

# Annual Report

# 2018–19



# Highlights

## 2018–19

We reached a milestone of 21 years since the three airports were privatised under the NT Airports banner, celebrating with a special airside premiere screening of the aviation history film 'The Sweet Little Note of the Engine.'

Sustainability reporting introduced. Emissions target developed and on track to have zero net emissions by 2030 (scope 1 and 2).

Runway overlay works commenced in Alice Springs at a value of circa \$20 million.

\$1.4 million infrastructure boost at Tennant Creek for improved fencing and airfield lighting.

Major security infrastructure upgrades commenced in both Darwin and Alice Springs, which will be among the first airports in Australia to be fully equipped with advanced CT technology.

The National Critical Care and Trauma Response Centre was completed at Darwin International Airport in April 2019, creating a world-class, on-airport Emergency Medical Retrieval Precinct.

We refurbished an underused part of the Darwin terminal into the 'Green Room', a pop-up community arts space, launching it in August 2018.

Ian Kew, CEO, continued as Chairman of the Darwin Major Business Group and Chairman of the Darwin Festival.

'Happy or Not' instant customer feedback platforms installed in Alice Springs and Darwin.

2018–19 was our first full year using the new online parking booking system in Darwin, with about 20% of parking customers booking online at year end.

In October 2018, Alice Springs received the first of four charter flights from Tokyo, Nagoya and Osaka, Japan, in more than 10 years.

Virgin Australia launched a new three-times-weekly seasonal service to Denpasar, Bali, in April 2019.

SilkAir announced an increase in weekly services between Darwin and Singapore from July 2019, marking its seventh year of operations to Darwin with a seventh weekly service.

ADG staff and the company contributed \$18,000 to two community causes from our Workplace Giving initiative.

Our 12th annual charity golf day in Darwin raised a record-breaking total of \$65,000 for the Cancer Council NT 'Patient to Treatment' program, smashing the previous year's tally of \$40,000.

# Vision, purpose and values

## Our vision

Our vision is to be the most successful airport business in Australasia.

### We will achieve this by:

- › developing a commercial non-aviation property portfolio of more than \$400 million
- › growing passengers to 3 million at Darwin International Airport and 700,000 at Alice Springs Airport
- › maintaining the respect of all our airline customers
- › creating a positive work environment and making NT Airports an attractive place to work
- › being recognised as a significant contributor to the NT economy
- › ensuring development is done in accordance with the airports' master plans and environment strategies
- › securing strong and diverse community support for our airport businesses
- › continuing to outperform other Australasian airports' growth of total shareholder return
- › embedding sustainability across our business to create long-term value for our stakeholders.

## Our purpose

Our purpose is to provide safe, efficient and environmentally sound services that represent value for money for our customers and optimise the financial returns to our shareholders.

### We will do this by:

- › operating safe and secure airports
- › providing outstanding customer service
- › developing a sustainable aviation and non-aviation airport business
- › excelling in environmental and financial management
- › maximising long-term value for our shareholders
- › contributing to the NT's economic growth and our community.

## Our values

We recognise that stakeholders and the community judge us by the way we act. Our reputation is paramount, and as a result, we will act with honesty and integrity at all times. Our workplace reflects our corporate values.

### Safety first

Safety is our number one priority.

### Customer focussed

Our customers are important, and our focus on their needs will ensure our relevance and success.

### Honesty and integrity

We are honest, ethical and professional in all we do.

### Accountability

We will deliver on our commitments and take ownership of our responsibilities.

### Innovative and creative

We encourage new thinking in our team.

### Respect for each other

Our people are our most important resource, and we appreciate their values, respect their rights, promote their talents and reward their commitment.

### Environmentally responsible

We take stewardship of our environment seriously.

### Community engagement

We are an important part of our communities, and we will seek to engage with them at all levels.

### Teamwork

We will work together to achieve the collective goals.





## About ADG

The Airport Development Group (ADG) has been part of the Northern Territory community for two decades.

As part of Australia's airport privatisation program, ADG acquired leases from the Australian Government for the three Northern Territory airports—Darwin International Airport, Alice Springs Airport and Tennant Creek Airport—in June 1998. Each lease is for 50 years, with an option of a further 49-year lease.

ADG, through its business NT Airports, now owns and operates the three airports and a rapidly growing business precinct in Darwin—Darwin Airport Central.

The company is proudly 100 per cent Australian owned by IFM Investors (77.4%) and Palisade Investment Partners Limited (22.6%).

The three airports have 89 employees and many other contractors providing key airport services, generating total direct and indirect jobs for some 1800 Territorians. More than 2.67 million passengers travelled through the three airports in 2018–19.





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## Chairman's report

Airport Development Group (ADG) owns and operates the Northern Territory's three main airports: in Darwin, Alice Springs and Tennant Creek. More than 2.67 million passengers travelled through the three airports in 2018–19.

ADG is almost entirely owned by superannuation funds through two Australian companies: IFM Investors (77.4%) and Palisade Investment Partners Limited (22.6%).

As one of the NT's largest employers, we also supported 89 Territorian employees in 2018–19 and many other airport services contractors, generating total direct and indirect jobs for some 1800 Territory workers.

Our contribution to the NT economy of more than \$300 million during the year means we continue to play a vital role in the Territory.

In 2019, we reached a milestone of 21 years since the three airports were privatised under the NT Airports banner. The business has grown and diversified significantly in 21 years, with some \$461 million invested in Darwin International Airport alone during that time.

2018–19 continued to be a challenging economic climate in the Northern Territory. Despite this and flat passenger





# 2.67<sup>M</sup>



PASSENGERS THROUGH ALL THREE AIRPORTS IN 2018–19



*In 2019, we reached a milestone of 21 years since the three airports were privatised under the Northern Territory Airports banner.*

numbers, I'm proud to report we were successful in reaching our financial targets through revenue diversification and focussing on expenditure.

ADG supported the draft recommendations announced in the Productivity Commission's draft report on the economic regulation of airports in February 2019. We await the findings that will be announced into 2019–20.

In June 2019, ADG announced we had successfully fully refinanced our syndicated bank debt facilities to a total of AUD 550 million. This refinancing is funding our airports of the future and will provide certainty of funding for our capital expenditure plans and future growth of all three airports.

A number of major capital expenditure projects are also underway or planned for 2019–20, signalling exciting times for our group. In Alice Springs, runway overlay works commenced at a value of \$20 million, and a \$1.4 million infrastructure boost at Tennant Creek Airport will see improved fencing and airfield lighting.

Major security infrastructure upgrades have also commenced in both Darwin and Alice Springs, which will be among the first airports in Australia to be fully equipped with the advanced CT technology.

In mid-2019, the Department of Defence commenced construction on the new Air Traffic Control Upgrade project. The project includes a new control tower and a significant upgrade of the existing airfield systems complex.

In 2018–19, I'm proud to announce our new reporting process on sustainability, a top priority for ADG. This year sees our sustainability data combined with our annual report for the first time, reflecting the importance of sustainability as a core part of the organisation's business strategy over the last five years. This year, ADG developed an emissions target in alignment with the Paris Agreement. We are on track to have zero net emissions (scope 1 and scope 2) by 2030 with continued growth of our solar energy investment.

Sustainability creates value for present stakeholders while protecting the rights

of future stakeholders. It is not only good for the environment and the communities we work across, but it also represents good business.

Thank you to Ian Kew and his terrific team for their hard work and dedication to our business in 2018–19.

We look forward to 2019–20 being a productive, successful year working with our communities, partners and stakeholders to provide safe, efficient and world-class airports for all Territorians.

**Chris Barlow**

Chairman





## CEO's report



**We were very proud to celebrate our 21-year privatisation milestone in 2019 with a special airside premiere screening of the film 'The Sweet Little Note of the Engine'.**

**NT Airports commissioned award-winning filmmaker Andrew Hyde to create the aviation history documentary, which we celebrated airside with a cocktail party for 100 friends and stakeholders—an event thought to be a world-first.**

During 2018–19, we continued our focus on the important Chinese visitor market. One year on from Donghai Airlines' first-ever direct air service between Darwin and mainland China, we saw a 35 per cent increase in Chinese visitors to the NT.

The National Critical Care and Trauma Response Centre was completed at Darwin International Airport in April 2019, creating a world-class, on-airport Emergency Medical Retrieval Precinct that provides a vital link for medical services overseas and across rural and remote regions of northern Australia.

I continued my role as Chairman of Darwin Major Business Group (DMBG) during the year, which brought together local industry and business groups to host the NT Economic Recovery Summit in April 2019 in response to the NT Government Budget Repair paper. The summit urged the government to invest in game-changing infrastructure to boost the challenged NT economy.

The DMBG also spearheaded the second annual 'Facing North' event at Parliament House in Canberra on 19 September 2018 to encourage our





*Our sustainability report combined with our annual report this year is a reflection of ADG's critical focus on sustainability across all our airports' operations.*

federal representatives to be more conscious of Darwin and northern Australia. It was attended by more than 350 people, including Prime Minister Scott Morrison, Opposition Leader Bill Shorten and three former NT Chief Ministers.

The DMBG also led a delegation of more than 80 Territorians to the first 'Reaching South' event in Shenzhen, China, on 28 August 2018. The event aimed to open the doors for trade, travel and tourism between Asia and the NT and was an opportunity to network with big business in China.

We firmly believe the airport is for the whole community, which is why we decided to refurbish an underused part of the Darwin terminal into the 'Green Room', launching it in August 2018.

This pop-up community arts space is a place to share the Top End's vibrant arts and culture offerings with locals and visitors, including our own artist in residence program. The Green Room was hugely popular since its launch, and we

look forward to putting on an exciting program of arts and culture in the pop-up space in 2019–20.

I am proud to continue my dual role as Chairman of the Darwin Festival, with Darwin International Airport a Partner in Excellence for Darwin Festival.

We embarked on implementing an innovation culture and future-proofing our business in 2018–19 by introducing three key innovation streams: 'Airport business excellence', 'Monetising our renewables' and 'Out of airport business opportunities'. These streams are supported by an innovation framework that includes regular staff innovation workshops, ideas generation, assessment, processes to move forward, and resourcing and strategic focus. I look forward to progressing this innovation culture into 2019–20.

Finally, our team was very proud to introduce our new environment and sustainability reporting process in 2018–19. Our sustainability report combined with our annual report this

year is a reflection of ADG's critical focus on sustainability across all our airports' operations.

A terrific thank you to our dedicated employees and stakeholders for their hard work and ongoing commitment to supporting the wonderful Territory community we operate in during 2018–19. Here's to a successful 2019–20.

