



Building the airport the region deserves

NEWCASTLE AIRPORT ANNUAL REPORT 2023-2024

Messages from our Chair and CEO



Terminal exterior, Arrivals



Reflecting on a year of milestones and strategic vision for our region



As we turn our sights to 2025, we are positioned to realise our vision of evolving from a small regional airport, as we were a decade ago, into a global gateway to NSW equipped with an international terminal and runway facilities the region can be proud of. Our airport has grown into a thriving \$430M enterprise and the second of three international terminals servicing NSW.

As Australia's sixth largest airport outside the capital cities, Newcastle Airport contributes more than \$1.16B to the NSW economy each year, including \$300M direct to the visitor economy which supports over 5,700 full-time employees across tourism and our airport cluster.

I would like to thank our outgoing CEO, Dr Peter Cock for his significant contributions over the last 10 years of leadership as CEO. Leading a committed Executive team, the airport's route network has significantly increased, government funding has been secured launching the airport on a trajectory to support the Hunter Region in its economic growth, and our Astra Aerolab precinct has been established with \$200M of development in the pipeline. Our airport, the Green Gateway to NSW, has also been positioned as a national leader in environmental responsibility. As we farewell Peter and wish his family the very best of success in WA, we know he can be proud of the legacy he has left behind for our region and NSW.

Our Board is an experienced board in aviation, defence, property and precinct development and governance, and I thank them for their vision, wisdom and prudence.

I would also like to thank our dedicated staff, volunteers, loyal customers and supportive communities inside and outside the Hunter Region. We've received support from all levels of government, regional business and tourism organisations and our shareholders – Port Stephens Council and the City of Newcastle who have shared our vision for a more connected region.

With diligence and teamwork, our Boards and Executive Team have strategically positioned our airport for long-term success as we continue driving economic prosperity for our region in 2025 and beyond.

Jude Munro AO
Chair, Newcastle Airport

Building the airport the region deserves



As I approach my 10th anniversary as Chief Executive Officer, I have made the decision to return to my roots in Western Australia. My tenure at Newcastle Airport has been a pivotal chapter in my professional journey and a testament to our region's success. Over the past decade, with the strength of dedicated teams, Newcastle Airport has transformed from a modest regional facility valued at \$60M to a multifaceted enterprise worth over \$430M.

Our region has seen amazing change and growth over the past decade, in many ways paralleling the journey of its airport. Reflecting on our achievements in this, my last Annual Report, I'm proud of our growth and resilience through times of adversity, including bushfires, floods and the COVID-19 pandemic. Our origins from a humble regional airport ten years

ago, to one that has grown in value sixfold, is a testament to our region's potential, but is only the beginning of our success story.

We look to the future of welcoming international flights and commencing building on our major property deals. Finalising two major property deals through our growing Astra Aerolab Property Precinct has been key to the diversification of our income streams and delivering on our long-term strategic vision. Creating a 5 Star Green Star in design terminal, moving to a sustainability-linked loan and further strengthening Newcastle Airport's sustainability has been a huge focus on how we've delivered on our objectives, becoming arguably Australia's greenest airport. Our business will take this focus into the future.

Our upward trajectory of growth and exceptional work in a very competitive industry was recognised in both 2018 and 2021 by Australia's peak airport body, the Australian Airports Association, which honoured us with the prestigious title of *Major Airport of the Year* at their National Airport Industry Awards.

When we embarked on building our international terminal, we did so with a commitment to 'being the airport the region deserves'. Together with our Board and dedicated teams, I was honoured to have opened Stage One of our terminal's extension in 2015. As we turn full circle almost a

decade on, I am equally proud to welcome new leadership to finalise our work and officially mark the completion of our international terminal in August 2025, opening our region to the world.

