



# ANNUAL REPORT 22/23

## MESSAGE FROM THE CEO AND CHAIR

Fiscal year 2022-2023 has been a time of significant growth and expansion for Newcastle Airport. It is testament to our unwavering commitment to being the airport the region deserves.

### Airport Capacity Expansion: Building for the Future

This year, Newcastle Airport embarked on a transformative journey to become a world-class international hub, a vision deeply rooted in our community's aspirations. In October 2022, the new Federal Labor Government delivered on their election promise of a \$55 million budget allocation and marked the commencement of our ambitious terminal expansion project.

In July 2023, Prime Minister Anthony Albanese turned the first sod of soil, officially launching construction of the terminal expansion project. It was a moment that symbolised not just the physical expansion of our facilities, but also the growth and evolution of our airport as a central part of our community.

This expansion will increase the current passenger terminal footprint by 50% and is needed to accommodate the increased number of passengers travelling to and from our region aboard international aircraft. It will feature new departures and arrivals processing, an aerobridge and space for an airport lounge.

The Newcastle Airport team have worked closely with stakeholders to develop a terminal that is uniquely reflective of Newcastle and the Hunter. The design incorporates the sand dunes, our beaches, and the iconic Hunter Valley in the structure and colours. The new terminal is also deliberately inclusive. We include stories of the Worimi people. We welcome people with disabilities.

The first critical aspect of this expansion has been the stage 1 works, which involved comprehensive upgrades to our existing infrastructure. The renovation of our car parks and utilities, coupled with the construction of a new Premium Covered car park, was undertaken with meticulous planning and execution.

The opening of the Premium Covered car park in July 2023 has redefined the parking experience at Newcastle Airport, offering modern, undercover parking conveniently located in front of the terminal. The car park is a symbol of our commitment to sustainability and innovation. It houses six Electric Vehicle (EV) charging stations, and its roof supports an extensive array of solar panels, designed to power over 30% of the airport's future energy needs as we grow.

Additionally, the introduction of an online booking system for car parking, along with a sophisticated license plate recognition system, has streamlined the parking process for all our car parks, enhancing convenience and efficiency for our passengers.

We are grateful to the Department of Defence and RAAF Base Williamstown for their ongoing partnership in managing the runway upgrade. This \$170 million project is another key element in our journey towards a more connected region.

### Embracing Sustainability: Building a Greener Community Together

This past year has been a milestone in our community's journey towards a more sustainable future. In January 2023, our partnership with Flow Power marked a significant step forward, enabling us to reach 100% renewable energy for our scope 2 energy usage, achieving this goal seven years ahead of schedule. This achievement reflects our dedication to sustainability and our role as active participants in our community's environmental stewardship.

In May 2023, we were proud to receive Level 4 carbon accreditation. This recognition by the Airports Council International (ACI) – with 508 participating members – is a significant endorsement of our efforts in carbon management, making us one of the leaders in this area, not just in Australia but across the Asia Pacific.

Our Level 4 transformation status is not just an accolade for Newcastle Airport; it's a recognition of our collaborative approach to reducing emissions, involving not just us but our broader airport community. We're honoured to be only the second airport in Australia and the eighth in the Asia Pacific to achieve this status in the Airport Carbon Accreditation Program.

Furthermore, our new terminal building and the two new commercial building developments at Astra Aerolab, which are targeting a 5-star Green Star rating, demonstrate our commitment to sustainable infrastructure. These projects, guided by the Green Building Council of Australia's stringent standards, are set to be exemplary models of eco-friendly design in the aviation and aerospace sectors.

We will be the green gateway to the Hunter region, and integral to our community's journey towards sustainability.



## Route Performance: Soaring High

The post-pandemic era has been a remarkable story of resilience within the aviation industry, and Newcastle Airport has been at the heart of this recovery. By June 2023, we proudly saw our passenger numbers soar to 90% of pre-pandemic levels, a testament to the enduring value and strategic significance of our routes to the community.

March 2023 marked a key moment for regional connectivity and tourism with the launch of Australia's new low-cost airline, Bonza. Bonza's initial flights from Newcastle to the Whitsundays and Sunshine Coast have not just been about travel; they've opened new paths for economic growth, bringing thousands of passengers to and from our region.

Qantas' increased frequency of flights to Adelaide, growing from three flights a week to five, is another testament to the growing demand and our ability to meet it effectively.

Our seasonal service to Cairns, embraced by leisure travellers, has been a resounding success. Operating near capacity, it has connected our community to Far North Queensland and will return in 2024 due to strong demand, with plans for a regular half-yearly service from 1 April.

Looking ahead, we're committed to establishing our first international route, with several airlines indicating strong interest in flying to Newcastle Airport. Our Aviation Business Development Team has been proactive, attending international aviation trade shows and leading business delegations to Singapore. These efforts are not just about expanding our network; they're about strengthening ties and showcasing the vibrancy and global potential of our region.

