airservices australia

Annual Report

2025–26





Annual performance statement

Airservices Australia, as a corporate Commonwealth entity, presents its 2025–26 annual performance statement as prepared in accordance with section 39 of the *Public Governance Performance and Accountability Act 2013* (Cth).

In accordance with section 16F of the *Public Governance Performance and Accountability Rule 2014* (Cth), the annual performance statement accurately presents how we have performed against our strategic initiatives and key performance areas in meeting our purpose, as outlined in our 2025–26 Corporate Plan.

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01
Introduction and overview



About us

We are Australia's air traffic management and aviation rescue fire fighting provider operating at 31 air traffic control towers, 28 fire stations and 4 air traffic services centres across Australia with more than 500 remote and regional sites. Our provision of both air traffic management and aviation fire rescue makes us unique globally.

In our vital role we manage 11% of the world's airspace, including the upper airspace for Naoero and the Solomon Islands.

Our people go above and beyond every single day to safeguard lives and livelihoods. **We connect people with their world safely** through our world-class services – linking families and friends, generating economic activity, creating jobs, and facilitating trade and tourism.

Airservices Australia acknowledges the Traditional Owners and Custodians of Country throughout Australia and acknowledges their continuing connection to land, waters, skies and community. We acknowledge the rich diversity of First Nations cultures and pay our respects to Aboriginal and Torres Strait Islander Elders and peoples past and present.

We are committed to reconciliation and envision a future where our organisation is enriched by collaboration, engagement and alignment with Aboriginal and Torres Strait Islander peoples and the First Nations communities we engage with across our vast national footprint.



11%

World's airspace



31

Air traffic control towers



28

Fire stations



4

Air traffic service centres



500

Remote and regional sites

Our locations

This map names the Traditional Owner groups for each Airservices site across Australia.



Legend

- Air traffic towers 30 locations
- Aviation rescue fire fighting stations 28 locations
- Air traffic services centres 4 locations
- Digital traffic towers 1 location


Naoero and
Solomon Islands
Yidinji (Cairns)
Wulgurukaba of Gurambilbarra and Yunbenun,
Bindal, Gugu Badhun and Nywaigi (Townsville)
Gia (Whitsundays)
Ngaro (Hamilton Island)
Yuwibara (Mackay)
Daraumbal (Rockhampton)
Bailai, Gurang, Gooreng Gooreng
& Taribelang Bunda (Gladstone)
Gubbi Gubbi/Kabi Kabi (Sunshine Coast)
Jagera (Archerfield)
Turrbal (Brisbane)
Yugambeh of Bundjalung (Gold Coast)
Bundjalung (Ballina)
Gumbaynggirr (Coffs Harbour)
Kamilaroi/Gomeroi (Tamworth)
Kaurna
(Parafield)
Kaurna
(Adelaide)
Dharug (Western Sydney)
Gadigal of Eora (Sydney)
Dharawal (Camden)
Dharug & Dharawal (Bankstown)
Waveroo (Albury)
Ngunnawal (Canberra)
Wurundjeri
Woi-wurrung
(Essendon)
Wurundjeri Woi-wurrung (Melbourne)
Wadawurrung
(Avalon)
Bunurong of Kulin (Moorabbin)
Kanamaluka (Launceston)
Muwinina (Hobart)

Our culture

We are committed to fostering a collaborative, high-performing, safe and respectful culture, grounded in trust and in service of our people, customers and community.

Our target culture design



Our values

Our values underpin our culture and guide our daily interactions with our customers, communities and each other.

- Safe always
- Service first
- Love what we do
- Work as one
- Own it

Our purpose

Airservices Australia is a government-owned organisation established by the *Air Services Act 1995* (the Act). We are a designated corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and operate in accordance with the minister's Statement of Expectations and Ministerial Directions.

In simple terms, we exist to connect people with their world safely.

	In accordance with the ***Air Services Act 1995***, our key purposes are to:	In fulfilling our purposes in accordance with the Act, we must:
 **P1**	Provide facilities and services for the safety, regularity and efficiency of air navigation within Australian-administered airspace.	Regard the safety of air navigation as the most important consideration.
 **P2**	Promote and foster civil aviation in Australia and overseas.	Where appropriate, consult with government, commercial, industrial, consumer, and other relevant bodies and organisations including the International Civil Aviation Organization (ICAO).
 **P3**	Carry out activities to protect the environment from the effects of, and the effects associated with, aircraft operations.	As far as practicable, protect the environment from the effects of, and the effects associated with, aircraft operations.

Our customers and partners

Our customers are those who derive value from our services. We have a diverse range of customers and close partners across both airspace and airport operations, these include:

Airspace operations:
- commercial (international and domestic) airlines
- freight services
- general aviation providers
- medical and mercy operators
- sports and recreational aviation operators
- military operations
- uncrewed aircraft and air mobility operators.

Airport stakeholders:
- major capital city hubs
- metropolitan airports
- regional airports
- military operations
- remote airfields.

Development activities at and around airports may have the potential to impact air safety and limit the scope of aviation operations at an airport. We work closely with industry to ensure developments do not penetrate protected airspace, interfere with critical communication, navigation and surveillance equipment or create other hazards.

Investing in environment, social and governance (ESG) principles and practices

Our aspiration is to promote an Australian aviation industry that maintains its social licence to operate and where all stakeholders benefit from the value aviation brings to our nation. As a provider of safe, secure, efficient and responsible services to the aviation industry, we recognise the long-term nature of our responsibilities. We embed ESG practices into our ways of working to ensure we act as stewards of the environment and good corporate citizens, with accountable leadership and transparent and robust governance.

The 'capability' section of this report outlines how we have delivered our ESG principles during the 2025–26 financial year. Please see the 'environmental management and performance' section for information on our approach to environmental sustainability.

We recognise that aircraft noise can have a significant impact on communities. We continue to be committed to genuine and transparent engagement with communities and industry stakeholders to shape sustainable solutions to aircraft noise management. Our focus on this work is evident in our performance outcomes delivered during the year. See 'community impact' section in the annual performance statement for details.

More information on governance is available at **airservicesaustralia.com/about-us/our-governance/**



Board Chair and CEO's report

The 2025–26 financial year saw Airservices make substantial progress in strengthening the reliability of our services across the network while delivering major new capability for Australia's aviation network. The improvement in operational performance that began in 2024–25 continued, supported by historically high levels of air traffic controller recruitment and training, while several years of investment in new technology and infrastructure moved closer to operational delivery.

This progress was achieved as aviation activity continued to grow and Airservices managed more than 3.6 million aircraft movements across Australian-administered airspace. During the year, service variations reduced significantly and Airservices-attributable ground delays continued to decline. Our improvement in service performance reflects targeted investment in recruitment and training, workforce and roster planning, operational management and technology. During the financial year, 109 new air traffic controllers were endorsed, while 120 more were in training at the end of the year. We also increased our Aviation Rescue Fire Fighting (ARFF) workforce by more than 80 full-time equivalent roles, supporting greater resilience in existing services as well as the expansion of our operational responsibilities. Our ARFF team maintained service availability of 99.9 per cent across the network during the year while responding to an increasing number of emergency call-outs.

Notwithstanding these improvements, we recognise our customers and the travelling public experience the reliability of our service through individual flights and airports rather than network-wide measures. Disruptions can have significant flow-on effects, particularly at Sydney Kingsford Smith Airport (KSA), where the intensity and complexity of operations place substantial demands on our air traffic control workforce. We acknowledged the service disruptions that occurred in August 2026 and publicly apologised for Airservices contribution to the delays experienced. Building greater depth in controller numbers, increasing training capacity and improving the consistency and resilience of service delivery at Sydney remains a high priority, with enhanced Board oversight to ensure successful delivery.

Safety remains Airservices highest priority. Every occurrence is assessed through our established safety processes, which are benchmarked to global standards, with incidents reported to the relevant regulators where the applicable thresholds are met. Airservices recorded zero Significant Attributable Safety Occurrences (SASO) across both air traffic management and ARFF operations while safely managing more than 3.6 million aircraft movements during the year. Notwithstanding this excellent result, there were six occurrences at Sydney KSA in August 2026 that the Australian Transport Safety Bureau (ATSB) advised would be investigated. This process continues and we will action any findings and recommendations. Airservices maintains a comprehensive Safety Management System that is globally recognised with multi-layered risk and safety controls in place.

The work to improve current operations has taken place alongside one of the most significant periods of change in Airservices' history. A major milestone was the delivery of the services and infrastructure required to support Western Sydney International Airport (WSIA), Australia's first major new international airport in more than 50 years.

Our role at WSIA has extended well beyond the provision of air traffic services. It has included the design and implementation of new airspace and flightpaths, the delivery of communications, navigation and surveillance infrastructure, the establishment of a new ARFF service and the introduction of Australia's first Digital Aerodrome Service at a major airport. Bringing these elements together has required several years of technical development, testing, training and regulatory assurance, as well as close cooperation with government, the airport operator, airlines, Defence, regulators and communities.

The Digital Aerodrome Service represents an important development in the way aerodrome services can be provided in Australia. Controllers based at the Western Sydney Remote Tower Centre at Eastern Creek use high-definition cameras, surveillance information and integrated systems to maintain a real-time view of operations at WSIA. The experience gained through its development and operation will help inform the future application of digital tower technology in Australia.

The opening of WSIA has also required the most substantial change to the Sydney basin's airspace in decades. Developing the new arrangements within an already complex aviation environment required extensive analysis and consultation to accommodate operations at WSIA alongside Sydney KSA, Defence activities and surrounding airfields. This work illustrates the breadth of Airservices' responsibilities when major new aviation infrastructure is introduced and the importance of integrating technology, airspace, operational procedures, workforce capability and community considerations.

A similarly significant transition is under way through OneSKY, which Airservices is delivering in partnership with the Department of Defence. The Civil Military Air Traffic Management System (CMATS) will replace separate civil and military air traffic management systems with an integrated national capability, providing a common operating picture and enabling more flexible and coordinated management of Australian airspace.

The program progressed through further development, testing and operational readiness activity during the year, including installation and verification of equipment, functional demonstrations and the commencement of trial training. Transition to CMATS is planned to begin from late 2027 subject to key integration milestones and regulatory approvals. The complexity of moving from systems supporting live operations to a new national platform requires extensive testing, training and assurance, with the continuity and safety of air traffic services maintained throughout implementation.