**Ian Kew**  
CEO

**35 %**



INCREASE IN CHINESE VISITORS TO THE NT FOLLOWING DONGHAI AIRLINES' FIRST DIRECT SERVICE BETWEEN DARWIN AND MAINLAND CHINA



## Directors



**Chris Barlow**  
Chairman

Chris Barlow has more than 40 years' experience in the aviation industry.

From July 2000 until August 2007, he was Managing Director and Chief Executive Officer of Australia Pacific Airports Corporation, the operator of Melbourne and Launceston airports.

Prior to this, he held several roles with BAA PLC (formerly British Airports Authority), the United Kingdom airports company. These included being Managing Director of Aberdeen Airport and Corporate Development Director. He has worked in the United Kingdom and North America.

Chris is also the Chair of the Melbourne Visitor and Convention Bureau and a Director of Australian Rail and Track Corporation (ARTC) and Visit Victoria.

Chris has a Bachelor of Science (Honours) in Civil Engineering and is a member of the Institute of Civil Engineers.



**Barry Coulter AO**  
Director

Barry Coulter has worked in the Northern Territory for more than 35 years. He was elected to the Northern Territory Legislative Assembly in 1983 and went on to hold positions such as Treasurer and Minister for Mines and Energy. He served as Deputy Chief Minister from 1986 to 1995.

Barry spearheaded the Alice Springs to Darwin Railway project for almost 14 years and stepped down from politics in 1999 following the announcement that the project would move ahead.

Barry also has significant experience in the seaports and aviation sectors and was previously Chairman of the Darwin Port Authority and Chairman of Airnorth.

Barry is a Fellow of the Australian Institute of Management. Barry is currently on the board of the Northern Australia Infrastructure Facility (NAIF).

In 2019, he was awarded the honour of Officer in the General Division (AO) in the Australia Day Honours for outstanding service to politics and business in the Northern Territory.



**Michael Landman**  
Director

Michael Landman is the Executive Director of Portfolio Management with IFM Investors. Michael is responsible for the origination, analysis, structure and execution of fund investments, along with ongoing management of assets within the existing infrastructure portfolio.

Prior to joining IFM investors, Michael was involved with industrial research and development, oil and gas exploration, field development, engineering and planning, and strategy development and execution at BHP Billiton as Manager, Acquisitions and Divestments.

He represents IFM Investors as a Director on the boards of Airport Motorway Ltd and Interlink Roads.





### Marigold Look

Director

Marigold Look is an Investment Director with IFM Investors. She has 15 years' experience in infrastructure, investment evaluation, asset management and corporate finance.

At IFM Investors, Marigold is responsible for the origination, analysis, structure and execution of fund investments, along with ongoing management of assets in the infrastructure portfolio.

She has significant experience in the airports and seaports sectors, having been involved in a number of acquisitions as well as asset management activities in both sectors.

Prior to joining IFM Investors, Marigold held roles with Wilson HTM as an equities research analyst and with the Corporate Finance division of PricewaterhouseCoopers, specialising in corporate valuations and strategy.

Marigold is a CFA charterholder, a fellow of the Financial Services Institute of Australasia and holds a Bachelor of Accounting from Monash University. Marigold is also a graduate of the Australian Institute of Company Directors.



### Mike Reynolds

Director

Mike joined Palisade in 2016, with a focus on asset origination, acquisition and management.

Mike's previous experience includes three years as an investment director of CP2 Limited, where he managed a team of investment professionals and was responsible for sourcing and investing in infrastructure investment opportunities and their ongoing asset management, including representation on boards of directors for investee companies.

Prior to this, Mike was a Vice President at Deutsche Bank in the Investment Banking division, where he was the lead on execution of numerous M&A and capital market transactions, principally in the utilities and infrastructure sector. Mike has also had roles at Barclays Capital and ABN AMRO in a similar capacity, in both Australia and the UK.

Mike holds a Bachelor of Finance and Bachelor of Laws from the University of New South Wales.



### Tom Ganley

Company Secretary

Tom Ganley is Deputy Chief Executive Officer, Chief Financial Officer and Company Secretary of ADG. He joined the company in June 1998.

Tom has more than 30 years' experience in aviation finance, having previously held senior finance and commercial management roles at Adelaide and Alice Springs airports.

A Justice of the Peace, Tom has a Bachelor of Accountancy and a Graduate Diploma in Applied Corporate Governance.

Tom holds the International Airport Professional (IAP 2014 Valedictorian) post-nominal designation and fellow memberships with CPA Australia, the Governance Institute of Australia, the Australian Institute of Management and the Australian Institute of Company Directors.



Year in brief

# 2018—19

Revenue growth

2.0%

ON THE PREVIOUS YEAR (2018: 1.8%)



Revenue

\$126.7<sup>M</sup>

LAST YEAR: \$124.2M

EBITDA

\$81.3<sup>M</sup>

LAST YEAR: \$80.1M

\$491<sup>M</sup> invested in capital works since 1998





## New routes

### *Darwin International Airport*

Airnorth

**Gold Coast**

Qantas

**Uluru**

Virgin Australia

**Bali**

## Passenger growth

**-5.5%**

(2018: NEGATIVE 1.9%)



## Passengers (including transfers)

**293,100** International

LAST YEAR: 368,500



**2,382,300** Total domestic Northern Territory

LAST YEAR: 2,461,000



## Total passengers by airport

**2,046,500** *Darwin International Airport*

LAST YEAR: 2,190,000



**622,000** *Alice Springs Airport*

LAST YEAR: 632,000





## 1

## Operations and terminals



### Projects

#### The Green Room

On 8 August 2018, Darwin International Airport launched a new 'pop-up' space in its departure lounge.

The 'Green Room', named after the famous 1980s bar in the old Hotel Darwin, was created to showcase the NT's vibrant arts and cultural offerings.

The Green Room pop-up has a stage for live performances and two large screens displaying digital content from NT arts groups. Its cane furniture, banana leaf fabric, artificial grass flooring, tropical wallpaper and lush green plants are a modern take on the original Green Room's retro styling.

An entertainment program featuring local musicians and arts organisations ran in the Green Room in August and September 2018 and the Christmas holiday period, with a number of special ticketed events also held in the space.

#### Wilson Security contract

Wilson Security expanded its services to Darwin International Airport in May 2019.

Under the new contract, the company now provides customer and concierge services in our airport carparks and taxi ranks through newly appointed Precinct Services Officers. Precinct Services Officers are easily identifiable in their new uniforms, with artwork created by local indigenous artist Tony 'Duwun' Lee.

In addition to its existing patrols of the Darwin Airport Central complex, from May 2019, the company also runs security night patrols for commercial properties and the fenceline of the airport perimeter, providing a seamless 24-hour external security patrol presence for the entire Darwin International Airport property.

#### Security upgrades in Darwin and Alice Springs

During 2018–19, Darwin and Alice Springs airports commenced a major security infrastructure upgrade.

In line with new federal security requirements, NT Airports engaged Smiths Detection, a global leader in threat detection and screening technologies, to install new baggage and body-screening equipment at both Darwin and Alice Springs airports.

The advanced Computed Tomography (CT) screening systems scan both checked and carry-on baggage in Darwin and Alice Springs airports, which will be among the first airports in Australia to be fully equipped with this advanced technology. The new equipment will mean fewer physical bag searches and make it easier for passengers passing through the airports.

This is the first stage of a larger security upgrade project that will be completed in 2020.

#### Exercise Diamond Storm

'Diamond Storm', a Royal Australian Air Force (RAAF) military exercise, took place in the Top End from 29 April until 29 May 2019. The exercise was designed to enhance the integration of people and systems and introduce fifth-generation capabilities into the Australian Defence Force.



Aircraft from both the RAAF and the USA participated in the exercise, launching from RAAF bases in Darwin and Tindal (near Katherine). It included some 40 fast jets and aerial refuelling aircraft operating from Darwin.

The increased activity during the exercise required increased situational awareness from our Airside Operations staff, who worked closely with RAAF personnel to ensure any disruption to regular passenger transport services was kept to a minimum.

### New recycling bins in Darwin terminal

In March 2019, 30 recycling bins were installed around the terminal at Darwin International Airport. Down Syndrome NT collected the full bins each week and took the contents away to recycle, collecting the 10c deposit for each recyclable container.

At 30 June 2019, Down Syndrome NT had collected \$2832 since the program was launched in March.

We look forward to working with Down Syndrome NT in 2019–20 on this successful new fundraising initiative that also supports waste recycling at Darwin International Airport.

### CASA drone surveillance

Drones are changing the way we work and play, with new, remotely piloted aircraft technology being developed every day.

The Civil Aviation and Safety Authority (CASA) engaged a contractor to conduct surveillance at major aerodromes to inform CASA's development of new remotely piloted aircraft safety strategies.

Darwin International Airport was surveyed for this purpose in the latter half of 2018. Drone activities were monitored at locations near the aerodrome boundary and in and around approach and departure paths.

### \$20 million runway overlay project at Alice Springs Airport

During 2018–19, Alice Springs Airport commenced a project to resurface its main runway.

At the same time as the runway resurfacing, a new pilot-activated lighting system will be installed at the airport, alleviating the need for lights to be on

all night. This change will deliver power savings for the airport, which already generates 50 per cent of its energy needs from solar power.

The runway will remain operational throughout the upgrades, with work being undertaken at night, section by section. Works are expected to be completed in January 2020.

A new automated safety and security voiceover system was also installed in English and Japanese languages in the Alice Springs Airport terminal during 2018–19.

### Tennant Creek Airport projects

As part of a \$1.4 million project announced in March 2019, Tennant Creek Airport will undertake a significant infrastructure upgrade to improve the airport's safety and capability.

Works started on the project in late 2018–19, which is due to be completed by June 2020. The project involves upgrading the runway lighting system, an apron expansion, installing animal-proof fencing and refreshing the terminal with enhanced tourism touchpoints, new grass and LED lights.

To improve the airstrip lighting system, a PAPI lighting system will be installed to improve the approach visibility for pilots.

An eight-kilometre boundary fence will be installed around the airport perimeter to minimise the hazard of animals wandering on to the runway and improve security and aircraft take-off and landing operations.

The current apron capacity often limits multiple service providers accessing the airport at once. Apron expansion works will allow multiple airport users, like the Royal Flying Doctor Service, fly-in fly-out mining operators and regular Airnorth flights, to access apron facilities at the same time.