Newcastle Airport's terminal and precinct expansion is more than just a once-in-a-generation infrastructure project; it's a transformative strategic investment set to redefine the Hunter Region's tourism, trade, and defence capabilities. The \$250M precinct-wide investment touches on almost every part of the site. With an anticipated \$12.7B economic impact and the creation of 4,000 jobs over the next 20 years, this project promises substantial growth and a global presence for the Hunter. However, what really stands out is the human connection that air travel allows; with every passenger there is a human story of connection. Part of being the airport the region deserves, means growing these connections, and I'm honoured to have led teams committed to delivering this ambitious vision.

Fiscal year 2023-2024 saw passenger numbers rebound significantly, recording the highest annual passenger number in the last five years. Our total revenue reached \$42M across passenger facilitation and property and commercial activities last year and we invested \$51M in capital projects to enhance our infrastructure and services. We remain community focused, investing \$105,000 in

sponsorship to support local initiatives during the year. We are in a time of significant strategic investment, purposefully laying the groundwork for future growth – our financial stability is strong and is set to improve into the future.

Developing the Astra Aerolab estate has allowed us to deepen our role in supporting Australia's defence capability and at the same time future-proofed our business. Astra Aerolab is poised to host major players in defence and aerospace, with BAE Systems Australia and Kongsberg Defence Australia leading the way, and positive discussions with Lockheed Martin Australia in progress. This strategic hub will bolster the Hunter's standing as a centre for innovation and industry, reinforcing our commitment to building a world-class airport that serves with integrity, innovation, and resilience. This investment will also deliver significant growth in the future as these partnerships are realised.

This year, Newcastle Airport has also made significant strides in sustainability. Through our partnership with CommBank, we converted our \$235M loan facility to a Green Sustainability-Linked Loan, linked to specific sustainability actions and outcomes. This funding aligns with our key environmental targets, including offsetting all Scope 1 and 2 emission during 2024, six years ahead of our target. But we aren't stopping there, with work continuing to reduce Scope 3 emissions by collaborating

on sustainable aviation fuel alternatives, maintaining high carbon accreditation, and reducing waste across the precinct.

We are proud to be on track to receive a 5 Star Green Star rating for our new terminal. Our solar panels on the Premium Covered Car Park will generate over 30% of our energy needs, and we achieved Net Zero Scope 1 and 2 emissions six years ahead of schedule. As one of only two airports in Australia to reach Level 4 Airport Carbon Accreditation by Airports Council International, our commitment to environmental sustainability supports the Australian Government's '*Future Made in Australia*' initiative and the NSW Government's aim to achieve net zero emissions by 2050.

From modest beginnings with fewer sustainability initiatives, lower financial metrics and a smaller footprint, Newcastle Airport has evolved into a leading airport in sustainability and growth.

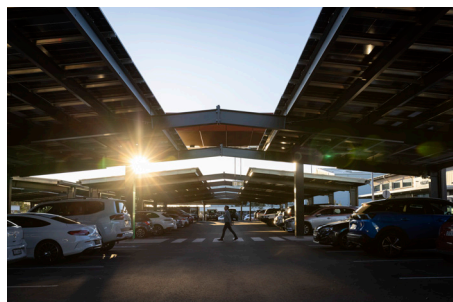
It has been an honour to guide Newcastle Airport through this period of remarkable growth and to contribute to the economic vitality of the Hunter Region. As I close my final Annual Report, I leave with immense pride in our collective achievements and confidence in the Airport and region's strong position for continued success and expansion.

Dr. Peter Cock
CEO, Newcastle Airport



Terminal interior, Arrivals

KEY MILESTONES 2023



July

- Sod Turning Ceremony with Prime Minister Anthony Albanese, who officially turned the first sod of the terminal expansion project
- Premium Covered Car Park opens, featuring 6 EV charging stations and 1236 solar panels to provide more than 30% of the Airport's power needs
- Development Application for mixed-use industrial and office building within Astra Aerolab approved by Port Stephens Council
- A Newcastle Airport-led delegation travelled to Singapore to further cement our position as a prime Singapore connection. Delegation members included CEO Dr Peter Cock; Airport Directors Lord Mayor of Newcastle Nuatali Nemes and Mayor of Port Stephens, Ryan Palmer; and the Executive General Manager of Aviation and Air Freight Business Development, Andrew Warrender. This trip followed an earlier successful delegation in 2022.