The continued rollout of Airport Collaborative Decision Making, now in place at Australia's four busiest airports, is improving the exchange of operational information between Airservices, airports and airlines, allowing better coordinated decisions and more effective use of airport capacity. The Enterprise Network Modernisation Program is renewing the communications and data infrastructure supporting our services, while development of the Flight Information Management System is establishing the digital capability required for the safe integration of uncrewed aircraft and, over time, advanced air mobility into Australian airspace.

The scale of this investment reflects the growth and change expected across aviation in coming decades. Increasing traffic will place additional demands on airports and airspace, while technological change will introduce new operators with different requirements. Meeting those demands will require not only additional capacity but more effective integration between the systems and organisations responsible for managing aviation.

This consideration extends beyond Australia, with our aviation network closely connected to the Asia-Pacific, the fastest-growing airspace region in the world and one through which more than half of our international traffic passes. As traffic increases, greater interoperability between national air traffic management systems will be important to maintaining the capacity and efficiency of international aviation.

Airservices continued to contribute to this work during the year through ICAO, CANSO and direct engagement with air navigation service providers across the region. This included contributing Australian expertise to the development of international standards and practices in areas including aircraft separation, airspace efficiency, high-altitude operations and uncrewed aviation.

Australia has practical experience to contribute through programs such as OneSKY and Digital Aerodrome Services, while our participation helps ensure that emerging international standards take account of Australia's operational requirements and the characteristics of our airspace.

We continued to complement this engagement through practical aviation capability development in the region. Our air traffic controllers, aviation rescue firefighters and other specialists worked with counterparts in Indonesia, Papua New Guinea and across the Pacific, sharing operational expertise and strengthening relationships. These partnerships support aviation safety and resilience in neighbouring countries while contributing to a safer and more efficient regional network.

The impact of aviation operations on communities remained an important consideration throughout the year, particularly as new infrastructure and airspace arrangements were introduced. Airservices undertook extensive engagement associated with WSIA and continued work relating to operations at Brisbane, Perth, Ballina, Hobart, the Sunshine Coast and other locations.

We also continued to strengthen the information available to communities about aircraft operations and noise, including through reporting on Noise Abatement Procedure adherence at major airports. Across the 10 major airports covered by our Noise Complaints and Information Service, the number of residents making contact decreased from 2,481 in 2024–25 to 1,620 in 2025–26. While this represents a substantial reduction, aggregate measures cannot fully reflect the impact of aircraft noise on individuals and communities. Meaningful engagement, accessible information and appropriate consideration of community impacts will remain important as aviation activity grows.

We also delivered positive environmental and community outcomes. We bettered our emissions reduction target, achieving an estimated Scope 1 and 2 carbon footprint of 26,799 tCO_2e, while air traffic management initiatives including User Preferred Routes facilitated an estimated 42,752 tonnes of potential avoided airline emissions. We also continued implementing our Environmental Sustainability Strategy, strengthened environmental governance and risk management, and progressed work to manage legacy PFAS contamination and improve the sustainability of our own operations.

The capability and culture of Airservices have remained a particular focus for the Board and Executive during this period of operational and technological change. Co-created with our people and executive leadership, our target culture will see us working together to build a high-performing, safe and respectful culture, grounded in trust and in service of our people, customers and community. This is being delivered through initiatives addressing leadership, accountability, workplace behaviour, employee voice and psychosocial risk. Employee engagement increased during the year, although it remained below our target and we are committed to further improvement.

We recognise that lasting cultural improvement will be demonstrated through the day-to-day experience of our people rather than the introduction of new policies or programs. Strengthening trust in leadership, maintaining a respectful workplace and ensuring people feel able to raise concerns require sustained attention and accountability, and we will continue to monitor progress closely.

Financial sustainability is vital to Airservices' ability to meet its responsibilities. We are maintaining a national network of safety-critical infrastructure while replacing ageing assets, expanding workforce capability and investing in new systems required to support future aviation growth.

Airservices reported a net loss of $391.1m, a working capital deficit of $170.8m and net operating cash outflows of $186.1m. Notwithstanding, the Board considers Airservices to be a going concern based on the cash and cash equivalents held, access to undrawn cash advance facilities with major banks, the critical role Airservices plays in Australia's aviation sector and historical government support.

A 6 per cent weighted average price increase introduced on 1 August 2025 was an important step after an extended period without raising prices, and during the year we continued consultation with industry and the Australian Competition and Consumer Commission on the proposed FY2027–FY2031 Long-Term Pricing Agreement. The May 2026 Federal Government budget also included a $600m equity injection which enables Airservices to support continued provision of critical air navigation, air traffic control, and aviation fire and rescue services at major Australian airports.

Taken together, the results of 2025–26 represent substantial progress, with stronger operational performance, increased workforce capacity and major investments moving closer to operational delivery. The expansion of our responsibilities at WSIA, progress on OneSKY and continued modernisation of our technology and infrastructure are strengthening the foundations of Australia's aviation network. As more of this investment moves into operation, our focus will be on delivering more resilient and efficient services, while safely managing the transition to new capabilities and ensuring Airservices has the workforce and financial capacity to meet growing and changing demand.

The achievements of 2025–26 reflect the expertise and commitment of Airservices people across Australia, and we thank them for their contribution throughout the year. We also acknowledge our customers, industry partners, government, regulators and communities, whose engagement and collaboration are important to the work we do. Acknowledging a particular focus on lifting the resilience of our air traffic operations at Sydney KSA, we nonetheless enter 2026–27 with a stronger operational foundation, and considerable momentum behind capital investments and organisations capability that will support Australia's aviation system for the years ahead.



Anne T. Brown
Chairperson



Rob Sharp
Chief Executive Officer

Our year in review

We continue to keep our skies safe and to deliver efficient services.

Total movements for 2025–26*

3.68M 2025–26



Top 4 airports combined

+2.5%

Comprising:

+2.4% Increase in **Melbourne**

+1.1% Increase in **Sydney** (Kingsford Smith)

+3.6% Increase in **Brisbane**

+4.0% Increase in **Perth**

Passenger flights change from 2024–25^



+1.5%

Total network passenger flights



-0.3%

Domestic passenger flights



+7.0%

International passenger flights

* Data source for movements has been updated to include only scheduled flights with flight plans. Previous data source focused on movements that contributed to Airservices' billing which accounts for tower operating hours.

^ Note passenger flights are represented by Regular Public Transport (RPT) flights and exclude general aviation activity.

Service performance

We delivered high levels of service performance and operational reliability throughout the year, while continuing to invest in service resilience, infrastructure and future capabilities to support safe, reliable operations and the long-term sustainability of Australian aviation services.

Improved service outcomes from 2024–25



99.9%

Increased ATC tower and airspace availability (85 basis points increase from 2024–25)



-86%

Reduction of service variations to published services (across airspace and towers)



-13%

Reduction of ground delay minutes attributable to Airservices (at major airports)

Aviation Rescue Fire Fighting (ARFF) services



99.92%

ARFF availability (1 basis point increase from 2024–25)



5,105

Total ARFF service callouts



363

Aviation-related incidents responded to by ARFF service



18

Lives saved

Financial performance

We continued to focus on strengthening our financial sustainability through disciplined cost management and strategic investment. We acknowledge that ongoing investment in infrastructure, capability and transformation remains critical to meeting current service requirements and future industry needs.

$

-122m

EBITDA

$

-391m

Underlying net loss after tax

$

260

Cost per instrument flight rules flight hour

Fostering a high-performance culture

Employee engagement has improved over the past year by 4% points, indicating progress in the first year of our 3-year Culture Improvement Strategy. We delivered a number of initiatives across the year as part of our culture transformation journey. These programs demonstrate our continued commitment to align our operations with our strategic priorities to build a safe and inclusive workplace in the face of evolving industry demands.



109

New air traffic controllers endorsed

(includes both newly licensed and experienced air traffic controllers)



94

New aviation rescue fire fighters



72%

Positive responses from employees in the 2026 Culture Compass that their direct leader behaves in a way that is consistent with our values



22

Leaders participated in the inaugural launch of the Leadership Excellence Acceleration Program (LEAP) that includes a baseline capability assessment that provides a measurable index of leadership development over the 12-month program



33

Employees given recognition in our Above and Beyond Awards from over 220 nominations, reinforcing high performance behaviours aligned to organisational values



02 Annual performance statement

Annual performance statement

We are committed to providing world-class performance across all of our services. In fulfilling our purpose, we consider safety as the most important factor, while also balancing the interests of our stakeholders, including communities, customers, government, our regulators, and our people.



On behalf of the Airservices Board, I present Airservices' 2025–26 Annual Performance Statement, prepared in accordance with section 39(1)(a) of the *Public Governance Performance and Accountability Act 2013* (PGPA Act). It is our opinion that the statement accurately presents Airservices' performance in the reporting period and complies with subsection 39(2) of the PGPA Act.

Anne T. Brown
Airservices Australia Board Chairperson

Performance overview

This section provides a detailed assessment of our performance against our key performance indicators (KPIs) and initiatives across our performance outcomes.

Performance summary

These results reflect Airservices' strong operational performance in 2025–26 as we maintained our focus on delivering safe, reliable and efficient aviation services while progressing significant transformation and capability-building programs that support our long-term strategic objectives and the future of Australian aviation. Operating in an environment characterised by increasing aviation demand, financial pressures, ageing infrastructure, workforce challenges and global disruption, we continued to deliver the critical services that underpin the safety, connectivity and resilience of Australia's aviation network. During the year, we successfully supported over 852,000 passenger flights, a growth in air-traffic of over 12,000 flights from the previous year.

> Safety remained our highest priority and a significant achievement during the year. Airservices recorded zero Significant Attributable Safety Occurrences (SASO) across both air traffic management and ARFF operations while safely managing more than 3.6 million aircraft movements. This outcome reflects a strong safety culture, disciplined operational practices and ongoing investment in safety assurance, risk management and continuous improvement.