## Astra Aerolab: A Hub for Innovation and Investment

Astra Aerolab, our defence, aerospace and innovation precinct, has emerged as a focal point for investment. The first stage is development ready, with all the statutory approvals in place, the roads and infrastructure built, and a construction contractor panel in place.

We are now in the process of gaining preleasing commitment for two development ready buildings with DA's in place. One is a 7-storey office building with the bottom two levels offering food, retail and car parking. The other is a high bay light industrial facility with attached office space. These buildings are designed to accommodate SMEs, startups and education and training facilities.

Astra's strategic regional importance as Australia's leading defence, aerospace and innovation precinct has been reinforced with the announced expansion of BAE Systems Australia's existing facilities at Astra Aerolab having secured the F-35 maintenance contract, valued at more than \$100 million.

Discussions are progressing well with multiple defence primes to meet their accommodation requirements arising out of recently announced Government defence programs.

New tenants secured at the airport precinct in preparation for Astra Aerolab projects include Boeing, Daronmont Technologies and Plexsys.

## Our People: The Heart of Our Success

We have an unwavering commitment to the safety and well-being of our staff, contractors, and passengers. Our team was honoured with the Best Work Health Safety Management award for large organisations at the 2023 Hunter Safety Awards, a recognition of how deeply health and safety values are embedded in our everyday operations.

This year has been a time of transition and celebration for our Board of Directors. We expressed our heartfelt thanks to Kirby Clark, our outgoing Board Chair, whose eight-year tenure was marked by visionary leadership and significant contributions to our growth. In June 2023, we welcomed Jude Munro AO as our new Chair, a leader with extensive experience in building infrastructure and planning precincts. Jude has served on 25 boards.

Our gratitude extends to our local community members, our shareholders - the City of Newcastle and Port Stephens Council - and our regional stakeholders. Their ongoing support and advocacy have been pivotal in the development of Newcastle Airport, truly making it an airport by and for the people.

A special acknowledgment goes to our airport team, which includes our staff, tenants, and volunteers. Their dedication is the cornerstone of our achievements. The addition of 29 roles in the fiscal year, including 12 new ones, reflects our growth and commitment to creating opportunities within our community. Our volunteer ambassadors, celebrating 15 years of service, embody the community spirit that is integral to our success.

In summary, 2022-2023 has been a period marked by significant achievements and unwavering progress. We extend our deepest appreciation to every individual who has been a part of this remarkable journey. Together we continue to build the airport our region deserves.

Jude Munro AO  
Chair, Newcastle Airport

Dr Peter Cock  
CEO, Newcastle Airport

# MILESTONES

2022



July 2022

Newcastle Airport leads business and government delegation to

## Singapore

to showcase our region on an international stage and strengthen ties



August 2022

Qantas increases the number of direct flights from Newcastle

## direct to Adelaide

from three to four



October 2022

The Federal Government confirms \$55 million in funding for the

## upgrade and expansion of International terminal

in the October budget



November 2022

## BAE Systems Australia

announces expansion of existing facilities at Astra Aerolab after they were awarded F-35 \$100 million maintenance contract



December 2022

Newcastle Airport experiences

## busiest Christmas holiday period

since 2019, the start of the Covid-19 pandemic



January 2023

Newcastle Airport signs a power purchase agreement with Flow Power that will see the airport achieve its target of

## 100% scope 2 renewable energy

seven years ahead of schedule



March 2023

Newcastle Airport wins the

## Best Work Health Safety Management System

award for large organisations at the prestigious 2023 Hunter Safety Awards

JUL 2022



August 2022

Two leading Defence industry SMEs set up office in the Newcastle Airport precinct:

## Daronmont Technologies and PLEXSYS Australia



September 2022

Enabling works for the new

## International passenger terminal

commence, this includes upgrades to existing car park and utilities and construction of new Premium Covered car park

OCT 2022



October 2022

Newcastle Airport attends

## Routes World Tradeshow

in Las Vegas, USA



November 2022

## New terminal building

registered for Green Star, targeting 5-star with the Green Building Council of Australia

JAN 2023



January 2023

Bonza flights to the

## Sunshine Coast and Whitsundays

go on sale



February 2023

Newcastle Airport attends

## Routes Asia Tradeshow

in Chaing Mai, Thailand

## MILESTONES



April 2023

Newcastle Airport signs \$240 million debt facility agreement, to fund expansion plan with

**Commonwealth Bank**  
as sole financier



May 2023

Newcastle Airport achieves

**Level 4 Airport Carbon Accreditation**

by Airports Council International (ACI), only the second airport in Australia



June 2023

Jetstar's Newcastle to

**Cairns**

season commences for the third year in a row



June 2023

**29 roles recruited**

in FY22/23, supporting our continued growth



July 2023

3 July

**New Premium Covered Car Park**

opens providing a first-class undercover parking experience right in front of the terminal. It includes six Electric Vehicle (EV) charging stations for passengers to use and the roof of the new car park also supports a large bank of solar panels designed to provide more than 30% of the airport's power needs