- Jude Munro AO announced as Chair of the Airport's Board of Directors, and Samantha Martin-Williams appointed Deputy Chair
- First 'People at Work' survey completed to assess psychosocial risks in the workplace, with 'Minimal concern' risk rating achieved, indicating achievement of best-practice employer status
- Internal launch of Salesforce Service Cloud, transforming the Airport's customer service processes



August

- Development Application for 8-storey office building within Astra Aerolab approved by Port Stephens Council
- Newcastle Airport accepted as a member of the inaugural Australian Airports Association Sustainability Working Group, collaborating and consulting with industry peers on best-practice airport sustainability
- First grant funding payment received from the Federal Government in contribution to the terminal expansion project
- Inaugural 'Living Laboratory' partnership with the University of Newcastle complete, with aerospace engineering students participating in a 12-month study of the Airport's future baggage handling system



- FlyPelican launches Newcastle-Narrabri route
- Lockheed Martin Australia chosen as the strategic partner for AIR6500 Phase 1, Joint Air Battle Management System
- Federal Government commits \$110M in funding to BAE Systems Australia at Astra Aerolab, establishing the Hunter as a hub for F-35 repair and maintenance



September

- September 2023 passenger numbers rebound to 102% of pre-COVID levels
- Major demolition of Arrivals Gate 7 structure commences for terminal expansion
- Aviation Business Development attends CAPA Airline Leader Summit in Brisbane to meet with eight key airline partners from six countries across the globe
- Inaugural Newcastle Airport Award Night held to celebrate staff excellence and achievements
- Internal launch of Salesforce Marketing Cloud, with 1.88 million emails sent across FY23/24



October

- Aviation Business Development attends Routes World in Türkiye to meet with 20 key airline partners from 16 countries, in addition to conducting airline meetings in the United States and Middle East
- Williamtown Drive Duplication and Nelson Bay Road Intersection Upgrade project commences



November

- Qantas increases Newcastle-Adelaide flights from four to five days a week
- 20th anniversary of Virgin Australia's first flight to Newcastle Airport



December

- Channel Nine's Travel Guides films at the Airport for Hunter Region showcase episode (aired in July 2024)
- Sheet piling commenced for major inground foundations and baggage tunnels for the terminal expansion



KEY MILESTONES 2024



January

- Visit from the Hon Catherine King MP, Minister for Infrastructure, Transport and Regional Development of Australia, to mark six months since the terminal expansion project commenced
- First concrete slab poured for the terminal expansion project
- 'That's the Newy Way' brand campaign launched, strengthening the positioning of the Airport by highlighting the unparalleled advantages of flying from Newcastle while leaning into the unique characteristics of our region



February

- February 2024 passenger numbers rebound to 101% of pre-COVID levels
- Development Application lodged with Port Stephens Council for 6,750m2 approx. High-Technology Facility on Lots 200-201 within Astra Aerolab
- Aviation Business Development attends Routes Asia in Malaysia, meeting with 15 Asian airline partners from seven different countries amidst record attendance numbers
- Mark Young announced as the newest member of the Airport's Board of Directors
- One-year anniversary of the Airport's Educational Tours program recommencement post-pandemic, with approximately 140 students and educators hosted across the year



March

- Code E runway upgrade complete
- Winner of the 'Best Health and Wellbeing Program' award at the 2024 Hunter Safety Awards, a testament to the Airport's commitment to prioritising employee wellness as a regional employer of choice
- One-year anniversary of Bonza's first flight from Newcastle Airport, celebrated with a departure gate activation for passengers of a Sunshine Coast flight
- Completion of the Hunter Airports' Strategy in partnership with the Hunter Joint Organisation
- Improved outdoor passenger facilities launched, including passenger lockers and trolley system upgrade to Smarte Carte across all car parks
- Terminal expansion baggage 'tunnels' under construction
- Ground slab poured for commencement of work on new high voltage substation



