



Australian Government



Northern Australia Infrastructure Facility

Staff Securities Trading Policy

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Document Purpose

This Policy sets out NAIF's approach to managing Staff securities trading, including Insider Trading and trading in the Securities of Project Proponents and other entities about which Staff may gain Inside Information through their position at NAIF.

1. Scope of this policy

1.1 Application

This Policy applies to all NAIF Staff. The NAIF Board has voluntarily agreed to adhere to this Policy.

1.2 Extended application

This Policy also applies to dealings by:

- a person with whom you are acting in concert;
- your family members who you may be expected to influence, including your spouse or partner, parents, children, siblings, and any other family members living with you or to whom you provide material support;
- companies or trusts over which you have influence or control, including any entity in which you are a director, secretary or executive officer and trusts of which you are a trustee;
- trusts of which you are a beneficiary unless that trust is a discretionary trust over which you exercise no control; and
- any other fiduciary arrangement under which you, your spouse, partner or dependent child is, or may be, a beneficiary.

2. Definitions

In this Policy:

Associate means any person falling within the description set out in clause 1.2 above.

CEO means NAIF's Chief Executive Officer.

Conflict of Interest means a circumstance where a Staff member's private interest is inconsistent with, or diverges from one or more of the interests of another person to whom the Staff member owes a duty including actual, apparent or potential Conflicts of Interest.

Embargo List means the list maintained by the CEO or the CEO's delegate which sets out Transaction Entities in respect of which NAIF is in possession of Inside Information.

Information is **Generally Available** if:

- it is publically available information; or
- it consists of a readily observable matter; or
- both of the following apply:
 - it has been made known in a manner than would, or would be likely to, bring it to the attention of persons who commonly invest in Securities of a kind whose price or value might be affected by the information; and
 - since it was made known, a reasonable period for it to be disseminated among such persons has elapsed; or
- it consists of deductions, conclusions or inferences made or drawn from information of the kind referred to above.

Inside Information means information:

- that is not Generally Available; and
- if the information were Generally Available, a reasonable person would expect it to have a material effect on the price or value of particular Securities.

Insider Trading occurs when a person who possess Inside Information in relation to particular securities:

- trades in a Security about which he or she has Inside Information;
- procures a Trade in a Security about which he or she has Inside Information; or
- communicates that Inside Information to another person and knows, or reasonably ought to know, that the other person would be likely to Trade or Procure a Trade in those Securities.

NAIF Client means any third party in respect of which NAIF has entered into binding confidentiality obligations with respect to the provision of information for the purpose of determining whether to provide financial assistance.

Procuring a Trade occurs when a person procures, incites, induces or encourages any other person to Trade.

Project Proponent means an entity responsible for a Project which seeks to obtain a Financing Mechanism from NAIF as defined in the *Northern Australia Infrastructure Facility Investment Mandate Direction 2016* (“NAIF Investment Mandate”).

Securities includes:

- shares, options, rights, debentures, derivatives (as defined in the *Corporations Act 2001* (Cth) or regulations made under that legislation), interests in a managed investment scheme;
- debentures, stocks or bonds issued or proposed to be issued by a government or government agency or body;
- superannuation products; or
- any other financial products or interests.

Staff means persons employed by, or operating under an employment or similar contract with NAIF including full time or part time staff, directors, consultants, and contractors.

Trade means to apply for, acquire or dispose of Securities or agree to do so.

Information will be regarded as having a **material effect** on the price or value of particular Securities if the information would, or would be likely to, influence persons who commonly acquire the relevant Securities in the making of their decisions as to whether or not to acquire or dispose of Securities.

Transaction Entity means:

- any Project Proponent; and
- any entities about whom NAIF, or an employee of NAIF, gains Inside Information as a result of NAIF’s operations.

3. Policy Statement

3.1 General

You are required to conduct your personal investment activity in a manner that is lawful and avoids Conflicts of Interests between your personal interests and those of NAIF and Transaction Entities.

All Staff trading in Securities must be in accordance with this Policy.

Although this Policy is not a statement of law, it reflects the relevant legal requirements. This Policy aims to ensure NAIF Staff act in a way which is beyond reproach in their dealings in the Securities and Inside Information of NAIF Clients and other entities with whom NAIF deals.

3.2 Insider trading

Insider Trading by you is prohibited by legislation and under this Policy and can result in significant criminal and civil penalties.

Insider Trading has the potential to damage the reputation of NAIF and any allegation of Insider Trading would be likely to have a serious detrimental impact on NAIF’s business.

Insider Trading, or acts creating the perception of Insider Trading, by any person will not be tolerated by NAIF.

In order to minimise the risk of Insider Trading, all Staff must, prior to Trading in Securities, consult the Embargo List and, if required, seek the approval of the CEO (or the CEO’s delegate) under paragraph 3.5 of this Policy. In the case of trading by the CEO approval must be sought from the Chairman.

If you have an arrangement with an agent to conduct Trading on your behalf and you are able to influence the specific Trading decisions of that agent, you must ensure that Securities in respect of which you have Inside Information are excluded from the products that the agent is authorised to Trade.