### Customer experience

Across our three airports in 2018–19, we established a group of customer experience advocates from different areas of the business. Based on customer feedback, the group launched a new feedback system and identified focus areas to improve our customers'



experience in our airports. A number of initiatives are planned to target key 'pain points' for customers.

Darwin International Airport participates in the Airport Council International Airport Service Quality program, which benchmarks 349 airports around the world for customer experience. We aim for a score of at least 4 out of 5 for 'overall satisfaction'. In 2018–19, we scored 4.05—an increase of 0.03 on last year's score of 4.02.

During the reporting period, we also installed the 'HappyOrNot' instant customer feedback platform in the Alice Springs terminal and then in the Darwin terminal. The platform is currently in place at more than 160 airports worldwide, and Alice Springs was the first Australian airport to use it.

The system allows customers to give instant feedback—both positive and negative—about their experience at the airport, including the bathroom facilities and security. The data is collected and reported to the management team. At year end:

- › Alice Springs had an 85% overall positive rating for security and bathroom facilities.
- › Darwin received excellent scores for security and retail, food and beverage and Duty Free outlets.





## Commercial development

### Ground transport

#### Online parking booking system

2018–19 was our first full year using the new online parking booking system in Darwin, which was launched in March 2018. Use of the online service increased steadily, with about 20% of parking customers booking online at year end.

In Alice Springs, there were 490 online parking bookings since the online booking system was launched in November 2018.

We continue to offer online booking discounts on everyday drive-up prices and specials of up to 40% off during peak travel periods, such as school holidays.

#### Uber comes to Darwin International Airport

Ride-share giant Uber launched services to Darwin International Airport in January 2019, complementing the existing services by its competitor, Hi-Oscar. We are in discussion with other ride-sharing services to be introduced in 2019–20.

#### Premium car rental spaces

In 2018–19, we introduced premium car spaces for car rental companies for pick-ups in the Western carpark in front of the terminal, improving service quality and options for our car hire customers.

### Retail partners

#### JR Duty Free changes to Lotte

In February 2019, our duty-free retailer in Darwin International Airport changed to Lotte Duty Free. Lotte Duty Free is the number one duty-free operator in Korea and number two in the world.

The branding, retail offering and merchandising in the duty-free store has all been refreshed. Lotte has been working hard to satisfy the requirements of the lucrative Chinese market visiting Darwin, with new products and Chinese-speaking staff working during Donghai's flight times to and from Darwin.

Since the changeover, passenger spend has increased by 3% on that of 2017–18.

#### The Green Room

Working with our food and beverage partner, Delaware North, the Green Bean outlet was rebranded to the Green Room during 2018–19 to complement the newly created community entertainment area in the Darwin International Airport departure lounge.





## Advertising

### oOh! Media

Our partnership with advertising agency oOh! Media officially commenced on 1 July 2018. In 2018–19, it resulted in a 50% increase in advertising revenue compared with the previous year.

In 2018, we studied local and national advertising trends and reshaped our advertising offer to fit customer requirements, with new packages developed to target market segments. We also upgraded our digital assets to meet national standards.

### New electric vehicle chargers in Alice Springs

Two solar-powered electric vehicle charging stations were installed at Alice Springs Airport's long-term car park in 2018–19. They are free to use for parking customers.

Generally, electric vehicle charging stations are powered by non-renewable energy, but these are powered by the solar array on the car park roof, making them uniquely sustainable.

The increased popularity of electric vehicles for locals and interstate visitors means the airport is a convenient place for users to charge their vehicles. Locals can leave their car on charge at the airport while they travel interstate and collect their fully charged vehicle on return.

The chargers are easy to use and are compatible with most electric cars on the Australian market.



# 50%

YEAR-ON-YEAR INCREASE IN ADVERTISING REVENUE



# 2

SOLAR-POWERED ELECTRIC VEHICLE CHARGING STATIONS INSTALLED IN ALICE SPRINGS AIRPORT'S LONG-TERM CAR PARK



3

## Aviation development

4 charter flights



TO ALICE SPRINGS FROM TOKYO AND OSAKA



25%

INCREASE IN JETSTAR ASIA'S DARWIN TO SINGAPORE SERVICE



2 /week

ULURU TO DARWIN/ADELAIDE FLIGHTS, INCLUDING BUSINESS CLASS ON WEDNESDAYS AND SATURDAYS



### Japanese charter flights to Alice Springs

In October 2018, Alice Springs received its first charter flight from Japan in more than 10 years. It was the first of four charter flights to Alice Springs in 2018–19 from Tokyo, Nagoya and Osaka.

The charter flights were organised by JTB World Vacations, the largest travel wholesaler in Japan, and used a 161-seat Japan Airlines 787-800 Dreamliner aircraft. The program is expected to generate an estimated 1440 additional visitor nights and an estimated \$1 to \$2 million in visitor spend in the Territory.

Most visitors who arrived on the charter flights spent time touring Alice Springs before heading to Uluru on specially arranged Alliance Airlines charter flights.

Alice Springs Airport worked closely with Australian Border Force to make Alice Springs the first point of arrival in Australia for this charter series. This demonstrates our readiness to enhance regional tourism without significant extra capital spend.

Japan is the largest visitor market to the NT and the fifth-largest market to Australia, recently eclipsing Singapore.

### Donghai Airlines: one year on

In May 2019, we celebrated the one-year anniversary of Donghai Airlines' first-ever direct air service between Darwin and mainland China. One year on, our relationship with Donghai continues to strengthen.

At year-ending June 2019, there was a 35 per cent increase in Chinese visitors to the NT compared with the same time in 2018.

Donghai increased its Darwin service to three per week during Chinese New Year in early February 2019. Many local families took the opportunity to visit China or to host relatives in Darwin for the first time, resulting in full flights during what is traditionally a very quiet travel period.

During 2018–19, we also continued to work with Tourism NT and Tourism Australia to market Darwin to the young and vibrant Chinese city of Shenzhen.

Since the service launched in May 2018, Donghai Airlines has carried 91.1 tonnes of freight, of which 69.6 tonnes was outbound. This means for each imported tonne from China, more than two tonnes were exported from Darwin.

Darwin International Airport's proposed cold storage facility will also allow new freight and trade opportunities between northern Australia and Chinese markets via Shenzhen.

#### **New Airnorth service to the Gold Coast**

In April 2019, Airnorth launched a twice-weekly seasonal service from Darwin to the Gold Coast via Townsville. It will operate until 20 October 2019.

The new service started just in time for the 2019 Easter holidays, giving Territorian families easier access to world-class theme parks, surf beaches and the Gold Coast's retail meccas. It also opened up Darwin and the NT to a potential new Queensland visitor market.

#### **Virgin Australia inaugural Bali flights**

On 10 April 2019—the 17th anniversary of Virgin Australia starting services to Darwin—Virgin Australia launched a new service to Denpasar, Bali.

The new three times weekly seasonal service from April to October 2019 offered a differentiated service on this popular route, with different timings and business class, complementing Jetstar's year-round service.

The new service's convenient flight times and competitive fares are a winning combination for Territorians and will boost Darwin's tourism industry.

Virgin's full-service offering was well received by travellers, with a 44 per cent increase in year-on-year passenger growth during the months Virgin Australia operated the service compared to the same period in 2018.



#### **Jetstar livery launch and increase in services**

In April 2019, Jetstar Asia celebrated 10 years' flying between Singapore and Darwin by unveiling a unique Northern Territory-themed livery, created by Singaporean artist Ben Lee.

At the same time, Jetstar Asia also announced an increase in its Darwin to Singapore service to seven days per week from April to July 2019, increasing the number of seats on the popular route by 25 per cent, or 8100.

The new livery, on A320 aircraft, is an innovative 'flying billboard' that will fly throughout Asia and entice people from across Asia to travel to the Northern Territory. With Darwin as Australia's closest city to Asia, and shorter in travel distance than Hong Kong is to Singapore, the new aircraft livery has the unique ability to showcase the Northern Territory to a brand new audience.

Jetstar Asia CEO, Bara Pasupathi, said 'The livery collaboration with NT Tourism and NT Airports is the first of a number of opportunities that will see us increase awareness of our services and entice more visitors to explore this incredible destination'.

#### **SilkAir – increase in services**

In January 2019, SilkAir announced an increase in weekly services between Darwin and Singapore from July, marking its seventh year of operations to Darwin with a seventh weekly service.

SilkAir, a subsidiary of Singapore Airlines, commenced its first service to Darwin in 2012, flying four times weekly. Since that time, nearly twice the population of Darwin (some 276,000 people) has flown on the service. The extra service announced in 2018–19 increases SilkAir's capacity by 17 per cent.

With the addition of a Saturday service from 6 July 2019, Territorians will have greater choice and flexibility in planning their travel itineraries to Singapore and beyond.

The extra service demonstrates SilkAir's confidence in the Darwin market's growth and provides more options for international connectivity for passengers travelling to and from Europe and Asia.

#### **New Qantas flight to Uluru**

On 3 April 2019, Qantas launched its inaugural service between Uluru and Darwin—the first time the iconic Uluru was directly linked with the NT capital.

The twice-weekly service between Uluru and Darwin/Adelaide included business class, operating on Wednesdays and Saturdays, conveniently connecting the NT icons of Kakadu and Uluru for the first time.

The new service provided the most direct route to Uluru from Europe and Asia, attracting time-poor Asian and European travellers by cutting their travel time to visit both locations by as much as five hours on the existing flights via eastern states.

#### **Qantas Freight flight to Hong Kong**

In July 2018, Qantas Freight announced that a freighter that usually flies directly from Sydney to Hong Kong would stop in Darwin on Sundays to collect freight from late August for a limited time.

The flight was focussed on mango freight, and work is continuing with producers to reinstate the freight flights.

#### **Partnership with Tourism NT**

Our successful partnership with Tourism NT strengthened in 2018–19.

As part of our ongoing collaboration, NT Airports supported both of the NT's regional tourism organisations—Tourism Top End and Tourism Central Australia—with senior staff represented on both boards.

During the year, we were also active in supporting the tourism industry to secure funding for both Turbo Charging Tourism I, of \$103 million, and Turbo Charging Tourism II, of \$62.8 million. This important funding will support the visitor economy following the completion of major resource developments in the NT.

We continued our important work with Tourism NT during the year on our joint focus on priority markets, both domestic and international.





## Property

### National Critical Care and Trauma Response Centre completed

Construction of the new facility for the National Critical Care and Trauma Response Centre (NCCTRC) was completed at Darwin International Airport in April 2019.