April

- Jetstar's Newcastle-Cairns service becomes half-yearly, now operating April-October
- All requirements achieved for the Airport to renew at Level 4 of the Airport Carbon Accreditation program for a second year
- Approximately half of the ground floor slabs constructed for the terminal expansion, forming and preparation for first floor slabs commences
- Acquisition of 47 Slades Road, Williamtown; forming part of the proposed Newcastle Airport Aerospace East Precinct
- Lockheed Martin secures \$500M contract with Department of Defence for the Joint Air Battle Management System - AIR6500 Phase 1



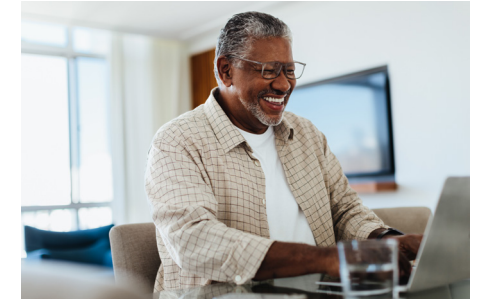
May

- 20th anniversary of Jetstar's inaugural flight from Newcastle to Melbourne, with a media event and passenger activations to celebrate two decades of successful partnership and shared growth
- Aviation Business Development attends the Australian Tourism Exchange in Melbourne, with 140 aviation delegates from airports, airlines, government departments and more in attendance
- Astra Aerolab Stages 2, 4 and 5 subdivision works commence, with all Aboriginal Heritage Impact Permit and Cultural Heritage approvals received (completed June 2024)



June

- Growth in demand in FY23/24 outstrips growth in capacity, with passenger numbers up by 10% YOY and seat availability up by 6% YOY
- The Airport's goal to be Net Zero (Scope 1 & 2) no later than 2030 achieved six years early, with the purchase of Australian Carbon Credit Units through the Tasman Environmental Markets in combination with our established Power Purchase Agreement with Flow Power for 100% renewable energy
- NSW State-Significant Development Application lodged for 9,000m2 approx. High-Technology Facility within Astra Aerolab
- Terminal expansion ground floor slabs almost complete, first floor slabs 80% complete and structural steel roof framing commenced
- Licence Agreement for northern extension of the taxiway received from Department of Defence after an 18-month engagement period



July

- End-of-year marketing highlights include a 248% increase in database size and 45% increase in search volume for the Airport, a result of the 'That's the Newy Way' campaign
- Hunter Pet Motel Transit Lounge opens, a service unique to Newcastle Airport streamlining the customer experience and removing pet-related barriers to travel
- Improved access and customer experience for the Mid-Stay, Long Stay and Long Stay Saver carparks, with the installation of covered entry and exit points
- Hunter Tourism Strategy launched in partnership with the Hunter Joint Organisation and Destination Sydney Surrounds North
- One-year anniversary of launching the Airport's parking online booking engine, accounting for 26.6% of total parking revenue
- New website accessibility profile tool launched, signifying the Airport's commitment to improving customer experience for all passengers

KEY MILESTONES 2024



August

- Williamtown Drive Duplication and Nelson Bay Road Intersection Upgrade project complete – a key component of our International Expansion Project. Approximately \$800K in savings achieved.
- \$850M partnership with Kongsberg Defence Australia announced by The Hon. Pat Conroy, Minister for Defence Industry and Capability Delivery. The project will see a factory to service and manufacture Naval and Joint Strike Missiles constructed at Astra Aerolab, anticipated to create over 500 jobs during the construction phase and contribute nearly \$100M in economic benefit to the local community. Upon completion, the facility is expected to employ around 100 people.