Service performance also remained a particular strength throughout the year. Airservices achieved 99.90% availability for aerospace services and 99.92% availability for ARFF services, exceeding target and delivering the highest levels of availability achieved in recent years. Ground delay performance also continued to improve, reducing to 1.43 seconds per flight at Australia's 4 busiest airports, significantly outperforming target and highlighting the benefits of operational improvements, workforce investments and stronger industry collaboration. While the target for attributable cancellations was narrowly missed and we recognise that we are still building resilience, Airservices-attributable cancellations remained extremely low at 0.03% of all flights, reflecting an aviation network that continues to operate with high levels of reliability and resilience. We remain committed to strengthening workforce capability and resilience to support future aviation growth and evolving service delivery requirements.

We also delivered positive environmental and community outcomes. We exceeded our emissions reduction target, achieving an estimated Scope 1 and 2 carbon footprint of 26,799 tCO_2e, while air traffic management initiatives facilitated an estimated 42,752 tonnes of potential avoided airline emissions. We also achieved 100% publication of reportable Noise Abatement Procedure reporting across major airports and substantially exceeded community response targets, demonstrating our commitment to transparency, environmental responsibility and meaningful community engagement.

We met our target for cost per instrument flight rules (IFR) flight hour, achieving a result of $260 per flight hour and demonstrating continued discipline in operational efficiency and cost management. We also progressed important long-term initiatives to strengthen financial sustainability and support future investment. At the same time, our EBITDA result highlights the ongoing challenge of balancing service resilience, investment in critical infrastructure and transformation programs, and the long-term financial sustainability of the organisation. These investments are essential to maintaining safe and reliable services today while modernising the systems, assets and capabilities required to meet the future needs of our customers and industry.

The progress we continue to achieve in service performance, workforce growth and organisational capability demonstrates our continued commitment of our people and the importance of ongoing investment in our frontline services and future workforce. While our results reflect an improvement from the previous year, we recognise however that in the high-pressure and volatile nature of our environment and significant workforce transformation, there is further work to do to improve employee engagement and workplace outcomes.

Overall, Airservices achieved 9 of its 11 non-financial enterprise KPIs, including all safety, environmental and community targets, and the majority of service performance measures. These results demonstrate an organisation that continues to deliver safe, dependable and high-performing services while making substantial progress on the transformation required to support the future growth, sustainability and resilience of Australian aviation.

Factors influencing performance



Focus on maintaining safety
The safety of air navigation remains our most important consideration. We continue to reinforce the need for ongoing vigilance and continuous improvement across the industry.



Extreme weather and climate vulnerabilities
Increasing frequency and severity of extreme weather events are driving service disruptions, placing additional strain on network capacity and reducing operational predictability.



Ageing asset base
Ageing assets are as an escalating risk to service and financial performance, efficiency and resilience, further influenced by legacy systems and difficulty of timely replacements.



Short-term volatility
Aircraft supply shortages and global backlogs exerting pressure on the aviation sector and putting constraints on capacity.



Financial performance pressures
The ability to secure and manage our financing and debt arrangements is critical to the achievement of long-term objectives. Inability to deliver a significant increase in capital and constraints around our revenue and pricing model, and our heavy reliance on external factors beyond our control (such as traffic volumes) presents risks to achieving the financing we need and our commitment to financial sustainability.



Long-term growth opportunities
Growth in the coming years to be driven by an influx of next-generation, fuel-efficient airframes and the activation of secondary-hub routes. Airlines continue to refine their networks for the resources sector and the structural shift towards increasing leisure and premium-leisure demand.



Ongoing Middle East disruption
Disrupted global flightpaths and changing airspace demand patterns on constrained aircraft supply chains have an impact on our revenue.



Growing frequency and complexity of our cyber environment
Present heightened risks for aviation operations, systems integrity, and service continuity.

Alignment to our purpose

Airservices undertakes a range of key activities to fulfil our purpose. These activities include providing air traffic and ARFF services, investing in infrastructure and facilities needed to deliver these services, and delivering capital projects to establish new capabilities.

Our overall Organisational Performance (**OP**) is measured through select business KPIs.

We have mapped our performance and key activities against our purposes and OP in the following table. Refer to Our Purpose section for details on our 3 key purposes in accordance with the *Air Services Act 1995*.

	Purpose 1	Purpose 2	Purpose 3	OP
Performance outcomes				
Air navigation safety				
Significant attributable safety occurrences (#)	✓			
Service efficiency				
Service availability (%)				
ATC Tower & Airspace	✓	✓		
ARFF	✓	✓		
Airservices attributable cancellations (% of arrivals)	✓			
Airservices attributable ground delay (secs per flight)	✓			
Financial sustainability				
EBITDA ($m)				✓
Cost per IFR flight hour ($)	✓			
Environmental protection				
Scope 1 & 2 Carbon footprint (tCO_2e)			✓	
Community impact				
Monthly NAP reporting for major airports		✓	✓	
NCIS response timeframe (days)			✓	
ANO recommendation response time (days)		✓		
Culture and health of our people				
People engagement score (%)				✓
Lost time injury frequency rate (LTIFR)				✓
Key activities				
Air traffic management (ATM)	✓			
ARFF	✓			
Increasing airspace accessibility		✓		
Fostering markets		✓		
Noise abatement			✓	
Aircraft emissions			✓	
Community engagement			✓	

Summary of performance outcomes

Performance outcome	Key performance indicator	2025–26 Target[1]	2025–26 Result[2]	Assessment
Air navigation safety	Significant attributable safety occurrences (SASO)	0	**0**	**Met**
Service efficiency	Service availability (%)			
	ATC tower & airspace	≥ 98.99	**99.90**	**Met**
	ARFF	≥ 99.85	**99.92**	**Met**
	Airservices attributable cancellations (%) – Top 4 airports	0.02	**0.03**	**Not met** by 0.01
	Airservices attributable ground delay (hours) – Top 4 airports	2	**1.43**	**Met**
Financial sustainability	Earnings before interest, taxes, depreciation & amortisation (EBITDA) ($m)[3]	61.6	**(121.9)**	**Not met** by 183.5
	Cost per instrument flight rules (IFR) flight hour ($)[3]	≤ 260	**260**	**Met**
Environmental protection	Scope 1 & 2 carbon footprint (tCO_2e)[3]	28,000	**26,799#**	**Met**
Community impact	Monthly noise abatement procedure (NAP) reporting for major airports	100%	**100%***	**Met**
	Noise Complaints and Information Service (NCIS) response timeframe (days)	21	**7.9**	**Met**
	Aircraft Noise Ombudsman (ANO) recommendation response time (days)[4]	28	**11^**	**Met**
Culture and health of our people	People engagement score (%)[5]	65	**53**	**Not met** by 12
	Lost time injury frequency rate (LTIFR)	≤ 5	**7.8**	**Not met** by 2.8

1 Source: Airservices 2025–26 Corporate Plan, page 35.
2 Rolling 12-month average result unless otherwise stated.
3 Full year result as at 30 June 2026.
4 Average where there is data.
5 Based on survey results in June 2026.
* Year end actual is the June 2026 result.
^ ANO recommendation response time (days) actual is the average of the months where there is a result.

Performance outcomes and KPIs

Our strategic performance is focused on medium-term enterprise-wide KPIs. While immediate safety and service performance remain our priorities, these indicators monitor how we have progressed across the reporting period, and how we are achieving our performance outcomes to ensure we continue to be recognised as an industry leader and valued service provider.

Air navigation safety

The KPI indicator significant attributable safety occurrences (SASO) measures our operational safety outcomes using industry standard measures.

Key performance indicator		2023–24 Result	2024–25 Result	2025–26 Result	2025–26 Target[1]	Assessment
Significant attributable safety occurrences (SASO)	Number of 'loss of separation' or 'runway incursion' occurrences where the Risk-Assessment Tool score is category A.	0	1	**0**	0	**Met** ✓
	Number of ARFF operational responses to an aircraft incident where there is an inability to achieve operational objectives.	0	0	**0**	0	**Met** ✓

1 Source: Airservices 2025–26 Corporate Plan, page 35.

Results analysis

Safety is our most important consideration, underpinned by ongoing assurance and continuous improvement of our mature safety management system and culture. We continued to operate with a 'safe always' focus during 2025–26, with no SASO recorded for our air traffic services (ATS) and ARFF operations. This outcome reflects our mature safety culture, disciplined operational practices and an ongoing commitment to learning, continuous improvement and the wellbeing of our people.

During the year, we maintained ongoing oversight of occurrences and risk profile assessment of the Metropolitan Class D (Metro D) environment, with further work underway to strengthen the risk controls used to reduce and better manage risk at Metro D aerodromes.

We also continually monitor and assess global aviation events, with a particular focus on those involving air traffic control (ATC), to better understand the challenges faced globally and to look for learnings that can be applied to enhance Airservices' risk controls and processes.

Case study

Modernising our safety management system (SMS)

Airservices' safety management system (SMS) is designed to ensure the highest reasonable standard of safety for air navigation services (ANS) and a safe working environment for our employees. The SMS ensures that good safety outcomes are achieved through competency requirements, hazard identification, and risk control monitoring. A multi-layered assurance model is also applied as part of the SMS that includes trend analysis, systemic reviews, incident investigations and internal audits. Extensive internal and external safety promotion is undertaken through data exchange with customers, safety forums, the creation of training aids and documentation for pilots, as well as through social media channels.

We have commenced a proactive program to modernise and uplift the SMS. A roadmap has been developed which includes key deliverables and considers upcoming regulatory changes in this space. This year we completed a gap analysis of our current SMS against the Civil Aviation Safety Authority (CASA) and ICAO guidance and, through a combination of accessibility and usability enhancements, process review and technology integration, commenced a SMS uplift program to ensure that the organisation and our people are well equipped for both our current and future operating environment.

Service efficiency

There are 3 KPIs under the service efficiency outcome. Service availability directly measures Airservices' ability to deliver ATM services and regulated ARFF services in accordance with our Statement of Expectations. Attributable cancellations measures Airservices' ability to provide consistent and reliable air traffic management into major airports. Attributable ground delay per flight measures Airservices' effectiveness of air traffic management in minimising delays into major airports.

