided by Export Finance Australia	\$337,369	6%
Advertising and promotional costs	\$247,354	4%
Insurance	\$62,259	1%
Other	\$208,220	4%
Total Cost	\$5,760,840	100%

In general terms:

- approximately 40% by value of NAIF's direct supply chain spend is for the engagement of consultants, professional fees and contractors (including legal, internal and external audit and other professional fees);
- approximately 21% by value of direct supply chain spend is for information and communication technology;
- approximately 7% by value of direct supply chain spend relates to property costs and another 6% is for services provided by Export Finance Australia;
- the remaining 26% by value of direct supply chain spend is for travel, insurance, training, advertising and other; and
- the significant majority of NAIF's direct supply chain spend is with Australian-based suppliers, including Australian Commonwealth entities.

During FY24-25, NAIF continued to provide transparency on our direct supplier contracts valued at over \$100,000 by publishing key reporting details on our website in accordance with the Senate Order for Entity Contracts (or Murray Motion listing). We update this listing every six months.

In FY24-25, there were 17 reportable direct supplier contracts that were either ongoing or newly established. Of these, 16 contracts were with Australian based suppliers, with one sourced internationally.

Modern slavery risk observations on supplier contracts

Analysis of supplier contracts for FY24-25 shows that NAIF's procurement profile presents a low level of risk regarding modern slavery exposure. Most high-value contracts were made with established Australian suppliers, operating within a regulatory environment that offers safeguards against exploitative practices. Nevertheless, NAIF continues to conduct due diligence and requests assurances from domestic suppliers. For offshore contracts, an increased level of due diligence is performed. Each component of the contracted services is evaluated to determine the legal framework governing the organisation and its services, as well as the relevant regulatory requirements and reporting obligations.

Our lower value service arrangements were predominantly with Australian suppliers, including Commonwealth entities, and generally involve lower risk categories. While the inherent risk in our current procurement activities is low, NAIF remains committed to maintaining oversight through our Procurement Policy, Procedure and Risk Assessment processes, ensuring modern slavery considerations are addressed as part of supplier due diligence and ongoing vendor risk management.

5. Our risks of modern slavery practices

The key areas where modern slavery risks may be present include:

- **Procurement**

While NAIF's own procurement activities are limited, we recognise that certain goods and services, such as uniforms, information technology, and other office supplies, can involve supply chains extending into higher risk jurisdictions. These supply chains may present hidden risks of forced labour or exploitative practices.

- **Remote Operations**

Projects located in remote parts of northern Australia may rely on fly-in-fly-out workers, where isolation, limited oversight, and dependence on labour hire agreements can elevate the risk of modern slavery practices.

- **Proponents**

NAIF's counterparties and project proponents may themselves have extended and complex supply chains. Where governance frameworks, due diligence, or labour practices are weak, there is increased potential for modern slavery risks to be present. Many projects supported by NAIF involve large scale infrastructure development. Construction workforces can be vulnerable to exploitation through complex subcontracting arrangements, the use of labour hire companies and reliance on temporary or migrant labour. NAIF's due diligence processes, contractual protections and ongoing monitoring are designed to mitigate these risks and promote accountability across project supply chains.

6. Addressing our risks of modern slavery practices

Our governance framework

NAIF has policies, procedures and practices that help us identify, address and mitigate the risk of modern slavery occurring within our business operations, supply chain and the projects we support. These are set out in Figure 6 below.

The NAIF Board regularly reviews and approves our policies to ensure the ongoing effectiveness of our governance framework.

Figure 6: Policies and Procedures

Policy / Procedure	Description
Staff Code of Conduct	Our Code of Conduct outlines the obligations and responsibilities of our employees, including in relation to standards of personal behaviour.
Procurement Policy	This policy sets out how we procure goods/services and manage relationships across the supply lifecycle.
Procurement Risk Assessment	This is a risk assessment tool for new supplier engagements. It includes questions that allow us to assess risks with a new supplier, including any human rights or modern slavery issues potentially involved with its supply of goods/services to NAIF.
Supplier Code of Conduct	Our Supplier Code of Conduct establishes the ethical standards and expectations we require of all third parties providing goods and services to NAIF. It addresses compliance with laws, respect for human rights, prohibition on modern slavery, fair treatment of workers, workplace health and safety and sustainable environmental practices. Suppliers are expected to maintain transparent business practices, uphold integrity in procurement and contracting and report any breaches of this Code.
Standard form supply contract	Our standard supplier agreement includes a modern slavery provision where; (i) the supplier warrants that it and its subcontractors do not and will not engage in modern slavery, (ii) the supplier grants us and the auditor-general access to its records and information to audit compliance with this clause, and (iii) we have the right to immediately terminate the agreement if the supplier engages in modern slavery. Where we use a counterparty's standard supplier agreement, we ensure modern slavery provisions are included before signing.
Contracts Register	Our contracts register contains contracts NAIF has entered into with third parties for the provision of goods and/or services. It also facilitates amendments to contracts such as variations, extensions and terminations as they arise.
Standard clause in Facility Agreement	We include modern slavery provisions within our facility agreements to ensure borrowers and obligors; (i) comply with all applicable anti-slavery and human trafficking legislation and regulations, (ii) assess, address and investigate risks regarding modern slavery in its operations and supply chains, including implementing appropriate due diligence and remediation programs, (iii) provide verification evidence to validate compliance with such laws, and (iv) warrant and represent that they have; (a) not violated any such laws, (b) the necessary policies, procedures and systems to undertake anti-modern slavery activities, and (c) conducted a reasonable examination of their supply chains and that there is no evidence of exploitation.