The NCCTRC's world-leading disaster medical response capability and innovation was established following the 2002 Bali bombings. It is a key element of the Australian Government's disaster and emergency medical response to incidents of national and international significance. The new facility has tripled the NCCTRC's operational capacity.

NT Airports developed the state-of-the-art new facility, which includes a warehouse to store the deployable surgical field hospital, training facilities and offices.

The new facility is part of the greater Emergency Medical Retrieval Precinct (EMRP) at Darwin International Airport, which also includes CareFlight and

the Royal Flying Doctor Service (RFDS). The world-class facility provides a vital link for medical services overseas and across rural and remote regions of northern Australia.

### Little Flyers extension completed

In July 2018, Darwin International Airport commenced a \$1.05 million expansion of the Little Flyers childcare facility in Darwin Airport Central.

The expansion included two new classrooms and an extension of the playground area. The new playground has added more nature play elements, an air traffic control tower and a real aeroplane to further inspire children's interest in STEM subjects (science, technology, engineering and maths).

Practical completion of the project was achieved in March 2019, with the occupation certificate issued in April 2019. The project was delivered on time and slightly under budget.

# \$1.05

MILLION EXPANSION OF THE LITTLE FLYERS  
CHILDCARE FACILITY IN DARWIN AIRPORT  
CENTRAL



# \$4.8<sup>M</sup>

BUILDING BETTER REGIONS FUND WILL ASSIST THE DEVELOPMENT OF A FREIGHT AND COLD STORAGE FACILITY AT DARWIN INTERNATIONAL AIRPORT.

*Construction of the new facility for the National Critical Care and Trauma Response Centre was completed at Darwin International Airport in April 2019.*

## West Village progress

West Village is the third stage of the Osgood South commercial precinct at Darwin Airport Central—Darwin International Airport's retail, commercial and entertainment precinct.

The proposed development received board approval during 2018–19, with construction subject to securing pre-commitments. At year end, building approval had also been received.

## Air Traffic Control Tower

In mid-2019, construction started on the Air Traffic Control Upgrade project, which is being undertaken by the Department of Defence.

As the works are being undertaken within the Darwin International Airport boundary, we were required to complete a major development plan and provide project management support to ensure the works are carried out appropriately.

The project includes construction of a new control tower and a significant upgrade of the existing airfield systems complex, as well as the eventual demolition of the existing control tower.

The project is a result of Defence and Airservices Australia's partnership in delivering the OneSKY Program, a joint solution that will bring together civil and military air traffic control under a single harmonised air traffic management system.

## Cold storage and freight facility

During 2018–19, there continued to be strong interest from both the Australian and NT governments and the private sector to develop a freight and cold storage facility at Darwin International Airport to allow for increased freight opportunities, both domestically and internationally.

The \$15 million facility has the potential to generate more than \$200 million for the NT economy each year.

During the year, the federal government provided a \$4.8 million grant for the project through the Building Better Regions Fund. We also received conditional Northern Australia Infrastructure Facility (NAIF) debt funding approval for the project.

At 30 June 2019, NT Airports was finalising the lease agreement with an operator for the facility. Construction is expected to start in late 2019.

## Jet fuel storage

During 2018–19, NT Airports continued work on a proposal to build an underground aviation jet fuel pipeline from the East Arm Port that would service both the military and civilian operations at Darwin Airport. The \$155 million project also includes a new port terminal storage facility.



## 5

## Environment

10,313,107 kwh

SOLAR ENERGY PRODUCED IN 2018-19: ENOUGH TO POWER MORE THAN 1000 AVERAGE-SIZED NT HOUSEHOLDS FOR ONE YEAR



## Rapid Creek Reserve

In 2018-19, the Rapid Creek Reserve at Darwin International Airport continued to receive ongoing intensive management. In the aftermath of Cyclone Marcus in March 2018, the reserve is naturally regenerating with the ongoing support of our dedicated bushland rehabilitation contractors.

In the reporting period, the reserve's Gurumbai walking trail was enhanced with 14 new signs, a new bench seat, pathway upgrades and 295 new seedlings planted. Intensive litter and weed management has further protected the reserve's health and the biodiversity it supports.

In June 2019, we received a community grant from IFM Investors to work with the traditional owners on the reserve's continued management. The new community partnership project will see the Larrakia Rangers supporting existing management activities at the reserve, including track and trail maintenance, revegetation, weed management and environmental monitoring.

The project also provides a platform for cultural knowledge transfer between the Larrakia people, Darwin International Airport and the community. We look forward to working with Larrakia Nation, IFM Investors and Veg North (bushland rehabilitation contractors) in the coming year.

## Flora and fauna monitoring

Ecoz Environmental Consultants monitored the flora and fauna at Alice Springs Airport in April 2019 as part of the airport master planning process. The monitoring assesses biodiversity status of the Alice Springs Airport and informs future environmental management approaches.

Clontarf students from Yirara College helped with the monitoring while learning about monitoring techniques such as fauna tracking, camera traps, non-invasive live trapping techniques and acoustic recordings for microbats.

The students and Ecoz consultants recorded 55 native fauna species during the survey: 14 reptile species, 34 bird species and seven mammals.

## Integrated vegetation management

During 2018–19, Darwin International Airport undertook airside trials of integrated vegetation management (IVM) strategies designed to reduce the risk of bird-strike to aircraft and reduce turf maintenance.

The IVM trial project undertook baseline soil and vegetation assessments in August 2018 and then followed with a scheduled series of chemical applications, lawn mowing and monitoring events across an area of 2.5 hectares.

The trial program produced good results—up to a 75% reduction in birds and wildlife risk—indicating the trial plot was less attractive to birds due to the reduced number of insects and seed heads for feeding. Grasses also grew significantly slower in the IVM site, leading to a 50% reduction in the frequency of mowing/slashing rotations and post-mowing wildlife management activity. Fewer weed species and more desirable native grasses were also recorded.

Thanks to the success of the IVM program, a larger program is now being considered around grassland areas adjacent the runway in the joint-user area shared with RAAF Darwin.



## Sustainable Enterprise Award

In November 2018, NT Airports sponsored the Sustainable Enterprise Award at the Territory Natural Resource Management (TNRM) Awards. The award recognises a small business for innovative solutions to meet natural resource challenges or delivering sustainable products or services to meet the needs of the Territory's NRM community.


This year's winner was Western Desert Dialysis (the Purple House), a remote renal service in Alice Springs that was recognised for its efforts in using traditional medicine with western medicine.

## CDU student sponsorship

Our Environment team sponsored three Charles Darwin University students by giving them the opportunity to attend the TNRM conference and awards gala dinner in November 2018. The students were all studying a Masters of Environmental Management.

## Fast facts

up to **75%**   
REDUCTION IN BIRDS AND WILDLIFE HAZARD RISK WITHIN THE IVM TRIAL SITE

**295** Native seed-lings   
PLANTED ON THE GURAMBAI WALKING TRAIL





## Our people



### Workplace Giving

2018–19 marked 10 years of NT Airports supporting our Workplace Giving program.

Under the program, staff contribute to NT-based charities through payroll deductions, which the company matches dollar for dollar.

In 2018–19, staff contributed a total of \$9000, which was matched dollar for dollar by NT Airports for a total of \$18,000.

The funds will be presented to:

- › Darwin: \$16,000 to TeamHEALTH NT
- › Alice Springs and Tennant Creek: \$2000 to Red Cross, Alice Springs branch.

### Work health and safety

Safety was a continued priority for NT Airports during the year. In 2018–19, it was pleasing to record zero lost time injuries (LTIs) for all NT Airports staff.

This result corresponded with our increase in proactive reporting of workplace hazards and, importantly, acting on these hazards to prevent injury and environment or property damage.

In 2018–19, our proactive performance indicators continued to improve, with:

- › 131 safety inspections undertaken
- › 421 hazards identified and acted on.

In the previous year:

- › 110 safety inspections undertaken
- › 199 hazards identified and acted on.

Safety Share, our policy to make safety an agenda item at all key meetings, continued to be rolled out across all three airports in 2018–19. Safety Share aims to make meaningful safety conversations a focus across our airport operations.

# \$16,000

RAISED FROM DIA FOR TEAMHEALTH NT

# \$2000

RAISED FROM ASA AND TCA FOR THE ALICE SPRINGS BRANCH OF THE RED CROSS



### Gateway to Health

NT Airports recognises our employees are our company's most valued asset, and we are committed to ensuring the health, safety and wellbeing of our workforce.

Our staff can choose to participate in any component of the Gateway to Health program, which is made up of:

- › individual health screen assessments: with tracking on physical activity and diet and eating habits. A mini health check-up without going to the doctor
- › exercise sessions: onsite exercise programs, with yoga and boxing classes continuing to be a favourite
- › education seminars and health awareness campaigns: we facilitate various seminars and practical workshops that address specific health topics. In 2018–19, they were about Crohn's and Colitis and RED Apple day
- › corporate health events: we run corporate health events biannually for company staff, stakeholders and contractors that involve physical activity and health-related education, such as our corporate pedometer challenge and urban adventure challenges. Our staff also participate in barbecues, quizzes and challenges from events such as RUOK? Day and MOVember
- › Living Well rebate: NT Airports offers our employees an annual rebate of \$200 for improving health-management programs/services and complementary therapies. This is a popular scheme every year and encourages our staff to get more exercise.

### Staff development

#### Values workshops

Our values are central to our success and link us all together. They describe how we act towards our people, our brand and in our work.

In 2018–19, we held six workshops, run by a facilitator, who helped staff understand our values and how we translate those values in all areas of our work.

#### Leadership program – the Inspire Program

We partnered with a leading learning organisation in 2018–19 to design and develop our next leadership and management program: the Inspire Program.

The program is 'purpose built' with definitive and clear business objectives, and participants come from all parts of the business. The program will be held during 2019 and 2020.

### Work experience students

During the reporting period, we continued to support and host students throughout the year to gain work experience and exposure to our airport activities.

Our placement in 2018–19 was a year 12 student from Darwin High School, who learned about the changing nature of work, industrial relations legislation, and safe and sustainable workplace practices.

### Charles Darwin University scholarships

We continued our Charles Darwin University (CDU) scholarship program in 2018–19. Our student, studying for her Bachelor of Environmental Science, completed several months of work placement where she gained valuable knowledge on environmental issues around the airport.

Darwin International Airport has also been a strong supporter of Masters of Accounting students from CDU. Since 2011, eight students have worked with the finance team to gain their required 300 hours of work placement.

All students have gained valuable experience working in the Australian corporate environment, and the finance team have enjoyed sharing, teaching and learning from the students.