Key performance indicator		2023–24 Result	2024–25 Result	2025–26 Result	2025–26 Target[1]	Assessment
Service availability	ATC tower & airspace	98.12%	99.05%	**99.90%**	≥98.99%	**Met**
	ARFF	99.70%	99.91%	**99.92%**	≥99.85%	**Met**
Airservices attributable cancellations (%)		0.04%	0.02%	**0.03%**	0.02%	**Not met**
Airservices attributable ground delay (seconds)		6.29	1.74	**1.43**	2.0	**Met**

1 Source: Airservices 2025–26 Corporate Plan, page 35.

Results analysis

Airservices facilitated over 3.6 million aircraft movements in the 2025–26 financial year and safely supported 165 million traveller movements in the 12 months to February 2026. Our results demonstrate strong service performance and increasing operational resilience across the network which has supported aviation growth within Australia of over 2.5%. We remain focused on building capability and flexibility to support the safe, efficient and resilient delivery of services.

Service availability

Service availability continued to be strong throughout the year. With Air Traffic Control (ATC) tower and airspace service availability, which is the relative duration of hours of service and its resilience against insufficient staffing levels, unplanned technical issue or contingency measures, achieved 99.90% for the year, exceeding the annual target of 98.99% and continuing a positive trend from the 2024–25 financial year.

ARFF service availability also exceeded our target for the 2025–26 financial year, which is the relative availability of required services for aircraft and its resilience against reduced service from insufficient staffing levels or unplanned technical issues, at 99.92% against a target of 99.85%. These results represent the highest levels of service availability achieved over the past 3 years. These successes have been achieved due to ongoing investment in workforce capability, recruitment and training of ATC and ARFF service staff, and roster resilience initiatives designed to maintain service continuity and minimise the impact of unforeseen disruptions.

Cancellations

Total flight cancellations in 2025–26 have reduced by 2.5% compared to the previous year, supported by network reliability and service performance, where Airservices attributable cancellations accounted for only 0.03% of all cancelled flights. The Airservices attributable cancellations increased slightly compared to 2024–25 and resulted in the annual target of 0.02% being narrowly missed. This performance was mainly impacted by less than 5 service reduction events, predominantly at Sydney airport, rather than widespread disruptions across the network. Throughout the year, Airservices progressed a range of resilience initiatives focused on strengthening workforce capacity and operational flexibility, including increased recruitment and training, enhanced roster management, the development of more robust standby arrangements and targeted measures to improve resilience in key operational locations. These initiatives are designed to reduce the impact of unplanned staffing disruptions and support more consistent service delivery across the network.

Ground delay

Ground delay performance continued to improve, showing an 18% reduction from 2024–25 to 1.43 seconds per flight in 2025–26, outperforming the annual target of 2.0 seconds per flight. This year-on-year improvement continues a significant downward trend from 6.29 seconds per flight recorded in 2023–24. Ongoing operational improvements and the continued benefits of Airport Collaborative Decision Making (A-CDM), now fully operational at Australia's 4 busiest airports, have contributed to more predictable operations, improved planning, and greater efficiency across the national aviation network.

Case study

Strengthening service delivery and workforce resilience

Throughout 2025–26 Airservices recruitment and training programs have injected 109 new air traffic controllers into our operational units. As a result, our customers and stakeholders have seen the reliability of our services improve by 86% year-on-year, supporting airlines in improving their on-time performance by 1% to 77%. Despite the significant improvement in service performance over the previous years, we acknowledge that we continue to see some service impacts at key locations. Additional initiatives are underway to continue to drive resilience and service performance with resourcing and procedure refinement being ongoing key focus areas.

Despite the difficulties the ongoing disruption in the Middle East has caused airlines, Airservices has supported industry growth with 34 new international, domestic and overflight routes being offered in the 2025–26 financial year. Additional resilience and improved performance have enabled us to prepare for 2 significant changes to our service, tower and approach services at both Ballina Byron Gateway (Ballina) airport and Western Sydney International (WSI) airport, while still delivering day-to-day services for our customers. The planning and training required for their introduction has included specialised training for over 400 air traffic controllers leading up to the planned implementation in July 2026.

During high resilience periods such as school holidays, Airservices implemented additional engagement measures to support improved service outcomes. When combined with our sustained focus on strengthening organisational capability and underpinning processes, these measures contributed to improved operational performance. Greater levels of collaboration with airlines and airports enabled a more coordinated planning approach, ensuring operational priorities were considered alongside the needs and objectives of key industry stakeholders. This ensured that the increased airline flight activity accommodating holiday travellers was well managed, leading to improved on-time performance for the travelling public.

Case study

Harmonising operations through Airport Collaborative Decision Making (A-CDM)

A-CDM is a transformative approach that brings together Air Traffic Control, airlines and airports to optimise the arrival, turnaround and departure of flights. By enabling all stakeholders to share accurate operational information in real time through a single technology platform, A-CDM improves coordination, enhances efficiency and delivers an improved experience for travellers.

Historically, operational disruptions such as last-minute gate changes, delays in ground handling readiness or inefficient allocation of airport resources could impact flight operations. Through A-CDM, accurate arrival information is shared across all stakeholders, enabling airports and airlines to optimise the allocation of gates and ground handling resources. Similarly, airlines provide updated departure time information, allowing Air Traffic Control to maximise runway capacity utilisation and minimise delays on the taxiway prior to take-off.

With A-CDM now deployed at Sydney, Melbourne, Brisbane and Perth airports, Australia's busiest aviation hubs are aligned with leading international airports including New York JFK, Hong Kong International, Singapore Changi, Paris Charles de Gaulle and London Heathrow.

Operational adoption has been strong. Compliance with A-CDM procedures, measured through Target Off-Block Time (TOBT) compliance, reached up to 90 per cent within the first six months of operation, significantly exceeding the global benchmark of 80 per cent and achieving results more rapidly than many comparable international implementations. Confidence in the system continues to grow through ongoing enhancements, sustained industry engagement and the demonstrated benefits of A-CDM in day-to-day operations. Key outcomes reported by industry participants include significant delay reductions and increased runway slot availability at Perth Airport, improved gate conflict management at Melbourne Airport, and enhanced operational planning and resource utilisation at capacity-constrained airports undertaking major airfield works.

A-CDM also delivers substantial benefits during periods of operational disruption. During adverse weather events, for example, it provides a more accurate forecast of demand, enabling Air Traffic Control, airlines and airports to collaborate on decisions that optimise the use of available capacity and prioritise arrivals or departures as required. Through the deployment of a common A-CDM platform across Australia's major airports, the Airservices Network Management Operations Centre can also assess how disruptions at one airport may affect the broader network, supporting decisions that deliver the best outcomes across the entire aviation system.

> The successful implementation and ongoing operation of A-CDM reflects the strong collaboration between Airservices, airlines and airport partners. Together, these stakeholders have introduced a new way of working that is delivering measurable benefits for the aviation industry and the travelling public.

Airservices will continue to build on this investment in A-CDM, with a focus on reducing taxi fuel consumption, improving operational predictability, and optimising the use of airport infrastructure and resources across the national aviation network.

Financial sustainability

There are 2 KPIs under the financial sustainability outcome. Earnings before interest, taxes, depreciation & amortisation (EBITDA) measures Airservices' underlying profit without the material bottom line impacts of financial uncertainties. Cost per instrument flight rules (IFR) flight hours allows benchmarking to global peers in a unit-cost-to-serve metric. Cost per instrument flight rules flight hours measures cost incurred by Airservices to provide airspace (enroute and approach) services for each hour of IFR operation, which allows benchmarking to global peers in a unit-cost-to-serve metric.

Key performance indicator	2023–24 Result	2024–25 Result	2025–26 Result	2025–26 Target[1]	Assessment
Earnings before interest, taxes, depreciation and amortisation (EBITDA) ($m)	(60.8)	(155.9)	**(121.9)**	61.6	**Not met** ⊗
Cost per instrument flight rules (IFR) flight hour ($)	404	275	**260**	≤260	**Met** ✓

1 Source: Airservices 2025–26 Corporate Plan, page 35.

Results analysis

EBITDA

Our overall financial performance continued to be challenged throughout the year, resulting in EBITDA of ($121.9) million compared with a budget of $61.6 million.

Revenue was broadly in line with budget, exceeding plan by $0.6 million. This outcome reflected the resilience of underlying demand despite:

- the impact of a one-month delay in pricing implementation and reduced international traffic arising from the Middle East disruption
- the disruption to Middle East traffic had an estimated revenue impact of approximately $24 million over the final 4 months of the 2025–26 financial year, averaging around $6 million per month.

Costs were $183.5 million higher than budget, primarily due to:

- the recognition of $115 million in PFAS-related settlements and provisions
- $30 million of costs associated with the ARFF Strategic Partnership project
- higher labour costs. Labour costs were impacted by overtime expenditure exceeding budget by $41 million, together with approximately $10 million in restructuring and redundancy costs and higher workforce-related expenses.

We continued to focus on cost control and operational efficiency throughout the year. Vacancy management delivered approximately $34 million in labour cost savings. However, these savings were offset by elevated overtime and other workforce-related costs.

> The 2025–26 result highlights the continued focus required on workforce productivity, overtime reduction and the delivery of efficiency initiatives to support long-term financial sustainability.

Cost per IFR flight hour

Airservices met the cost per IFR flight hour KPI target for the 2025–26 financial year at $260. The 1% year-on-year increase in cost per IFR flight hour was driven by total costs increasing by 4%, mainly due to higher operating costs partially offset by lower depreciation expenses, while IFR flight hours grew by 2% over the same period.

The calculation of this measure is consistent with CANSO's international framework for measuring the unit cost of enroute and approach services, allowing comparability with other Air Navigation Service Providers (ANSP). Benchmarking available from CANSO's most recent year of publication (FY23) shows that Airservices' enroute charges have remained broadly stable in nominal terms since FY19 while charges in many comparable jurisdictions have increased.

Case study

LTPA engagement and progress

The FY2027–FY2031 Long-Term Pricing Agreement (LTPA) represents a significant component of Airservices' broader strategy to strengthen its long-term financial sustainability. As Australia's aviation industry continues to grow and evolve, the LTPA is expected to provide a key avenue through which Airservices can continue to invest in the infrastructure, technology and capability required to meet future demand.

The LTPA reflects Airservices' commitment to balancing the long-term interests of the aviation industry with the financial sustainability of the organisation. By adopting a structured, long-term pricing framework, Airservices is better positioned to provide greater certainty for customers, support informed investment decisions and maintain the resilience of Australia's aviation network.