- Full-scale emergency exercise 'Smooth Skies' successfully conducted, incorporating the Royal Australian Air Force, NSW Police, State Emergency Service and Ambulance, Fire and Rescue NSW, NSW Rural Fire Service, Australian Red Cross, Port Stephens Council and the Hunter New England Local Health District
- Staff excellence and achievements celebrated at the second annual Newcastle Airport Awards Night



September

- MOU signed with Destination NSW to attract new airline routes through the Aviation Attraction Fund for both international and domestic flights. The partnership offers financial support for two years, including route incentives for airlines and strategic marketing.
- MOU signed with MidCoast Council to drive visitation to the Barrington Coast area, boost industries and further enable supply chain and air freight logistics in our regions



October

- Final roof beam of the international terminal expansion lifted into place at a landmark 'Topping Out' Ceremony, attended by Federal Member for Paterson Meryl Swanson MP and numerous dignitaries
- Existing loan funding from the Commonwealth Bank converted to an innovative \$235M Green Sustainability-Linked Loan, linked to specific sustainability actions and outcomes to fund a raft of pioneering sustainability programs at Newcastle Airport
- October 2024 produces the largest monthly passenger numbers since pre-COVID, with 110,000 passengers travelling through the Airport. This equates to +1.1% growth YOY, notably without the Bonza passengers of 2023.



October cont.

- First half-yearly Cairns service concludes for the year, servicing almost 28,000 more passengers than in 2023
- Aviation Business Development attends Routes World in Bahrain, meeting with 23 key airline and airport partners from 15 countries around the world
- Mayor of Port Stephens Leah Anderson and aviation expert Katie Cooper announced as new Airport Board Directors

GROUP FINANCIAL PERFORMANCE 2023-2024

\$42M	total revenue across passenger facilitation and property and commercial activities in FY24
\$1M	net loss in FY2024 (driven by investments made into property development)
\$51M	invested in capital expenditure in FY24
\$105,000	invested in sponsorship to support the community in FY24
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\$19.7M	dividends provided to shareholders since current corporate structure established

SAFETY PERFORMANCE

0	medical treatment injuries and 1 lost time injury
100%	of work health and safety (WHS) audits completed per internal schedule
78%	of monthly safety walks completed by Executives and Senior Managers
85%	of WHS reports identified hazards, demonstrating a preventative reporting culture

SUSTAINABILITY TIMELINE

2021

JULY



99kw solar system installed onto Hangar

AUGUST



Became a Bronze Member of the Sustainability Advantage Recognition Scheme

2022

NOVEMBER



New terminal building registered for Green Star, targeting 5 star with the Green Building Council of Australia



Apron lighting upgrade to LED lights completed



Public commitment to achieving net zero greenhouse gas emissions by no later than 2030 for scope 1 and 2 emissions

2023

JANUARY



Signed a power purchase agreement with Flow Power for 100% renewable energy, achieving net zero Scope 2 emissions

MAY



Entered the Airport Carbon Accreditation Programme at Level 4 – Transformation

JUNE



New Premium Covered Car Park opens, with the roof constructed from 1236 solar panels



6 electric vehicle parking bays opened for passenger EV use



Astra Aerolab Commercial building registered for Green Star, targeting 5 star with the Green Building Council of Australia

SEPTEMBER



Updated policy to prioritise purchasing electric vehicles for airport vehicles

2024

APRIL



All requirements achieved for the Airport to renew at Level 4 of the Airport Carbon Accreditation program for a second year

JUNE



Net Zero (Scope 1 and 2) commitment achieved six years early, with the purchase of Australian Carbon Credit Units through the Tasman Environmental Markets combined with our established Flow Power purchase agreement

SEPTEMBER



Terminal expansion build Designed Assessed by the Green Building Council of Australia – on track to receive the 5 Star Green Star Buildings rating – the first airport terminal in Australia to achieve this under the new rating tool

OCTOBER



Partnered with CommBank to fund growth via an innovative Green Sustainability-Linked Loan that converts existing loan funding to one linked to specific sustainability actions and outcomes

FUTURE



Designing Electrical Ground Support Equipment (GSE) infrastructure on Apron to allow ground handlers to convert to electric GSE

“As we strive to be the green gateway to the Hunter, we are committed to supporting and demonstrating the region’s shift towards a sustainable future.”