### Service milestones during 2018–19

- › 10 years of service: Alicia Jones and Belinda McRae
- › 30 years of service: Tom Ganley
- › Dave Kelley retired after his incredible 47 years of service.

# 131

131 SAFETY INSPECTIONS UNDERTAKEN



## 7

## Our community



### The Green Room

In August 2018, Darwin International Airport officially opened the 'Green Room', a dedicated pop-up space designed to showcase Northern Territory's vibrant arts and culture.

Inspired by the historical former bar in the old Hotel Darwin, the Green Room is a relaxed, welcoming venue in the departure area with a stage for local musicians to perform and screens showing digital content from the local arts groups we sponsor.

Darwin International Airport is proud to focus our sponsorship support on arts and cultural groups in the NT, and this dedicated pop-up area has given us a working space to host community events.

In 2018–19, this included Browns Mart theatre's 'Build Up' program, the Spun podcast series, Tracks Dance, the NT Travelling Film Festival, Darwin International Film Festival and Off The Leash magazine.

In June 2019, the space hosted a performance by the iconic Darwin Symphony Orchestra with its preview of the Aussie Rock Legends show. Looking ahead, it will host a fashion parade from the Darwin Aboriginal Art Fair's 'Country to Couture'.

The Green Room also includes our artist in residence program, 'In the Studio'. In mid-May 2019, local visual artist, writer and arts professional Tamara Howie took up residence in the space until mid-June where she created a group of portraits and collected stories that will eventually be exhibited in the terminal.



### Sponsorship and fundraising

#### It's a Bloke Thing lunch

In February 2018, Darwin International Airport made aviation history as the first Australian airport to hold a major event in a security-restricted area of an international departure lounge.

The lunch was a fundraiser for the It's a Bloke Thing Foundation, which raises awareness of men's health issues. The second annual lunch was held in March 2019, this time upstairs at gates three and four in the domestic departures area.

Some 240 guests attended the lunch, raising a staggering \$250,000, which will go towards funding Darwin's first specialist prostate cancer nurse.

#### Corporate Giving Committee

Every year across all three of our airports, we support a range of causes through our Corporate Giving Committee. During 2018–19, some of those projects were:

- › new mesh ball trolleys for Darwin netball juniors
- › uniforms for a young team to represent Australia at the World Skipping Championships in Shanghai



# \$65,000

RAISED THIS YEAR FOR THE CANCER COUNCIL NT'S 'PATIENT TO TREATMENT' PROGRAM BY DARWIN INTERNATIONAL AIRPORT'S CHARITY GOLF DAY

› sponsored the jerseys for the inaugural Streeter/Clay cup, with teams Airport v City Fire Services AFL. The match was held in memory of fallen firefighters Ryan Clay and Rohan Streeter, with funds raised going to their families' chosen charities of the Alan Walker Cancer Foundation and Helping People Achieve.

Across all three airports, we also hold fundraising barbecues and morning teas to support the Cancer Council, RUOK? day, RSPCA and other charities.

### Charity Golf Day, Darwin

On 17 August 2018, we held our 12th annual charity golf day in Darwin with a record-breaking total of \$65,000 raised, smashing the previous year's tally of \$40,000.

The funds raised in 2018 were donated to the Cancer Council NT to buy two vehicles for the charity's 'Patient to Treatment' program to support NT people living with cancer and their families.

### Chamber of Commerce Business networking golf days, Alice Springs and Tennant Creek

Each year, Alice Springs Airport proudly hosts business networking golf days in conjunction with the NT Chamber of Commerce. The event was held in Alice Springs in July and in Tennant Creek in September.

## Sponsorship

NT Airports is proud to invest in the cultural vitality of communities in Darwin. Darwin International Airport supports a range of arts organisations, including Browns Mart Theatre, Tracks Dance, Spun Stories, Off The Leash magazine, local film festivals and the Darwin Symphony Orchestra.

We're also a proud Partner in Excellence and long-term supporter of the Darwin Festival, for which our CEO is the chair.

### Aviation history film: 'The Sweet Little Note of the Engine'

2019 marked the centenary of aviation history in the Northern Territory, with a Fannie Bay airstrip welcoming its very first flight in 1919.

To celebrate the milestone—together with funding and sponsorship from Screen Territory, Channel 9 and the National Critical Care and Trauma Response Centre—NT Airports commissioned award-winning filmmaker Andrew Hyde to create an aviation history documentary called 'The Sweet Little Note of the Engine'.

The film recounts important historical moments in Darwin's aviation history, including the birth of Qantas, the bombing of Darwin, the Beatles stopover, Cyclone Tracy and the Bali bombings.

### Alice Springs Airport's runway dinner

On 25 August 2018, Alice Springs Airport hosted what is believed to be an Australian first: a formal dinner for 250 guests on an active runway.

The event was hosted in conjunction with the Alice Springs Convention Centre, where guests were attending a national conference of the Australasian Society of Aerospace Medicine.

The Alice Springs Airport team worked with government and event planners to ensure diners' safety and security while airfield operations continued.

### Santa Centre Run, Tennant Creek Airport

Santa swapped his sleigh for an Airnorth flight to visit the children of Tennant Creek on 12 December 2018, delivering a sack full of donated gifts. NT Airports sponsored the community barbecue for the fun family event.

### Terminal tours for students

Students from remote communities in the Top End visited Darwin International Airport during the year for a familiarisation tour of the terminal. The student groups were visiting Darwin as part of a Department of Education transition camp designed to prepare students who will be travelling interstate for studies.

### FABallice Festival

Alice Springs Airport was proudly a major sponsor of the inaugural FABallice Festival in early March 2019, which celebrated diversity and the 25th anniversary of the movie 'Priscilla the Queen of the Desert'. The event was a success and popular with visitors, so an annual event is now planned.

### Alice Springs and Tennant Creek – other sponsored events

- › Finke Desert Race
- › Masters Games
- › Chamber of Commerce Customer Service Awards (ASA / TCA)
- › Red CentreNats
- › Alice Springs Airport Tourism Central Australia Awards – Naming Rights Sponsor
- › Alice Springs Cup Carnival
- › Imparja Cup (Ladies Indigenous Team against domestic violence)
- › Alice Springs Camel Cup
- › Henley-on-Todd Regatta
- › Alice Springs Tennis Association
- › Harts Range Races
- › MusiKarma
- › NT Writers' Festival



# Sustainability data

RENEWABLE ENERGY

63.8%

ELECTRICITY CONSUMPTION  
GENERATED FROM SOLAR PV

GREENHOUSE GAS EMISSIONS

6507

TONNES OF CO2E GREENHOUSE  
GAS EMISSIONS AVOIDED  
THROUGH SOLAR ENERGY  
GENERATION

WORK HEALTH AND SAFETY

2100

PEOPLE REGISTERED WITHIN  
THE WORKING ON AIRPORT  
INDUCTION SYSTEM

ENERGY CONSUMPTION

16.1 GWh

THE EQUIVALENT OF POWERING  
APPROXIMATELY 1600 AVERAGE SIZED  
NT HOUSEHOLDS FOR ONE YEAR

EMISSIONS REDUCTION TARGET

100%

SCOPE 1 AND 2 EMISSIONS REDUCTION  
TARGET BY THE YEAR 2030

WORK HEALTH AND SAFETY

421

HAZARDS IDENTIFIED AND REVIEWED TO  
PREVENT POTENTIAL FUTURE EVENTS

ANNUAL WATER CONSUMPTION

126.1 Megalitres

THE EQUIVALENT OF 50 OLYMPIC  
SIZED SWIMMING POOLS

WASTE MANAGEMENT

28,000

BOTTLES AND CANS COLLECTED  
FROM DARWIN INTERNATIONAL  
AIRPORT BY DOWN SYNDROME NT

WORK HEALTH AND SAFETY

0

LOST TIME INJURY RATE FOR STAFF  
AND CONTRACTORS (PER MILLION  
HOURS WORKED)

## Sustainability

NT Airports views corporate sustainability as conducting business to create value for present stakeholders while protecting the rights of future stakeholders.

Not only is sustainability good for the environment and the communities we work across, it also represents good business.

Sustainability is incorporated across our business operations, our staff, our community and our environment.

Adopting corporate sustainability across our airport operations delivers value to our business through:

- › growing investor confidence
- › maintaining our social licence to operate
- › driving efficiency improvements in the use of natural resources
- › minimising waste
- › providing safe work environments
- › supporting employee learning and development
- › driving innovation within our projects
- › managing risk.

## Sustainability reporting

This year's sustainability reporting is incorporated throughout our annual report. Our sustainability data provides technical information further demonstrating our sustainability performance in the following areas:

- › approach to sustainability reporting
- › stakeholder engagement processes
- › workforce profile
- › work health and safety systems
- › resource use, emissions and waste.

This is NT Airports' first published sustainability report. NT Airports looks forward to sharing our corporate sustainability progress against established targets within future reporting.







## Stakeholder engagement

### Our stakeholders

NT Airports is committed to effective and genuine consultation with all key stakeholders across our three airports. Fostering positive, strong, long-term relationships with those who are directly involved in, or may be affected by, the operation and development of our airport is a priority and vital to our long-term success.

Stakeholder engagement occurs at many levels, from the development of our airport master plans through to our daily airport operational activities.

The stakeholders we engage with can be grouped loosely into the following categories:

- › internal and financial stakeholders
- › on-airport stakeholders
- › active interest stakeholders.

We recognise that our stakeholders have different interests, expectations and interactions with our airports. The **Stakeholder engagement and areas of interest** table, on the opposite page, describes how we engage with each stakeholder group and summarises their particular areas of interest in relation to our airports.