While the proposed pricing arrangements remain subject to regulatory assessment, the development and submission of the Draft Price Notification (DPN) for the LTPA marks a crucial step in Airservices' long-term financial sustainability.

Together with ongoing operational and financial initiatives, the LTPA is expected to play a critical role in strengthening the organisation's long-term financial sustainability, and ensuring Airservices remains well placed to deliver essential services to the Australian aviation industry.

Development of the LTPA has been underpinned by an extensive program of engagement with customers, government and the Australian Competition and Consumer Commission (ACCC). Throughout the process, Airservices sought to build a shared understanding of the challenges facing the organisation, the investment required to maintain and modernise critical aviation infrastructure, and the principles that have informed the proposed pricing approach. This framework has provided stakeholders with multiple opportunities to provide feedback, which has informed the development of the DPN submitted to the ACCC on 2 April 2026.

Environmental protection

The KPI of scope 1 & 2 carbon footprint measures Airservices' environmental impact in driving sustainability improvements across our operations.

Key performance indicator	2023–24 Result	2024–25 Result	2025–26 Result	2025–26 Target[1]	Assessment
Scope 1 & 2 carbon footprint (tCO_2e) Measures greenhouse gas emissions across direct emissions, and indirect emissions from energy usage.	28,397	28,226	**26,799.33**	28,000	**Met** ✓

1 Source: Airservices 2025–26 Corporate Plan, page 35.

Results analysis

Progress is ongoing against our Environmental Sustainability Strategy targets, including reducing our carbon footprint by 43% by 2030, and achieving net zero by 2050 for our operations.

In early 2026, we exercised an option within our existing Large Market Electricity contract to purchase certified Green Power. This option has reduced our purchased electricity emissions footprint by ~1,000 tCO_2e, ensuring we meet our Corporate Plan target for financial year 2025–26 and continue to progress towards our longer-term emissions reduction targets.

In addition to working to reduce our carbon footprint, we are integrating climate risk assessments and adaptation measures to better prepare for and respond to the impacts of climate change. More details can be found in the section on 'Emissions reporting/climate-related metrics' under Environmental Management and Performance.

Community impact

There are 3 KPIs under the community impact performance outcome. Monthly noise abatement procedure (NAP) reporting for major airports KPI improves transparency about Airservices' aircraft noise impacts to ensure stakeholders are regularly updated on NAP adherence and is within the scope of minimising the impact of aircraft operations on communities as part of our obligations in providing air traffic services. The Noise Complaints and Information Service response timeframe KPI demonstrates our ability to engage with the community in a timely manner. The Aircraft Noise Ombudsman (ANO) recommendation response time KPI demonstrates reduced impact on community through our response to recommendations and builds trust in the effectiveness of the process.

Key performance indicators	2023-24 Result	2024-25 Result	2025-26 Result	2025-26 Target[1]	Assessment
Monthly noise abatement procedure (NAP) reporting for major airports[2]	n/a	n/a	**100%***	100%	**Met**
Noise Complaints and Information Service (NCIS) response timeframe (days)[2]	n/a	n/a	**7.9#**	21	**Met**
Aircraft Noise Ombudsman (ANO) recommendation response time (days)[2]	n/a	n/a	**11^**	28	**Met**

1 Source: Airservices 2025–26 Corporate Plan, page 35.
2 New KPI for the 2025–26 financial year. Historical data is not available.
* Year end actual is the June 2026 result.
# Average response timeframe over 12 months.
^ ANO recommendation response time (days) actual is the average of the months where there is a result.

Results analysis

Monthly noise abatement procedure (NAP) reporting for major airports

During 2025–26, Airservices expanded its Noise Abatement Procedure (NAP) adherence reporting to cover 10 major Australian airports including Sydney, Melbourne, Brisbane, Perth, Adelaide, Canberra, Hobart, Gold Coast, Sunshine Coast, and Cairns.

For 9 of these locations (all except Sydney) NAP adherence reporting was expanded this financial year, with 100% of reportable NAPs now published on Aircraft in Your Neighbourhood. Reportable NAPs are those within Airservices' operational control, relevant to current operations and for which reliable data is readily available. More complex NAPs remain under review by an operational working group, which will determine whether reporting can be established or amendments are warranted.

For Sydney, Airservices reports on adherence to the Long-Term Operating Plan (LTOP) as required under the Ministerial Direction. This reporting has been in place for several years. Airservices plans to engage with the Sydney Airport Community Forum (SACF) to explore whether aligning Sydney's LTOP reporting with the new NAP adherence format adopted at the other 9 airports would be supported by the community.

Noise Complaints and Information Service (NCIS) response timeframe

The NCIS exceeded its response timeframe target in 2025–26, achieving an average response time of 7.9 days against a target of 21 days. This result reflects the team's continued focus on providing timely responses to community enquiries and complaints.

ANO recommendation response time

The ANO submitted 2 reports to the Board over the reporting period. The response time of 21 days was within the 28 day target for the report received in September 2025. The response time for the report received in June 2026 falls within the next reporting period.

Culture and health of our people

There are 2 KPIs under the culture and health of our people outcome. Performance engagement score signals workplace satisfaction and culture, which is important for optimal business productivity and performance. Lost time injury frequency rate (LTIFR) is an industry standard measure to assess workplace safety performance.

Key performance indicator	2023–24 Result	2024–25 Result	2025–26 Result	2025–26 Target[1]	Assessment
People engagement score (%)	59	49	**53**	65	**Not met** ⊗
Lost time injury frequency rate (LTIFR)	5.0	4.2	**7.8**	≤5	**Not met** ⊗

1 Source: Airservices 2025–26 Corporate Plan, page 35.

Results analysis

People engagement

We are committed to delivering our culture improvement program, which provides a strategic framework and prioritised initiatives to support continuous progress towards our desired culture. Our goal is to prevent serious harm and ensure we have safe, resilient and healthy people who enable the safety of our skies in a high-performance workplace.

> Employee engagement has improved over the past year following a decline in the previous year. Although our latest engagement score of 53 for the 2025–26 financial year is below our target of 65, the four point increase suggests that the foundations from the first year of our 3-year Culture Improvement Strategy are beginning to strengthen our organisational culture towards achieving our target cultural aspirations. We are continuing to embed our target culture through this strategy – one where we work together to build a high-performing, safe and respectful culture, grounded in trust and in service of our people, customers and community.

Recent changes to systems, processes, infrastructure and the operating model, alongside ongoing financial pressures, have continued to influence the day-to-day experience of our workforce. Despite these challenges, our efforts to shape culture are starting to have a positive impact. By integrating workforce planning, capability development and cultural improvements focusing on enhancing employee experience and promoting a respectful, inclusive and psychologically safe workplace, we will continue to work towards building a more adaptable organisation that can safely absorb change, deliver major capital programs and importantly deliver long-term value for the aviation industry, government and the Australian public.

Further information on the cultural improvement program and our progress against planned objectives is detailed in the section on Our People.

Lost time injury frequency rate (LTIFR)

LTIFR for the 2025–26 financial year was 7.8, an increase from the previous year and was above target. This result is partially attributable to enhanced visibility of injuries through improved reporting, ensuring more timely support for our people and contributing to better long-term recovery outcomes.

A number of these injuries were associated with specific workplace environmental factors during the year, with targeted controls and monitoring implemented aiming to reduce future risk and support safe operations. We continue work towards bringing our LTIFR below target for the 2026–27 financial year through ongoing communication and engagement initiatives. These include work focusing on:

- improving early intervention access
- minimising injury severity
- expanding emphasis on psychosocial risk management
- strengthening our injury assurance processes
- enhancing risk and compliance management capabilities.

Refer to case study ‘Psychosocial risk improvement program’ and work health and safety section for further details.

Case study

Psychosocial risk improvement program

Airservices continued to strengthen its approach this year to managing psychosocial risks through the Psychosocial Risk Improvement Program (PRIP), reinforcing our commitment to proactively identifying and managing work-related psychosocial hazards. The program brings together employees, leaders, Health and Safety Representatives and subject matter experts from across the organisation, ensuring the experiences and insights of our people inform improvements to our systems, processes and controls.

> During the year, PRIP continued to evolve workforce-led collaboration and improved use of organisational insights to better understand emerging psychosocial risks. Cross-functional working groups supported the co-design of psychosocial risk management templates, practical resources and a dedicated information hub, providing leaders and employees with improved access to guidance and support.

These initiatives continue to build awareness, capability and consistency in how psychosocial risks are understood and managed across Airservices. Leadership commitment to psychosocial risk management is demonstrated through governance of PRIP via the Safety Management Forum, which provides oversight, supports due diligence and enables alignment of improvement priorities. The program also interfaces with Health and Safety Committees and the Culture Reform Board, strengthening shared understanding of psychosocial risks and supporting coordinated action across the organisation.

PRIP continues to strengthen Airservices' approach to creating healthier and safer workplaces by integrating workforce insights, leadership commitment and evidence-informed decision-making. Through this collaborative approach, the program helps drive and sustain a culture of safety, respect, trust, collaboration and high performance, supporting our people and organisation to achieve stronger organisational outcomes.



Key activities

We undertake a range of distinct key activities to fulfil our purpose. These activities include investment in enhancing our business-as-usual operations, as well as in capital projects to establish new capabilities.

Air traffic management (ATM)

During the year we endorsed 109 newly qualified air traffic controllers, including a mix of new trainees and experienced overseas staff. Roster resilience, management of unplanned leave and overtime continued to be key focus areas to drive improvements in service availability. See case study on 'Strengthening service delivery and workforce resilience' for details.

Key initiatives to improve service, safety, efficiency and performance to support our internal and external stakeholders include:

- **Establishment of controlled services at Ballina** airport to improve safety outcomes for operators. We will continue to monitor and enhance the performance of our service and deploy technological solutions over the coming years.
- **Establishment of controlled services and aerodrome services for the opening of WSI airport** as the first new international airport in over 50 years. We delivered specialised training to over 400 ATC, completed publication of all aeronautical information services products, promulgated required complex airspace changes, deployed ARFF services and implemented leading-edge digital aerodrome service (DAS) technology.
- **Commencement of planning for significant airport developments at Perth and Melbourne**, where new runways are being built. These will add significant additional connectivity for passengers, enabling easier access to new domestic and international locations from a wider range of operators. Considerable focus is in place to support delivery timelines specified in their respective master development plans.
- Progressed the **establishment of the National Airspace Management Office (NAMO)**, Australia's joint civil-military capability for integrated airspace management. Designed to optimise airspace as a shared national resource, NAMO strengthens national coordination, supports Flexible Use of Airspace (FUA) principles and enhances Airservices' ability to safely and efficiently accommodate growing demand, evolving operations and future aviation needs.