Dr Peter Cock
CEO, Newcastle Airport

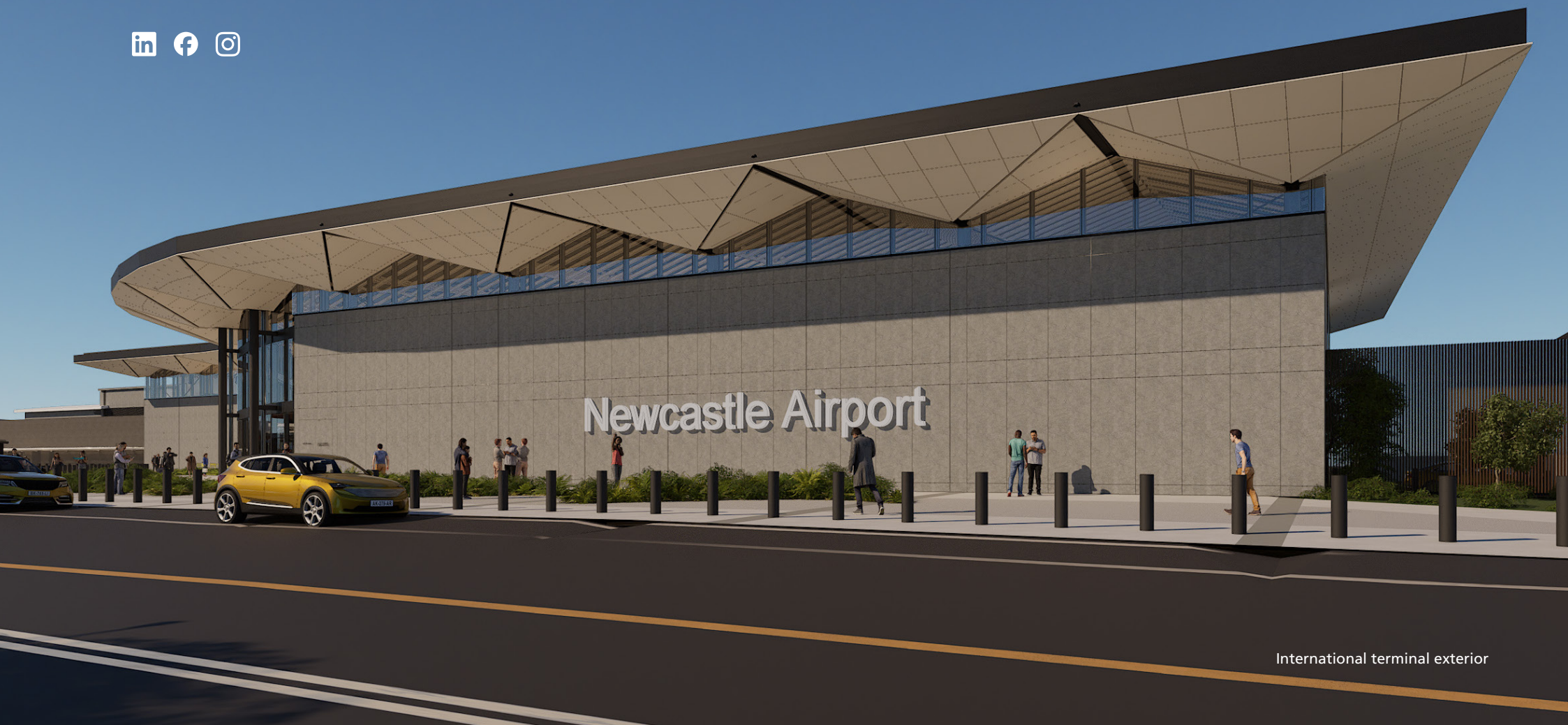


Premium Covered Car Park



To view annual reports from previous years, please visit our website.

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International terminal exterior