July 2023

7 July

**Prime Minister Anthony Albanese**

officially turns the first sod on the terminal expansion project

APR 2023



March 2023

Bonza's inaugural flights to the **Sunshine Coast and Whitsundays** take off



April 2023

**Construction Control**

a leading Australian construction company, awarded the \$110 million Newcastle Airport Terminal Upgrade contract



May 2023

Newcastle Airport attends

**ATE (Australian Tourism Exchange)**

on the Gold Coast, Australia



June 2023

Launch of new car parking

**online booking and license plate**

recognition system



June 2023

**Astra Aerolab Commercial building**

registered for Green Star, targeting 5-star with the Green Building Council of Australia

JUL 2023

2023





## GROUP FINANCIAL PERFORMANCE

**\$37,000,000**

total revenue FY2022/23  
across passenger facilitation and  
property and commercial activities

**\$1M**

total profit in FY2023 – back to profitability  
following Covid-19 period

**\$19.7M**

dividends provided to shareholders since  
current corporate structure established

**\$95M**

invested in capital expenditure in the  
last five years FY2019 – FY2023

**\$1.16 Bn**

in economic activity contributed to the  
NSW economy each year pre-COVID by  
Newcastle Airport

**5,600**

number of FTE's currently employed  
across the tourism and airport cluster

**\$83,000**

invested in sponsorship to support  
the community

## KEY PROJECTS



### International Expansion

Our international expansion project is taking off with works commencing on the terminal expansion project in July this year, following an official sod turning ceremony with Prime Minister Anthony Albanese. The new international terminal will extend across two levels, include new security, border force and customs processing and an aero bridge.

Stage 1 enabling works, which involved comprehensive upgrades to our existing infrastructure including car parks and utilities are now complete and our new Premium Covered car park open. Conveniently located in front of the terminal, the new car park offers modern, undercover parking with extra wide parking spaces, six EV charging stations, and ample accessible and parents with prams options.

The introduction of an online booking system for car parking, along with a sophisticated license plate recognition system, has streamlined the parking process for all our car parks, enhancing convenience and efficiency for our passengers.



### Domestic and International Flights

Our sites are set firmly on securing our first international route, with several airlines indicating strong interest in flying to Newcastle Airport. Our Aviation Business Development Team has attended two world aviation trade shows, Routes World and Routes Asia, as well as the Australian Tourism Exchange, and is having continuous conversations with airlines and airport destination teams presenting compelling business cases. In addition, we have led two business delegations to Singapore to strengthen ties and showcase our region on an international stage.

Our June 2023 passenger numbers rebounded to 90% of pre-pandemic levels, a clear indicator of the enduring appeal and strategic importance of our domestic routes. In March 2023 Australia's new low-cost airline, Bonza, launched its inaugural flights from Newcastle Airport to the Whitsundays and Sunshine Coast and have since transported thousands of leisure travellers, opening new horizons for regional connectivity and tourism.



### Strengthening our workforce

As the region continues to grow, so does our airport team. We continue to build capacity through an increased workforce and in 2022 to 2023 we added 12 new roles to the business.

We are committed to the safety and wellbeing of our staff, contractors, and passengers. Our team was honoured with the Best Work Health Safety Management System award at the 2023 Hunter Safety Awards, a recognition of how our health and safety values are embedded in our everyday operations.



### Astra Aerolab

Astra Aerolab, our defence, innovation and aerospace precinct, has emerged as a focal point for investment. The first stage is development ready, with all the statutory approvals in place, the roads and enabling infrastructure built, and a construction contractor panel in place.

We have development consent for two new buildings on the Astra site designed to accommodate SMEs, startups, and education and training facilities. One is a 7-storey office building with the bottom two levels offering food, retail and car parking. The other is a high bay light industrial facility with attached office space.

Astra's strategic regional importance as Australia's leading defence, aerospace and innovation precinct has been reinforced with the announced expansion of BAE Systems Australia's existing facilities at Astra Aerolab having secured the F-35 maintenance contract, valued at more than \$100 million.

New tenants secured at the airport precinct in preparation for Astra Aerolab projects include Boeing, Daronmont Technologies and Plexsys.



### Sustainability

Newcastle Airport is committed to being the green gateway to the Hunter. We have a commitment to achieving net zero scope 1 and scope 2 carbon emissions by no later than 2030 and in January this year we signed a landmark power purchase agreement with Flow Power, enabling us to achieve our goal of 100% of our scope 2 energy usage, seven years ahead of schedule.

We are thrilled to be only the second airport in Australia and the eighth in the Asia Pacific to have reached Level 4 in the Airport Carbon Accreditation Program. We entered the program at Level 4 transformation, the highest of any Australian airport, this status acknowledges our carbon management strategy towards absolute emissions reduction and approach of shaping partnerships to reduce the emissions of airport stakeholders.

Our new terminal building and our two new commercial building developments at Astra Aerolab are registered for Green Star, targeting a 5-star rating with the Green Building Council of Australia.

Our new Premium Covered car park is a symbol of our commitment to sustainability and innovation. It houses six EV charging stations, and its roof supports 1236 solar panels, designed to fulfill over 30% of the airport's future energy needs.