Aviation rescue fire fighting (ARFF)

During the 2025–26 financial year, we had 94 additional aviation rescue fire fighters enter operational service. We responded to more than 5,100 emergencies and requests for assistance across the country. These responses included over 360 aircraft-related incidents, more than 2,400 medical emergencies and more than 1,800 fire alarms, alongside fires, hazardous materials incidents, fuel spills and other operational emergencies requiring our specialist emergency response capability.

We protected passengers, crew, airport workers and critical aviation infrastructure across Australia's airports. During the year, 18 lives were saved through the actions and specialist capabilities of ARFF personnel. From regional airports to our nation's busiest aviation hubs, we provided critical emergency response capability that supports the safe operation of Australia's aviation network and enables the timely recovery of airport operations following emergencies and disruptions.

We continued to enhance our ARFF operational capability through the introduction of new technology and equipment. New Mk10 Oshkosh Volterra fire fighting vehicles were commissioned, introducing high reach extendable turret capability and enhancing fire fighting effectiveness, operational flexibility and fire fighter safety. We also commenced the rollout of the next generation dispatch system, providing a modern technology platform to support emergency dispatch, incident management and operational coordination.

As Australia's aviation sector continues to grow, we are expanding our ARFF capability, workforce and operational readiness to support increasing service delivery requirements, larger aircraft operations and new aviation infrastructure. Continued investment in our people, equipment and capabilities is strengthening organisational resilience and ensuring ARFF remains well positioned to support the future safety of Australian aviation.

Case study

Supporting safe outcomes across Australia's aviation network

When aviation emergencies occur in Australia, whether at our busiest metropolitan airports or in regional and remote cities and towns, Airservices' ARFF service provides the specialist emergency response capability that helps protect passengers, crew, airport workers and critical aviation infrastructure. By responding rapidly and effectively when incidents occur, we are keeping people safe and support the continued operation of Australia's aviation network.

> During the year, we responded to 363 aircraft-related incidents across Australia, including 52 incidents at regional airports and approximately 200 local standby events, where crews and vehicles were positioned to support aircraft experiencing emergencies.

Every aircraft emergency is different, but each response demonstrates the readiness, professionalism and specialist capability ARFF brings when it matters most. Through rapid response and specialist intervention, we help protect lives, reduce risk and support safe outcomes for the wider aviation community. The presence of ARFF provides assurance to airlines, airports and the travelling public, minimising disruption and supporting the continued safe operation of airports during periods of elevated risk.

These capabilities were called upon hundreds of times throughout the year, demonstrating the critical role ARFF plays in supporting safe aviation outcomes across metropolitan, regional and remote Australia. In Melbourne, we responded to a Jetstar Boeing 737 engine fire at one of Australia's busiest airports. In Rockhampton, we supported the arrival of a Boeing 737 experiencing a cargo hold fire indication, ensuring the safe management of the aircraft and passengers following landing. In Broome, ARFF personnel responded to a light aircraft crash shortly after take-off, deploying specialist resources and supporting a coordinated multi-agency emergency response in a remote operating environment. Together, these incidents demonstrate the breadth of ARFF's emergency response capability and the important role it plays in protecting people and supporting the resilience of Australia's aviation network.

Whether responding to an aircraft emergency in a major capital city, a regional centre or remote Australia, ARFF remains a vital part of Australia's aviation network, helping protect lives, maintain operational continuity and support the safe and efficient movement of people and aircraft across the country.

Increasing airspace accessibility

During 2025–26, Airservices continued to improve safe and efficient access to Australian airspace while supporting future growth across the aviation network. Australia's flight training sector is showing signs of a sustained growth phase. Aviation training enrolments have risen 88% between 2021–2024, major flight schools are reporting record intakes, and CASA issued 3,669 new aeroplane pilot licences in 2024–25, which was the third consecutive year of growth. This was supported by the Australian Government's decision to exempt pilot training students from international student caps, recognising the importance of a strong aviation workforce pipeline.

Industry forecasts reinforce this trajectory, with Boeing estimating Oceania will need approximately 11,000 additional pilots over the next 2 decades. We are supporting this expanding sector directly by providing the airspace services the next generation of aviators needs to train, qualify, and enter the global workforce. We safely managed over 1.0 million combined movements across 6 major training aerodromes – Moorabbin, Jandakot, Bankstown, Parafield, Archerfield, and Camden in the 2025–26 financial year.

As part of our efforts to increase airspace accessibility over the past year, we introduced controlled airspace and new air traffic services at Ballina airport, on Bundjalung Country in the Northern Rivers region, following CASA's direction to respond to increasing operational complexity. We delivered the changes while maintaining continuity of operations at a live airport. The transition created a new, integrated element of Australia's air traffic management network, bringing together controlled airspace, a new tower service and a new Ballina approach sector. The change strengthens safety, supports future growth, and reinforces Ballina airport's role as a critical gateway connecting Northern Rivers communities with the broader national aviation network.

> We also progressed the airspace changes required for WSI airport and advanced planning for significant airport capacity expansions at Melbourne and Perth airports, which will support future aviation growth and increased connectivity for passengers, freight and regional communities. These projects form part of a once-in-a-generation expansion of aviation capacity across Australia's capital cities.

We worked with Melbourne airport on the development of the Noise Sharing Plan, supporting airspace concepts required under the Minister's approval conditions for the third runway. At Perth, planning activities progressed across airspace, operational, ARFF service and technology workstreams to support the future parallel runway program.

Both of the programs will enable more Australians to connect safely with an expected capacity for around 45 million additional passengers by the mid-2040s, as forecasted by Melbourne and Perth airports.

See capital investments section for more information on Western Sydney International (WSI) airport.

Case study

Navigating flightpath change engagement – Ballina and Perth

Ballina airport transition to controlled airspace

Community engagement on Ballina moved to its final pre-implementation stage ahead of Ballina transitioning to a Class D controlled aerodrome from 9 July 2026 – the first major airspace change to apply the Airservices Community Engagement Standard (CES). The change is an outcome of a Ballina airspace review by CASA and delivers improved safety for all airspace users in the Ballina region.

This is a culmination of 2 rounds of engagement with community on the flightpath design that began in 2024, working closely with CASA who led industry engagement on the airspace design. Application of the CES allowed us to clearly demonstrate how the final flightpath design was shaped by community and industry feedback, summarised in the final outcome report published on Engage Airservices.

The final stage of engagement reminded communities around the NSW Northern Rivers region of the upcoming change and that they may notice changes to flightpaths. The Engage Airservices website provided information on noise monitoring and how to provide feedback for consideration in the project's post-implementation review.

Perth airport new runway flightpaths

In June 2026, we commenced Step 1 of community consultation to support flightpath detailed design for Perth airport's new parallel runway, anticipated to open in late 2028. In line with the CES (Level 1 change – most complex proposals), Step 1 of engagement sought feedback on our proposed engagement channels and provided a refresher on the indicative flightpath corridors as outlined in Perth airport's approved 2018 major development plan for the new runway.

The engagement included briefings to local councils, State and Federal members of parliament, as well as widespread digital, social media and press advertising across Perth. Collaborating with Perth airport on the engagement further strengthened our reach.

The engagement results were a record for Airservices, achieving over 25,000 visits to the Engage Airservices Perth webpage, over 10,000 factsheet downloads, and nearly 400 survey responses to the preferred engagement channels survey – strong engagement from stakeholders as a result of being able to provide early input into engagement planning. The feedback received allows us to refine our engagement approach to meet community needs and provides a solid foundation for the next 2 rounds of engagement on the flightpath design.

Fostering markets

Airservices continued its work on supporting the safe growth of uncrewed aircraft in Australia's shared airspace during 2025–26, with a key focus on developing the Flight Information Management System (FIMS). FIMS will provide a trusted source of airspace information and enable industry providers, known as UAS Service Suppliers (USS), to deliver applications that help operators plan and manage flights safely and efficiently.

During the year, we worked closely with an initial group of industry USS to support their readiness to participate in the Uncrewed Aircraft System Traffic Management (UTM) ecosystem being enabled by FIMS, including providing access to test environments, supporting application development, and working through operational scenarios. These activities are helping to establish a competitive and open market ecosystem.

Airservices also supported broader industry capability through delivery of the Industry Participation Scholarship with the Australian Association for Uncrewed Systems, and engagement at key industry conferences to share progress and align with stakeholders.

Noise abatement

As aviation evolves through new navigation technologies, changing flightpaths and major infrastructure developments, the procedures that manage aircraft noise must evolve with it. This year, we took significant steps to ensure our Noise Abatement Procedures (NAP) remain current, effective and transparent across the 10 major airports where we monitor adherence. A key milestone was the introduction of NAP Quarterly Insights Reporting, which provides ongoing visibility into how well aircraft adhere to designated flightpaths. Starting with the summer 2025/2026 edition, these reports mark the beginning of a sustained commitment to seasonal tracking and sharing of flightpath adherence data, building a foundation for continuous improvement and community confidence.

We established a cross-functional working group in March 2026 to conduct a structured review of NAPs across 10 major airports in Australia. Reviews completed at 7 airports have identified that some procedures have not kept pace with modern aviation, reducing their effectiveness and creating practical challenges for operations. The working group will continue its review across the remaining airports, with updated NAPs progressed in coordination with broader flightpath and infrastructure programs. Quarterly reporting will continue to build a picture of adherence trends over time, informing priorities and supporting transparency with the communities we serve.

Case study

Tracking flightpaths — quarterly NAP adherence insights

Delivering on a government commitment, Airservices is developing a series of quarterly public reports on NAP adherence, designed to provide communities with unprecedented transparency on how aircraft follow preferred flightpaths across the nation's major airports.