Policy / Procedure	Description
Anti- Money Laundering and Counter-Terrorism Financing (AML/CTF) Program and Customer Risk Assessment (CRA)	<p>Our AML/CTF Program outlines the framework through which NAIF complies with its obligations under the <i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006</i> (Cth). It sets out the processes for customer due diligence, transaction monitoring, reporting of suspicious matters and record keeping. The accompanying CRA enables NAIF to identify and manage risks that may arise from financial crime, including those linked to human trafficking and modern slavery. By applying a risk-based approach to counterparties, transactions and geographies, NAIF ensures that modern slavery considerations are integrated into our financial compliance framework, helping us to detect, escalate and respond to red flags where illicit financial flows may be associated with exploitative practices.</p>
Environmental and Social Review of Projects Policy (ESRP)	<p>Our ESRP helps to ensure that NAIF considers the environmental and social impacts of all projects we support. As part of due diligence, we assess climate, social and community impacts, including how proponents manage labour practices and engage with affected communities. This process incorporates stakeholder consultation and alignment with NAIF's Indigenous Engagement Strategy. By embedding these requirements into investment decisions and financing agreements, the policy supports early identification and mitigation of human rights and modern slavery risks within project operations and supply chains.</p>
Work Health and Safety (WHS) Manual	<p>Our WHS Manual sets out the framework for providing a safe and healthy workplace for all employees, contractors and visitors. It outlines responsibilities under the <i>Work Health and Safety Act 2011</i> (Cth), including hazard identification, risk management, incident reporting and consultation mechanisms. The WHS Manual also details procedures for safe work practices and wellbeing initiatives to ensure NAIF meets its duty of care obligations, fostering a culture of safety and accountability across the organisation.</p>
Freedom on Information (FOI) Policy	<p>The FOI Policy outlines NAIF's approach to managing FOI requests in accordance with the <i>Freedom of Information Act 1982</i> (Cth). The policy applies to all NAIF Board Members, employees, and contractors and supports transparency.</p>
Public Interest Disclosure (Whistleblower) Policy	<p>This policy and associated procedures are designed to support ethical conduct and accountability by enabling current and former employees, directors, and other public officials to report suspected wrongdoing under the <i>Public Interest Disclosure Act 2013</i> and the <i>National Anti-Corruption Commission Act 2022</i> (Cth).</p>
Internal audit program	<p>NAIF has an agreement with a professional services provider for internal audit services, under which relevant audits and reviews are completed against a BARC endorsed and Board approved audit plan.</p>
Compliance training	<p>We have a mandatory ongoing compliance training program that our employees must complete annually. The program incorporates training modules in accordance with our Compliance Plan and covers key areas of responsible business conduct, including privacy, conflicts of interest, gifts and benefits, fraud awareness, anti-bribery and corruption, and anti-money laundering and counter-terrorism financing.</p>

7. Assessing the effectiveness of our actions

We are continuously seeking to improve our policies, procedures and actions in relation to modern slavery. The measures we have monitored during FY24-25 include:

Focus Area	Measure	% of No.
Human rights training	% of permanent FTE employees completing the following training: <ul style="list-style-type: none"> ▪ Public Interest Disclosure training ▪ Fraud and Corruption ▪ Code of conduct ▪ First Nations cultural awareness – Reconciliation Week 	100%
Supply chain transparency	% of contracts with a value of \$100,000 or more published on NAIF's website	100%
Reports – modern slavery	No. of public interest disclosures (whistleblower) reports received about modern slavery	0
Reports – environmental, social and corruption	No. of public interest disclosure (whistleblower) reports received about environmental, social and corruption matters	0
Incidents raised – modern slavery	No. of incidents raised under Incident Reporting policy in relation to potential transaction supply chains	0

Continuous Improvement Initiatives

In the past year, NAIF has enhanced its efforts to prevent modern slavery in its supply chain and supported projects by:

- updating its Procurement Policy and adding vendor risk assessments;
- creating a Supplier Code of Conduct;
- inserting a modern slavery clause in NAIF's drafting instructions relating to facility agreements; and
- creating the new Key Enterprise Risk of Sustainability and Impact.

NAIF remains dedicated to the ongoing enhancement of its processes for identifying and managing modern slavery risks. Although our current direct exposure is minimal, we recognise that these risks may change over time and that industry standards for best practice are continually evolving. In the upcoming reporting period, NAIF intends to pursue further opportunities to strengthen our approach. Potential initiatives include refining risk assessment tools, bolstering vendor risk management, engaging more effectively with suppliers and proponents to gain deeper insights into their practices, and monitoring advances in sustainability and environmental, social and governance reporting to ensure continued alignment with modern slavery considerations.

Our focus will be on practical initiatives that are proportionate to our operations and within our sphere of influence. NAIF will continue to review this approach annually to ensure it remains effective and fit for purpose.



Australian Government

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