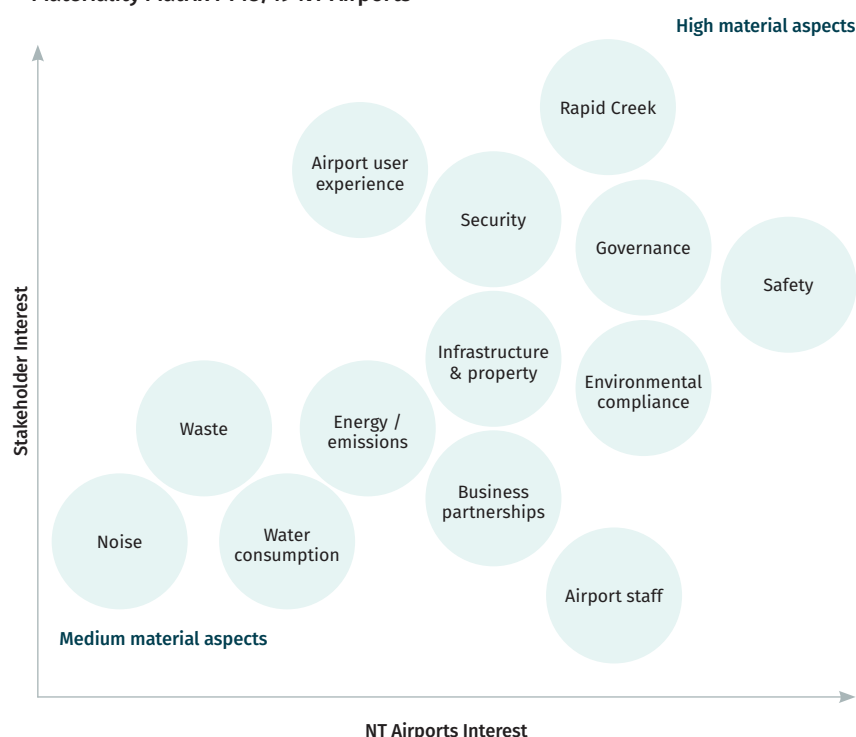
### Aspects that matter (materiality)

NT Airports has consulted across all three primary stakeholder groups, through regular stakeholder engagement and through a sustainability questionnaire, to identify the key materiality aspects that are important to both our stakeholders and our business.

A materiality matrix has been developed that prioritises these aspects (see *Materiality Matrix FY18/19 NT Airports* below).

This year's annual report seeks to strengthen the alignment of reporting content with the areas of interest to our organisation and our stakeholders.

**Materiality Matrix FY18/19 NT Airports**



## Stakeholder engagement and areas of interest

STAKEHOLDER	Engagement methods	Areas of interest
<b>Internal and financial stakeholders</b>		
Staff	NT Airports employs 85 full-time equivalent staff. Our fortnightly online newsletter, Broadcast, provides staff with regular updates on the organisation's activities as well as regular strategic sessions with management staff, departmental and organisation-wide staff meetings. We also hold informal morning teas, annual surveys and biannual staff reviews.	Safety, cross departmental knowledge, new projects and initiatives, business performance, sense of community, professional development
Board and shareholders	The board of Airport Development Group was established to oversee business management and performance. The board members regularly engage with NT Airports management and meet at least five times per year. 77.4% of ADG is owned by IFM Investors, and 22.6% is owned by Palisade Investment Partners Limited. Reporting is provided to these stakeholders on a regular basis.	Growth, financial return, risk management, compliance, strategy and innovation, governance, corporate sustainability
<b>On-airport stakeholders</b>		
Contractors working on airport	Online inductions engage contractors with our airport standards and requirements. Airport project managers, safety and environmental staff further engage with contractors prior to and during the work activities they deliver. Safety bulletins are shared with our contractors on airport.	Safety, relevant airport operational information, legislation, regular updates at airport
Passengers and other airport users	In 2018–19, more than 2.67 million passengers visited Darwin, Alice Springs and Tennant Creek through our airports. The most substantial means of engagement for passengers and other people that visit the airport, including family and friends, was through our website and social media, and also through our 'Happy or Not' mobile surveys throughout the terminal areas.	Safety, security, efficiency, cleanliness, friendliness, accessibility, sustainability
Airlines	In 2018–19, five airlines operated from our airports. Regular meetings are undertaken with airlines and quarterly meetings are held to discuss new projects, safety, security, environmental and other business.	High-quality terminal and airport infrastructure, safety, security, efficiency
Airport tenants and service providers	Our airports have more than 100 tenants within our terminals and across our airport estate. Key departmental staff engage with tenants on a regular basis to manage operational requirements, and provide news and updates, including safety and environmental information. Tenant audits are also undertaken to support compliance with legislation and lease agreements.	Essential utilities, accessibility, infrastructure investment, security, growth, planning
<b>Active interest stakeholders</b>		
Local community	We engage with our local community through formalised consultation processes when establishing our airport master plans, through our community consultation meetings and through environmental committees. We engage with the traditional owners at our airport locations to assess sites of cultural significance and build relationships through Indigenous engagement. The airport also maintains strong community engagement through major events such as the Darwin Festival and through various partnerships and sponsorships. Our website and social media provide the community with a broad range of airport information and regular updates.	Environment, infrastructure development, aircraft noise, current information on operations, noteworthy events and changes at the airport
Business	NT Airports engages with hundreds of businesses to deliver a high level of service and new projects and initiatives. Airport staff are members of regional business development groups and engage with business to provide updates, assess innovation opportunities and achieve synergies with other business activity and strategies across the NT.	Airport growth, business opportunity, strategic partnerships, tourism
Government agencies	Our airport business has ongoing engagement with federal, state and local government agencies through partnership projects and for areas of airport compliance. NT Airports consults with government agencies in the development of master plans, during the design of major projects and when there are significant changes to operations.	Compliance (airport operations, safety, security, environment), airport growth, alignment with government infrastructure and initiatives



# 39%

OF ADG STAFF ARE FEMALE



*In 2018–19, 95% of our workforce was covered by enterprise agreements.*



## Workforce profile

All our staff receive six-monthly performance and career development reviews with their managers. The results guide future performance and career development actions, highlight any training needs and are then strategically reviewed by the management team.

In 2018–19, our staff received various other professional development opportunities including values workshops and a leadership program as outlined in the 'our people' section of this annual report.

Specialist contractors also undertake work at the airport in addition to our staff. Areas of the airport that have significant contractor involvement include security, cleaning, maintenance and the construction and upgrade of new buildings and infrastructure.

## Work health and safety system

### Work health and safety management system

NT Airports utilises the Aerodrome Safety Management System (SMS), audited by the Civil Aviation Safety Authority (CASA), as a framework for our entire organisation's SMS.

Airports have two distinct areas:

- › airside, which is strictly controlled by CASA and other Commonwealth agencies for security, border force and transport safety
- › landside, which comes under the jurisdiction of NT WorkSafe.

The landside and airside operations work closely together and in 2018–19 implemented the ‘Working on Airport’ induction, which must be completed by all airport workers landside or airside. It covers off on all safety requirements applicable to the airport environment, including:

- › work health and safety (WHS)
- › security
- › biosecurity.

All inductees must answer critical questions relating to induction topics and must receive 100% before being deemed competent. All inducted personnel are recorded electronically, and WHS personnel are notified of all people passing or failing, triggering the need for further competency assessments.

There are currently more than 2100 people registered within the Working on Airport induction system, requiring induction updates every two years.

**Hazard identification, risk assessment and incident investigation**

All staff working on airport conduct an online safety induction. Staff and selected contractors have an additional face-to-face induction conducted by airport WHS personnel. The focus of these induction processes is to ensure all personnel working on airport are familiar with the hazard, identification, risk assessment and risk control processes at our airports. Our risk management system incorporates the hierarchy of controls to determine what is the best way to reduce the risk to as low as reasonably practical (ALARP).



**WHS Committee**

Every two months, at least one representative from each of the work groups and departments across our airports attends the WHS committee meetings. These meetings have minutes distributed to all staff electronically and posted in lunchrooms and other high-use areas. Actions are assigned and followed up at every meeting. The Chief Executive Officer attends multiple meetings every year, highlighting senior management’s commitment to safety.

**Work health and safety indicators, 2018–19**

**Reactive data**

- 0 lost time injury (staff and contractors)
  - 1 medical treatment injury (staff) rate **6.85**
  - 2 medical treatment injury (staff and contractors) rate **13.7**
- (Rates based on 1,000,000 hours worked.)

**Proactive data**

- 65 investigation reports undertaken
- 131 recorded safety inspections / observations undertaken
- 421 hazards identified and acted upon to prevent potential future events



## Energy usage and greenhouse gas emissions

### Energy usage

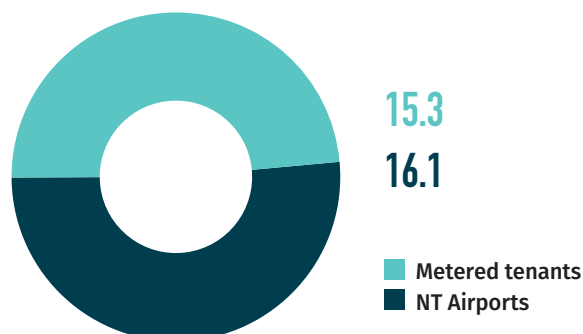
NT Airports manages an embedded electrical network that provides electricity to all airport users and tenants. Tenants that are metered, both within the terminal and across the airport estate, consumed 15.3 Gigawatt hours (GWh) during 2018–19 and are excluded from NT Airports' energy consumption as they are outside NT Airports' operational control.

#### The current energy sources used by NT Airports are:

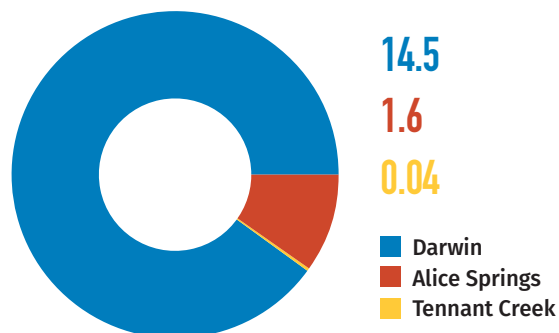
- › solar PV arrays
- › electricity purchased from the grid
- › standby diesel generation sets
- › unleaded petrol or diesel for vehicles and machinery.

In 2018–19, a total of 16.1 GWh was consumed by NT Airports, with a breakdown of 14.5 GWh for Darwin International Airport, 1.6 GWh for Alice Springs Airport and 0.04 GWh for Tennant Creek Airport. This includes the airport terminals, maintenance sheds, management offices and other airport infrastructure such as roadside lighting. NT Airports' significant investment in solar energy has welcomed another year of substantial renewable energy generation from rooftop and ground-based solar farms across all three airports. This year, our solar panels generated 8.7 GWh at Darwin International Airport and 1.6 GWh at Alice Springs Airport, with total renewable energy generation from solar totalling over 10.3 GWh across the three airports.

Electricity use (GWh)



NT Airports total electricity consumed (GWh)



### Greenhouse gas emissions

NT Airports voluntarily reports under the National Energy and Greenhouse Reporting (NGER) Scheme, administered federally by the Department of the Environment and Energy.