Background

Preferred flightpaths and NAPs are a key component of Australia's aircraft noise management framework. NAPs specify flightpath routing, altitude restrictions, operational limits and take-off/landing techniques, all aimed at minimising noise exposure over sensitive residential and community areas.

Our commitment

In 2026, Airservices progressed delivery of Initiative 33 of the Australian Government's Aviation White Paper by developing consolidated NAP adherence reporting across 9 major airports, excluding Sydney.

The first 2 quarterly reports, covering summer and autumn 2025–26, established a baseline for assessing how effectively these procedures are being applied under varying seasonal conditions.

Because NAPs vary significantly across airports, the reports present meaningful context on airport specific aircraft adherence for arrivals, departures and specific procedural tracks, as well as different operating periods.

At Sydney airport, Airservices operates under a Ministerial Direction – issued under subsection 16(1) of the *Air Services Act 1995* – to implement the Long-Term Operating Plan (LTOP). Current reporting therefore focuses on LTOP noise sharing outcomes, which provide important context on how aircraft movements are distributed across the community. LTOP defines runway modes, respite and noise sharing which delivers broader outcomes than just NAPs. Airservices will work with the community to identify and develop appropriate reporting on NAPs to complement LTOP reporting.

What the reports reveal

Preferred flightpath adherence at the 9 major airports was generally strong and stable across the network, particularly for departure operations and clearly defined arrival procedures. Where variability was observed, it was concentrated on specific runways or time periods and driven by traffic management, weather conditions, aircraft performance, and airspace constraints, rather than systemic non-compliance.

Community complaint data supported these findings, with volumes remaining low relative to total aircraft movements. Where complaints did occur, they generally aligned with known operational factors including high-volume runways, night-time operations, and route deviations driven by traffic management or weather.

Next steps

Completion of the winter 2026 quarterly report will allow the quarterly reporting series to mature, continuing to establish a baseline for seasonal trend analysis and meaningful comparisons as the dataset grows over subsequent reporting cycles. These insights can then inform targeted operational improvements.

Ongoing internal and external stakeholder reviews, conducted as part of each reporting cycle, support the sharing of transparent, accessible reporting on the noise impacts of aircraft operations on communities. This is an important commitment as Australia's aviation network continues to grow.

Aircraft emissions

Through improvements in ATM practices, including user preferred routes (UPR) and predictable sequencing trials, Airservices facilitated an estimated 42,752 tCO_2e of potential avoided emissions for airlines in Australian airspace during the 2025–26 financial year. This represents a meaningful contribution to reducing aviation's environmental footprint through smarter and more efficient airspace management.

UPRs continued to deliver consistent emissions savings across the reporting period, with long-haul flights by Middle Eastern carriers accounting for the majority of monthly fuel burn and emissions savings attributed to this initiative. However, the ongoing conflict in the Middle East had a measurable impact on outcomes in the latter part of the year, with UPR-related emissions savings reduced significantly, reflecting the sensitivity of these benefits to geopolitical factors and route availability.

In addition to ATM efficiency improvements, A-CDM was successfully rolled out across 4 major airports – Perth, Brisbane, Sydney and Melbourne – during the financial year. A-CDM supports more coordinated and predictable airport operations, with emissions benefits tracking currently being established as implementation matures. We expect this program to contribute measurably to emissions reduction outcomes in the year ahead.

Refer to case study on 'Harmonising operations through Airport Collaborative Decision Making (A-CDM)' in service efficiency section for more information.

Community engagement

During the year, Airservices delivered a broad program of community and industry engagements to support airspace changes, flightpath design, noise management initiatives and airport planning projects across Australia. These activities provided communities with opportunities to understand proposed changes, ask questions and provide feedback to help inform decision-making.

Key engagement programs included consultation on the Noise Action Plan for Brisbane, detailed flightpath design for WSI airport, post-implementation review recommendations at Hobart and Sunshine Coast airports, and preliminary detailed flightpath design work for Perth Airport. Airservices also supported the implementation of significant airspace changes at Western Sydney, Ballina and Bankstown, helping communities prepare for operational changes and understand what to expect following implementation.

In Brisbane, community and industry engagement on preferred options for Package 3 of the Noise Action Plan for Brisbane (which focuses on reducing the frequency and concentration of flights over communities) generated more than 1,700 items of feedback from over 1,500 community participants. Assessment outcomes were published in July 2026 following consideration of community feedback alongside operational, environmental, safety and technical requirements. A highlight of the engagement program was the development of a suite of animated videos explaining the proposed changes and their potential impacts. These complemented Airservices' Brisbane airspace operations video, which provides a clear and accessible explanation of how Brisbane's airspace operates, the constraints involved in flightpath design and the factors considered when assessing change options. The video attracted more than 20,000 views from audiences across Australia, helping improve community understanding of airspace complexity.

In Western Sydney, Airservices undertook extensive community engagement to support the introduction of flightpaths, noise abatement procedures and a noise monitoring program for Australia's newest international gateway, WSI airport. Engagement activities included 35 face-to-face community sessions across Greater Sydney and the Blue Mountains, online webinars and stakeholder briefings, helping community members understand the new arrangements and what to expect when operations commenced. To further increase awareness ahead of implementation, Airservices delivered an additional community engagement campaign in 2026, including traditional and digital advertising, social media and audio advertising, direct stakeholder communications, letterbox drops and 27 community pop-up sessions across Greater Sydney. These activities supported community awareness of the new airspace arrangements, which commenced on 9 July 2026.

At Ballina, Airservices implemented community awareness activities associated with the introduction of controlled airspace and new flightpaths, which also commenced on 9 July 2026. Airservices worked closely with CASA, Ballina airport and Ballina Shire Council to support effective communication before and after implementation, with processes established to gather community feedback and inform a future Post Implementation Review.

Airservices also supported community consultation on CASA's proposed Bankstown south-east visual flight rules (VFR) corridor. The project commenced in 2024, with engagement during 2025–26 focused on CASA's preferred design, which incorporated feedback received from stakeholders and the community during earlier consultation phases. Following consideration of this feedback, CASA approved the implementation of a new one-way outbound VFR route south-east of Bankstown Airport. The new corridor commenced operation on 9 July 2026, providing an additional route for aircraft operating to the east and south of the airport.

At Hobart Airport, engagement on a proposed change arising from the Hobart post implementation review was completed and a final decision was released in June 2026.

At Sunshine Coast Airport, engagement on non-flightpath recommendations from the Post Implementation Review was completed, with planning underway for future consultation on recommendations involving potential flightpath changes.

Community engagement also commenced in Perth on the preliminary detailed flightpath design for Perth Airport's new runway in June 2026, supported by Perth Airport Pty Ltd. Early engagement generated strong public interest, with more than 25,000 visits to the Engage Airservices website and over 10,000 fact sheet downloads. Step 1 of the engagement closed on 6 July 2026 and feedback received will inform future stages of the design and engagement process.

In Melbourne, Airservices continued to support Melbourne Airport as it progressed major planning initiatives associated with the approved third runway project, including development of a Noise Sharing Plan and the cross runway Eastern Extension Project. Airservices worked closely with Melbourne Airport to support community engagement activities and provide information on airspace and operational matters.

Across all programs, engagement was delivered in accordance with our Community Engagement Standard, ensuring communities, industry stakeholders and elected representatives had access to timely information and meaningful opportunities to participate. Through these activities, Airservices supported informed decision-making, increased awareness of airspace and flightpath changes, and strengthened community understanding of Australia's aviation network and future development plans.

Capital investments

The significant investments progressed through our transformation program across the year reflect the growing scale of our capital investment agenda, which focuses on modernising our critical infrastructure, replacing ageing assets and supporting future aviation growth. Supported by strengthened governance and oversight arrangements, our capital investments are carefully prioritised to ensure we invest in the right areas and support the future needs of the aviation industry.

OneSKY

OneSKY is a partnership with the Department of Defence to harmonise civil and military air traffic control, enabling the safe and efficient management of Australian airspace as a national resource. It will replace Australia's 2 current independent civil and military air traffic management systems with a single advanced system – the Civil Military Air Traffic Management System (CMATS).

CMATS will provide a shared national view of airspace, enhancing safety, operational efficiency, national security and defence readiness through integrated civil and military air traffic management.

During 2025–26, the program achieved several significant milestones, focused on system design and development completion, and incorporating additional security requirements to ensure compliance with national and Defence security standards. Factory testing of 2 major software releases was successfully completed, positioning the program for the delivery phase.

The program also progressed operational readiness through Airservices and Defence exercises that evaluated CMATS functionality and informed process and training improvements. A successful functional demonstration at Royal Australian Air Force (RAAF) Base East Sale provided assurance that CMATS can operate effectively within the Defence environment, while hardware installation at RAAF Base Amberley was completed during the year.

The Project of Concern process remained active throughout the reporting period, with several summits bringing together key stakeholders to maintain focus on delivery and risk management. These forums reinforced senior leadership commitment and strengthened collaboration across all parties in support of delivering Australia's next generation integrated air traffic management system.

Case study

ATM service transformation

Airservices is modernising Australia's air traffic management capability through the Air Traffic Management Services Transformation program. Central to this transformation is OneSKY and the delivery of the Civil Military Air Traffic Management System (CMATS), a secure, next generation integrated system for managing Australia's civil and military airspace.

Over the next 3 years we will replace Australia's ageing air traffic control systems which will fundamentally reshape how Airservices Australia delivers safe and reliable air navigation services across the country. As aviation demand accelerates – driven by new runways, airport expansions, and the growth of uncrewed systems – this once-in-a-generation investment ensures our people, technology, and processes are positioned to meet that future with confidence and resilience. It will enable safe and sustainable growth in air traffic as we create a new national network of flightpaths and airways linking the existing airports, new airports and new runways to the world.

From mid-2026 we will commence operationalisation of new communications, surveillance, navigation, automation and facilities. From November 2027, pending regulatory and safety requirements being met, we will commence operating Australian airspace from our new ATC platform – the Civil Military Air Traffic Management System (CMATS), as a secure, harmonised national resource, offering safer, faster, more reliable, cleaner journeys as we connect Australians with each other and with the globe.

Planning for the transition from the current air traffic management system to CMATS is being finalised, with the airspace transition planned to be completed over a 12-month period, subject to regulatory approvals, successful technology testing and integration.