3.3 Short-selling

You must not engage in any form of short selling of any Securities. Short selling is the selling of a stock you do not own with the intention of later buying the same stock at a lower price.

Naked short selling is prohibited under Australian legislation. Naked short selling is when the short seller does not own the stock and does not have in place a prior arrangement to deliver the stock that will settle the sale.

Covered short selling is when the short seller does not 'own' but has, at the time of sale, borrowed the particular stock from another person (the 'stock lender') and uses the borrowed stock to settle the sale. The short seller buys similar stock to repay the stock lender.

Both naked and covered short selling are prohibited under this Policy.

3.4 Transaction Entity Securities

You must not deal in Securities of Transaction Entities unless you satisfy the requirements of this clause.

Provided that Trading has not otherwise been suspended in the Securities by a listing authority, or a regulatory body or listed on the Embargo List by the CEO, you may deal in Securities of a Transaction Entity, but only if:

- you do not possess Inside Information relating to those Securities; and
- an actual, perceived or potential Conflict of Interest will not arise as a result of the Trade.

This clause does not apply where you have an arrangement with an agent to conduct Trading on your behalf and you are not able to influence or control specific Trading decisions by that agent.

3.5 Embargo List

The CEO will maintain an Embargo List (see Attachment I). Trading in Securities of Transaction Entities on the Embargo List is only permitted with the prior approval of the CEO (or the CEO's delegate) at their discretion. In the case of trading by the CEO approval must be sought from the Chair of the Board.

If you become aware of or gain possession of, by reason of your involvement in a particular matter, any information which may amount to or be considered to be Inside Information, you must advise the CEO that you possess such Inside Information. The CEO may then take such action as they deem appropriate which may include placing an entity on the Embargo List. In the case of the CEO becoming aware of or gaining possession of Insider Information, this must be reported to the Chairman.

The mere fact that an entity is not on the Embargo List does not relieve you from your obligations under this Policy or the relevant legislation to ensure that you are not Insider Trading and to avoid any actual, perceived or potential Conflict of Interest.

3.6 Breach of this Policy

If you breach this Policy, NAIF may take disciplinary action against you, which could include suspension or termination of your employment contract or services agreement.

Breaches of this Policy may also constitute breaches of Insider Trading laws which may have civil and/or criminal penalties. Receiving the requisite approval to Trade in Securities under this Policy will not prevent you from being liable for breach of Insider Trading laws.

If you become aware of a violation of this Policy, you should immediately report the violation to the CEO or otherwise in accordance with NAIF's Public Interest Disclosure Policy or the Incident and Breach Escalation Policy.

3.7 Dividend Reinvestment Plans

Subject to clause 3.2, if you wish to acquire Securities in a Transaction Entity under a dividend reinvestment plan for that Transaction Entity, you must obtain approval from the CEO. In the case of the CEO wishing to acquire Securities in a Transaction Entity under a dividend reinvestment plan approval must be sought from the Chair of the Board.

4. Roles and Responsibilities

4.1 Your role

You are responsible for:

- complying with relevant legislation, this Policy and other NAIF policies when Trading in Securities;
- satisfying yourself that you do not possess any Inside Information in respect of a Transaction Entity by reason of your employment with NAIF and that all your Trading is appropriate and will not result in an actual, perceived or potential Conflict of Interest; and
- maintaining records of your Trading which is subject to this Policy.

4.2 Seeking assistance

If you have any questions or need assistance in relation to your obligations under this Policy, you should discuss them with the CEO.

5. Compliance

Compliance with this Policy will be subject to certification by each Staff member as part of their performance review process.

Attachment 1

Procedure for recording of Transaction Entities on the Embargo List

- a) The CEO will be responsible for compiling and reviewing, on a monthly basis, the list of Transaction Entities or other parties in relation to which NAIF or Staff member may have Inside Information ("Embargo List").
- b) A Staff member may recommend, at any time, to the CEO that a particular Project Proponent or other party is placed on the Embargo List.
- c) A Transaction Entity, which is a publicly listed company, will automatically be placed on the Embargo List when an 'opportunity' in relation to that Transaction Entity is created in SalesLogix a CRM tool used by Efic to monitor enquiries. Inclusion of that Transaction Entity on the Embargo List will be reviewed by the CEO as set out in paragraph (a).
- d) Where a Transaction Entity recorded in the NAIF pipeline is not on the Embargo List but progresses from being an "Active Enquiry" to at least "Preliminary Assessment", it will be automatically added to the Embargo List.
- e) Where Inside Information has become public or is otherwise no longer Inside Information or where the relevant matter between NAIF and a Transaction Entity has been completed, then the CEO may consider removing the name of that Transaction Entity from the Embargo List.

Embargo List template

NAIF Trading Embargo List dd/mm/yyyy		
Position in Pipeline	Active Enquiry & Others	Preliminary Assessment & Above
Publicly Listed	Listed Entity (Ticker) – Relevant Project	Listed Entity (Ticker) – Relevant Project
Non Listed	Relevant Project	Relevant Project