In 2018–19, NT Airports' total greenhouse gas (GHG) emissions was 10,329.2 tonnes of equivalent carbon dioxide (CO<sub>2</sub>e). A summary of the emissions profile illustrated in the table below shows scope 1 emissions (predominantly from using diesel to power vehicles and generators) formed 1.8% of total emissions, 183.8 tonnes CO<sub>2</sub>e, with scope 2 emissions (carbon dioxide emissions from the purchase of electricity) contributing 98.2% of total emissions with 10,145.4 tonnes of CO<sub>2</sub>e.

#### TONNES OF CO<sub>2</sub>E

	DARWIN INTERNATIONAL AIRPORT	ALICE SPRINGS AIRPORT	TENNANT CREEK AIRPORT	COMBINED AIRPORTS
Scope 1	122.6	50	11.2	183.8
Scope 2	9,136.6	984.4	24.4	10,145.4
Total emissions (scope 1 + scope 2)**	9,259.2	1,034.4	35.6	10,329.2
Emissions savings from renewables***	5,833.3	651.7	22.4	6,507.4

\*\* Emissions factor applied is in alignment with Australia's National Greenhouse and Energy Reporting Act of state-based grid factors for GHG accounting.

\*\*\* Not deducted as sold as large generation certificates as part of the Australian Government's Renewable Energy Target scheme.



NT Airports' significant investment in renewable energy infrastructure results in 64% of its total energy demand being covered by onsite renewable energy. However, through the federal government's Renewable Energy Target scheme, NT Airports sells large generation certificates to more energy-intensive organisations to purchase and utilise as carbon offsets. As a result, NT Airports is not able to include the 6507.4 tonnes of CO<sub>2</sub>e savings from solar energy generation within its NGER reporting figures.

NT Airports has a 100% emissions (scope 1 and 2) reduction target by the year 2030, from the 2018 baseline year. The baseline year was selected as the first complete year of data available at the time of developing the NT Airports emission target.

The focus areas for reducing emissions across NT Airports' operations include:

- › continued investment in renewable energy generation
- › energy efficiency projects
- › electrification of operational plant and equipment (from fossil fuel) utilising generated renewable energy
- › implementation of sustainable building design principles.

Sustainable building design principles support our emissions reduction strategy. The emphasis of the sustainable design principles applied to new buildings includes:

- › undertaking rooftop solar feasibility studies and installing rooftop solar panels, where roof design permits, across the maximum roof area available
- › adopting passive design features, including building orientation, to mitigate climate impacts
- › undertaking embedded energy analysis of construction materials and products.

#### Climate change

NT Airports acknowledges emerging climate change risks and the associated impact on our airports. NT Airports is focussing on both mitigation and adaption measures to build resilience against the impacts of climate change.

This year, NT Airports developed an emissions reduction target (incorporating mid-range decarbonisation forecasts for the Northern Territory) in alignment with the Australian emissions target under the Paris Agreement and United Nations Framework Convention on

Climate Change. The primary objective of this agreement is to keep the global temperature increase to well below 2°C and pursue efforts to keep it within the 1.5°C range.

NT Airports undertakes extensive environmental monitoring that is increasingly utilised for measuring climate change risks and adopting management measures that mitigate the impacts of climate change. This year, Alice Springs Airport undertook a successful cattle grazing trial as a new bushfire management technique. The new management approach achieved a balance in maintaining vegetation cover while protecting native plants and reducing bushfire risk (of Buffel Grass) over a period of extreme temperature and drought conditions.

This year also saw the completion of the Marrara detention basin, situated immediately downstream from the Darwin International Airport lease area. Catchment studies, geotechnical investigations and design recommendations commissioned by Darwin International Airport fed into the NT Government flood mitigation project that now manages future increased flood potential as a result of high tide events coinciding with high rainfall events.



## Water usage

Water at NT Airports is supplied 100% across the three airports by the Power and Water Corporation, sourced from surface water catchments in Darwin and groundwater in both Alice Springs and Tennant Creek.

A significant amount of water is used across our airports to support passengers, daily operations, construction activities and airport gardens. Water is also distributed to airport tenants under sub-metering arrangements. There is currently no recycled water used across the airports.

This year, our airports collectively used 126.1 megalitres (ML) of water—the equivalent of approximately 50 Olympic-sized swimming pools. Water efficiency measures that have been undertaken at Darwin International Airport that consumed approximately 83% of the total water usage include:

- › upgrading and installing new water meters
- › upgrading water main pipes to minimise leaks
- › improved leak detection and response through centralised monitoring.

Irrigation accounts for approximately 40% of water use at Darwin International Airport, representing an opportunity for water-efficiency improvements. Investment in irrigation upgrades with centralised monitoring has commenced at Darwin International Airport to create further efficiency.

Alice Springs Airport has considerable areas of public landscaping requiring irrigation. Carefully selected drought-tolerant native plants combined with drip irrigation systems minimise water demand to support these gardens.

## Waste management and resource recovery

NT Airports measures all terminal waste generated by passengers, tenants and airside operators. Non-terminal waste from airport maintenance sheds, airport management centres, public areas and pre-cyclone clean ups for tenants is also accounted for across the Darwin lease area.

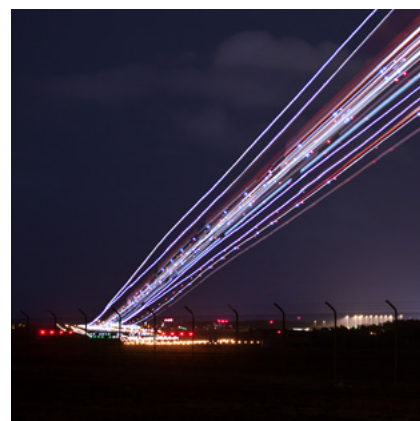
Waste types across NT Airports can be identified as:

- › general waste
- › cardboard/paper for recycling
- › co-mingled recycling (rigid plastics, paper, cardboard, aluminium, steel)
- › hazardous waste (sharps/clinical waste)
- › sanitary waste\*
- › secure document waste\*
- › construction and demolition waste generated by contractor building and maintenance activities\*
- › liquid waste from the cleaning of wastewater devices\*
- › quarantine waste
- › trade waste\*.

\*waste not accounted for in our annual waste reporting.

NT Airports is continually improving waste management efforts through:

- › finding practical opportunities to avoid, reuse, recycle and recover waste
- › improvements in segregation of waste and waste storage
- › training and awareness of airport staff and tenants.



In 2018–19, 569.4 tonnes of waste was generated by all the users of our terminal (tenants and passengers) and other airport operations across the three airports. Of this amount, 66.4 tonnes, 11.7%, was diverted from landfill and recycled. This consisted of a recycling rate of 17% for Darwin International Airport and 3% for Alice Springs Airport.

In March 2019, Darwin International Airport installed new recycling bins across the airport terminal. Down Syndrome NT collected more than 28,000 bottles and cans from these bins.

## Global Reporting Initiative (GRI)

Within this year's annual report, we have incorporated sustainability reporting, prepared in accordance with the Global Reporting Initiative (GRI) 'Core' option. The GRI framework allows NT Airports to report on our non-financial performance succinctly, further demonstrating our value to stakeholders. The GRI framework index is located in the following pages.

## Global Reporting Initiative Index

GRI REPORTING STANDARDS	Description	Location / comment
<b>Organisational Profile</b>		
GRI 102-1	Name of the organisation	Introduction – About ADG
GRI 102-2	Activities, brands, products and services	Throughout
GRI 102-3	Location of headquarters	Back cover
GRI 102-4	Location of operations	Back cover
GRI 102-5	Ownership and legal form	Page 2
GRI 102-6	Markets served	Throughout
GRI 102-7	Scale of the organisation	Throughout
GRI 102-8	Information on employees	page 22, 23, 30
GRI 102-9	Supply chain	Throughout
GRI 102-10	Significant changes to organisation and supply chain	nil
GRI 102-11	Precautionary approach	see Environment strategy (Master Plan Appendix) for Darwin International Airport and Alice Springs Airport
GRI 102-12	External initiatives	Throughout
GRI 102-13	Membership of associations	<ul style="list-style-type: none"> <li>› Airports Council International</li> <li>› Alice Springs Major Business Group</li> <li>› Australian Airports Association</li> <li>› Australian Institute of Company Directors</li> <li>› Australian Institute of Office Professionals</li> <li>› Australian Logistics Council</li> <li>› CAPA Centre for Aviation</li> <li>› Darwin Major Business Group</li> <li>› Desert Knowledge Australia</li> <li>› Export Council of Australia</li> <li>› Northern Territory Chamber of Commerce</li> <li>› Northern Territory PFAS Interagency Working Group</li> <li>› Palmerston Regional Business Association</li> <li>› Parking Australia</li> <li>› Property Council of Australia</li> <li>› Rapid Creek Water Advisory Committee</li> <li>› Regional Economic Development Committee (ASA / TCA)</li> <li>› Skai International Australia Club</li> <li>› Tourism Central Australia</li> <li>› Tourism Top End</li> <li>› Urban Development Institute of Australia</li> </ul>



<b>Strategy</b>		
GRI 102-14	Statement from senior decision maker	Page 6
<b>Ethics and Integrity</b>		
GRI 102-16	Values principles and standards	Page 1
<b>Governance</b>		
GRI 102-18	Governance structure	Throughout
<b>Stakeholder Engagement</b>		
GRI 102-40	List of stakeholder groups	Page 29
GRI 102-41	Collective bargaining agreements	Page 30
GRI 102-42	Identifying and selecting stakeholders	Page 28, 29
GRI 102-43	Approach to stakeholder engagement	Page 24, 25, 28, 29
GRI 102-44	Key topics and concerns raised	Page 28, 29
<b>Reporting Practice</b>		
GRI 102-45	Entities included in financial statements	Page 2
GRI 102-46	Defining report content and topic boundaries	Throughout
GRI 102-47	List of material topics	Page 28
GRI 102-48	Restatements of information	Throughout
GRI 102-49	Changes in reporting	N/A first reporting year
GRI 102-50	Reporting period	2018–2019
GRI 102-51	Date of most recent report	First year sustainability report



GRI REPORTING STANDARDS	Description	Location / comment
<b>Reporting Practice</b>		
GRI 102-52	Reporting cycle	Annual
GRI 102-53	Contact for questions regarding the report	Back cover
GRI 102-54	Claims of reporting in accordance with GRI	This report has been prepared in accordance with the GRI Standards: 'Core option'
GRI 102-55	GRI Index	Page 35, 36, 37
GRI 102-56	External assurance	Not externally assured
<b>Management Approach</b>		
GRI 103-1	Explanation of the material topic and its boundary	Throughout
GRI 103-2	The management approach and its components	Throughout
GRI 103-3	Evaluation of the management approach	Throughout
<b>Economic Aspect</b>		
AO1	Passenger numbers	Page 11
AO2	Aircraft movements	Page 16, 17
<b>Environmental Aspect</b>		
GRI 302-1	Energy consumption within the organisation	Page 32
GRI 304-1	Operational sites leased within protected areas and areas of high biodiversity value	Page 20 and see Environment Strategy (Master Plan Appendix) for Darwin International Airport and Alice Springs Airport
GRI 304-3	Habitats protected or restored	Page 20 and see Environment Strategy (Master Plan Appendix) for Darwin International Airport and Alice Springs Airport
GRI 305-1	Direct (scope 1) GHG emissions	Page 32
GRI 305-2	Indirect (scope 2) GHG emissions	Page 32
GRI 306-2	Waste by type and disposal method	Page 34
GRI 307	Compliance with environmental laws and regulations	Page 36
<b>Social Aspect</b>		
GRI 403-1	Work health and safety management system	Page 22, 30, 31
GRI 403-4	Staff participation, consultation and communication on work health and safety	Page 22, 31
GRI 403-5	Training on work health and safety	Page 31
GRI 403-6	Promoting employee health	Page 23
GRI 403-9	Work-related injuries	Page 22, 31
GRI 404-3	Performance and career development of employees	Page 23, 30

\*\*\* Compliant with maintenance of environment in accordance with Airports Act / Airport Environment Regulations (Department of Infrastructure Transport Cities and Regional Development Lease Review 2019). Airport Environment Strategy DIA ASP detail Environmental Management Systems supporting compliance.



# Financial performance report

Income statement	2017 \$'000	2018 \$'000	2019 \$'000
<b>REVENUE</b>			
Aeronautical	71,591	69,423	71,101
Trading	18,831	19,935	23,204
Property	21,004	23,513	21,360
Other income	10,650	11,249	11,018
<b>Total Revenue</b>	<b>122,076</b>	<b>124,120</b>	<b>126,684</b>
<b>Operating Expenses</b>	<b>43,186</b>	<b>44,026</b>	<b>45,336</b>
<b>EBITDA*</b>	<b>78,889</b>	<b>80,094</b>	<b>81,348</b>
Margin	64.6%	64.5%	64.2%
Increments in fair value of investment properties	800	10,986	4,644
Net gain/(loss) on interest rate swap contracts	9,973	(1,911)	(11,797)
Depreciation and amortisation	(38,081)	(42,953)	(38,914)
Impairment expense - infrastructure assets	(64)	(5)	(4)
Impairment of goodwill	(3,072)	0	0
Finance costs	(26,276)	(23,281)	(24,889)
<b>Net Profit Before Tax</b>	<b>22,170</b>	<b>22,930</b>	<b>10,388</b>
<b>Income Tax (Expense) Benefit</b>	<b>(12,993)</b>	<b>(3,369)</b>	<b>(1,835)</b>
<b>Net Profit After Tax</b>	<b>9,177</b>	<b>19,561</b>	<b>8,552</b>

\* EBITDA represents Earnings before Interest expense, Tax, Fair value adjustment on Investment Property, Unrealised gains, Depreciation and Amortisation.

Some noteworthy aspects are (all notes include AFP trust):

Revenue - \$126.7 million (2018: \$124.1 million) an increase of 2.07%

Earnings before interest, tax, depreciation and amortisation - \$81.3 million (2018: \$80.1 million) an increase of 1.6%

Net profit before tax \$10.4 million (2018: \$22.9 million) a decrease of 54.6%

Increase in the fair value of investment properties - \$4.6 million (2018: \$11.0 million).

## Interest Rate Management

The consolidated entity refinanced its senior debt facility in June 2019 through a bilateral funding arrangement across 5 and 7 tenor tranches. In addition, two senior secured notes having a 10 and 12 year term are still in place, which were established in June 2016. The new funding arrangement was to repay previous debt and fund the ongoing aeronautical capital expenditure requirements of the consolidated entity.

The group manages its exposure to interest rate fluctuations using interest rate swaps.

The bilateral funding arrangements are interest only and interest is charged at the bank bill rate plus a margin, which is determined by the interest coverage ratio. Interest is generally payable quarterly.

Senior secured notes represent a secured US Private Placement issuance denominated in Australian dollars. Interest is payable semi-annually at fixed interest rates.

## Balance sheet

year end 30 June

	2017 \$'000	2018 \$'000	2019 \$'000
Cash	18,245	18,857	31,277
Total Assets	866,787	863,515	985,096
Interest Bearing Liabilities	485,714	509,173	546,885
Total Liabilities	647,888	661,542	735,840
<b>Total Equity</b>	<b>218,899</b>	<b>201,973</b>	<b>249,256</b>
<b>CAPITAL SPEND</b>			
DIA	26,406	22,832	24,596
ASA	4,143	2,666	3,984
TCA	69	4	539
AFP	10,054	1,460	1,391
<b>Total</b>	<b>40,672</b>	<b>26,962</b>	<b>30,510</b>
<b>Life to date capital spend (since 1998) inc. AFP Trust</b>	<b>433,990</b>	<b>460,952</b>	<b>491,462</b>

## Cash flow

### NET CASH FLOWS FROM OPERATING ACTIVITIES

# \$36.4m

(2018: \$41.4m)

After funding capital expenditure, cash balances increased by \$12.4 million to \$31.3 million (2018: increased by \$0.6 million).

### There has been a net increase in Total Assets resulting from:

- › An increase in the fair value of investment properties of \$4.6 million
- › An increase in infrastructure, plant and equipment being the net impact of asset additions/disposals and depreciation

A revaluation model has been adopted for ADG's terminal buildings, and accordingly, the terminal buildings were revalued at fair value in FY2019 resulting in a uplift in the terminal building asset value by \$69 million (net of income tax).

### Annual report for the 12 months to 30 June 2019

The annual report for the 12 months to 30 June 2019 comprises:

- directors' report
- auditor's independence declaration
- financial report
- directors' declaration
- independent auditor's report to members

The annual report is available on the company's website [www.darwinairport.com.au](http://www.darwinairport.com.au)

Alternatively, a copy may be obtained from Darwin International Airport Pty Ltd.



## Fast facts

Financial year ending	2017	2018	2019
<b>PASSENGERS</b>			
DIA	2,246,000	2,190,000	2,046,500
ASA	633,000	632,000	622,000
TCA	4,800	7,500	6,900
<b>Total</b>	<b>2,883,800</b>	<b>2,829,500</b>	<b>2,675,400</b>
<b>LANDED TONNES</b>			
DIA	944,000	865,000	885,600
ASA	251,000	252,000	249,000
TCA	8,500	9,300	8,600
<b>Total</b>	<b>1,203,500</b>	<b>1,126,300</b>	<b>1,143,200</b>
<b>AERONAUTICAL CHARGES (EX GST)</b>			
Passenger Facilitation Charge (\$/pax) **			
DIA	10.09	10.34	10.60
ASA	9.13	9.22	9.31
TCA	-	-	-
Airport Services Charge (\$/pax) **			
DIA	8.64	8.86	9.08
ASA	8.70	8.78	8.87
TCA	18.00	18.00	18.00
Landing Charges General Aviation \$/MTOW **			
DIA	24.96	25.58	26.22
ASA	24.96	25.58	26.22
TCA	26.53	27.19	27.87
<b>REVENUE \$'000 ***</b>			
DIA	86,525	87,871	89,002
ASA	17,747	18,774	19,789
TCA	728	824	707
Other	(78)	(78)	(110)
<b>Total ADG</b>	<b>104,922</b>	<b>107,391</b>	<b>109,388</b>
AFP Trust	4,106	5,090	5,269
<b>Total all entities</b>	<b>109,028</b>	<b>112,481</b>	<b>114,657</b>
<b>EBITDA \$'000</b>			
DIA	63,006	63,908	62,408
ASA	12,536	12,236	14,888
TCA	415	508	392
<b>Total ADG</b>	<b>75,956</b>	<b>76,653</b>	<b>77,688</b>
AFP Trust	2,934	3,442	3,660
<b>Total all entities</b>	<b>78,890</b>	<b>80,094</b>	<b>81,348</b>

\*\* as at 30 June

\*\*\* excludes safety and security charge revenue

AFP Trust Deeds signed 5 August 2010

Financial year ending	2017 \$'000	2018 \$'000	2019 \$'000
<b>NET PROFIT/(LOSS) BEFORE TAX</b>			
DIA	11,187	25,445	15,544
ASA	(4,642)	(3,167)	3,873
TCA	337	490	375
Other	9,973	(1,911)	(12,588)
<b>Total ADG</b>	<b>16,855</b>	<b>20,858</b>	<b>7,204</b>
AFP Trust	5,315	2,072	3,184
<b>Total all entities</b>	<b>22,170</b>	<b>22,930</b>	<b>10,388</b>
<b>CAPITAL EXPENDITURE \$'000</b>			
DIA	26,406	22,832	24,596
ASA	4,143	2,666	3,984
TCA	69	4	539
<b>Total ADG</b>	<b>30,617</b>	<b>25,502</b>	<b>29,119</b>
AFP Trust	10,054	1,460	1,391
<b>INVESTMENT PROPERTY MOVEMENT IN FAIR VALUE</b>			
DIA	(2,130)	9,418	2,573
ASA	(622)	1,491	900
<b>Total ADG</b>	<b>(2,752)</b>	<b>10,909</b>	<b>3,474</b>
AFP trust	3,552	77	1,170
<b>Total all entities</b>	<b>800</b>	<b>10,986</b>	<b>4,644</b>
<b>AIRPORT DEVELOPMENT GROUP</b>			
Cash	17,822	18,404	30,406
Total assets	817,598	812,457	931,605
Interest Bearing Liabilities	456,809	481,908	521,410
Total Liabilities	616,156	628,926	702,977
Total Equity	201,442	183,531	228,629
Net cash from operating activities	45,503	39,548	34,192
<b>AFP TRUST</b>			
Cash	423	453	871
Total assets	49,190	51,058	53,490
Interest Bearing Liabilities	28,905	27,265	25,475
Total Liabilities	31,733	32,616	32,864
Total Equity	17,457	18,442	20,627
Net cash from operating activities	1,672	1,901	2,165
<b>EMPLOYEES</b>			
DIA	68	69	72
ASA	14	13	14
TCA	1	1	1
<b>Total ADG</b>	<b>83</b>	<b>83</b>	<b>87</b>



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