The year 2025–26 focused on CMATS design completion and testing. The complete system has been designed and developed, and factory testing has successfully progressed through increments to the final stage. This rigorous testing, along with other test campaigns, are continuing to ensure CMATS is safe, fit for purpose and integrates with our national airways system.

Over the year, we also ran 4 scenario testing events with experts from across civil and Defence. These events used realistic operational scenarios to test CMATS functions and assess its readiness for operations. Feedback gathered from these events informs training and process development.

CMATS trial training courses have begun, providing an opportunity to capture any corrections or improvements to training needs. The first stage of training will begin in the final quarter of 2026 using a train the trainer approach.

A successful CMATS functional demonstration was conducted at the first Defence site – Royal Australian Air Force (RAAF) Base East Sale, eight months ahead of schedule. This assurance and de-risking demonstration included CMATS integration with surveillance and all other relevant systems. CMATS hardware installation at the major RAAF Base Amberley is also complete.

ARFF NexGen, facilities and environment

During the year, Airservices made significant progress in modernising ARFF services, facilities and environmental management programs. The new ARFF service at WSI airport was successfully established and operations commenced as planned, supported by recruitment, training and operational readiness activities. Four ultra-large fire vehicles were commissioned for the airport, providing enhanced emergency response capability and supporting safe airport operations from day one.

The National Fleet Replacement Program also achieved key milestones, with the first tranche of 10 Rosenbauer ultra-large fire vehicles progressing through production, testing and delivery. Vehicle acceptance testing commenced for the first vehicle, while subsequent vehicles advanced through factory acceptance testing, shipping and assembly. The program represents a significant investment in contemporary emergency response capability and will progressively modernise Airservices' national ARFF fleet.

Airservices also continued to invest in facilities and environmental management initiatives across its network. Critical infrastructure upgrades progressed at several locations to support the introduction of the new fleet and improve working environments for our people. The PFAS program advanced across priority sites, including commencement of remediation works at Rockhampton, completion of the Perth Remediation Action Plan, and continued monitoring activities at Launceston following successful remediation. Wastewater treatment systems remained operational at Brisbane and the Gold Coast, with additional treatment capability progressing through approvals and design activities at other locations.

Service level upgrade

During 2025–26, Airservices progressed a range of service improvement initiatives designed to enhance safety, accessibility and capacity across the Australian aviation network. A significant milestone was the commissioning of new controlled airspace, flightpaths and air traffic services at Ballina, supporting the safe management of increasing traffic demand in the Northern Rivers region and responding to CASA's direction to enhance services at the airport. See Case study: Navigating flightpath change engagement: Ballina and Perth for more information.

We also advanced planning and design activities for our major future aviation infrastructure investments, including Melbourne Airport's third runway and Perth Airport's new parallel runway. This included development of airspace concepts, operational planning, technology assessments and collaboration with airport operators to support future increases in aviation capacity. Planning continued alongside broader industry initiatives associated with WSI airport and future airspace modernisation programs.

In the Pilbara, Airservices progressed planning activities to improve aviation services supporting one of Australia's most important resource regions. The Pilbara aviation network supports high levels of FIFO and regional aviation activity, with approximately 200 aircraft movements per day, including around 124 daily passenger aircraft movements. Aviation activity in the region has grown significantly in recent years, driven largely by the resources sector, and Airservices continues to plan for future growth while maintaining safe and efficient access to airspace.



Photo credit: Trevor Mein

Western Sydney International (WSI) Airport

Airservices successfully delivered the services and infrastructure needed to support the opening of WSI airport, Australia's 31st controlled aerodrome.

During the year, we introduced new air traffic management and aviation rescue and fire fighting capabilities, including Australia's most advanced DAS operated from the Western Sydney Remote Tower Centre at Eastern Creek. We also completed the installation and testing of key airfield systems and navigation equipment to support safe and efficient airport operations. A new aviation rescue and fire fighting station was completed, with specialised fire fighting vehicles commissioned and operational personnel trained and ready to support airport operations from day one.

We also implemented a new airspace design and flightpaths across the Sydney Basin, following extensive consultation with industry and the community. The new arrangements enable WSI airport, Sydney airport and Defence aviation activities to operate safely and efficiently within shared airspace, supporting future growth in Australia's aviation network.



Case study

Delivering safe, integrated and future-ready operations at Western Sydney International (WSI) Airport

WSI airport represents one of Australia's most significant aviation developments in more than 50 years, bringing together DAS, airspace design, airfield systems and aviation rescue fire fighting capabilities to enable safe, efficient and future-ready operations.

Overview

WSI airport is Australia's first major new international airport in more than 50 years and a significant investment in the country's aviation future. Designed to operate 24 hours a day, the airport will expand aviation capacity, strengthen passenger and freight connectivity, and support economic long-term economic growth across Western Sydney.

Airservices Australia played a central role in preparing the airport for operations through 4 integrated programs:

- Digital Aerodrome Services (DAS)
- Airspace and flightpath design
- ARFF Services
- Airfield systems and networks, including communications, navigation and surveillance infrastructure

Delivered in collaboration with government, Western Sydney Airport Co (WSA Co), CASA, industry and local communities, these programs established the operational foundations for Australia's first airport without a traditional control tower and created a model for future aviation service delivery.

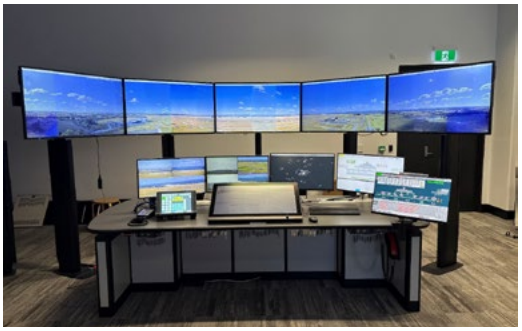


Building a digital first airport

As a greenfield development, WSI provided a unique opportunity to design and deploy digitally enabled aviation services from the outset.

At the centre of this transformation is Australia's first DAS, delivered from a Remote Tower Centre at Eastern Creek. Using high-definition cameras, advanced surveillance technologies and integrated operational systems, controllers are provided with a real-time 360-degree view of airfield operations without the need for an on-site control tower.

A 48-metre mast equipped with 25 cameras, combined with weather, surveillance, lighting and navigation data, provides situational awareness and supports safe operations in all conditions. Redundant systems, independent network paths, backup power supplies and tested contingency arrangements including a contingency facility on airport strengthen operational resilience.



Innovation extends beyond the tower environment. Airservices delivered modern communications, navigation and surveillance infrastructure, VoIP-enabled digital radio technology, integrated airfield systems and a purpose-built ARFF service facility featuring a digital fire command centre and a fleet of hybrid ultra-large fire fighting vehicles.

Together, these capabilities provide a scalable platform for safe, efficient and resilient operations while supporting future growth.



Safety underpinning operational readiness

Safety underpinned every stage of planning, delivery and commencement of operations at WSI. Airservices implemented a comprehensive safety assurance and readiness framework across all programs, supported by extensive testing, certification and operational readiness activities to ensure risks were reduced to as low as reasonably practicable before services commenced.



Community and stakeholder engagement

Community engagement was a critical component of the program supporting the design of new flightpaths over 3 years of consultation involving government, industry, communities and airport stakeholders.

The Environmental Impact Statement (EIS) released by the Minister for Infrastructure, Transport, Regional Development and Local Government in November 2024 and authorised in June 2025 was informed by more than 50 in-person feedback sessions and over 8,400 submissions. To reduce impact at night, Reciprocal Runway Operations, as directed by the Minister, will operate when it is safe to do so, taking into consideration operating conditions.

Airservices conducted extensive community engagement to create awareness about flightpaths, noise abatement procedures and noise monitoring arrangements to help communities understand airport operations and expected impacts. Throughout the project, engagement focused on transparency, consistency and building trust.



Sustainability and long-term value

Sustainability was embedded throughout the program.

The ARFF service fleet includes four plug-in hybrid electric ultra-large fire vehicles, reducing emissions and fuel consumption by up to 40 percent compared with traditional fleets.

The ARFF service facility has been designed to achieve a 5 Star Green Star Buildings rating and incorporates low-carbon materials, water-saving initiatives, rainwater harvesting systems and energy-efficient design features.

Environmental considerations were also integrated into airspace planning, with flightpath design seeking to balance safety, operational efficiency, future growth and noise management.

> These initiatives support Airservices' environmental commitments and the aviation sector's transition toward net-zero emissions.

Delivery milestones and future focus

Key milestones included:

- Commencement of DAS and remote tower operations
- Implementation of new Sydney Basin airspace arrangements on 9 July 2026
- Establishment of rescue and fire fighting services from 9 July 2026
- Readiness for cargo operations from 26 July 2026
- Readiness for passenger services from 25 October 2026.

> The project demonstrated the importance of integrating technology, infrastructure, regulatory approvals, workforce capability and stakeholder engagement in large-scale transformation programs.

As WSI transitions to full operations, Airservices will continue to focus on maintaining safe and efficient services, supporting capacity growth, strengthening operational resilience, undertaking ongoing noise monitoring and community engagement, and applying lessons learned to future digital and remote service delivery initiatives. The delivery of WSI airport represents a defining milestone for Airservices and Australian aviation, establishing a new benchmark for safe, integrated and digitally enabled airport operations.


Photo credit: Brett Boardman



Uncrewed services

Airservices continued to invest in the infrastructure needed to safely integrate uncrewed and advanced air mobility aircraft into Australian airspace, with a focus on delivering the Flight Information Management System (FIMS).

During the year, development progressed from system build into testing and assurance activities, including System Acceptance Testing. Airservices also progressed integration and onboarding activities with an initial group of industry USS, supporting their technical connection, application testing, and participation in trials to validate how the system will operate in practice.

The planned go-live for FIMS has been updated to the second half of 2026 to allow further refinement and assurance, supporting a safe and scalable deployment.

Enterprise Network Modernisation Program (ENMP)

This year, the ENMP achieved significant progress in modernising Australia's air traffic management infrastructure. New communications services were delivered at WSI airport and the DAS site, providing pilots and air traffic controllers with advanced digital air-ground-air communications following successful flight trials. Surveillance capabilities were enhanced through improved remote monitoring and control, while resilient fibre connectivity strengthened the reliability and security of critical aviation services.

At Ballina, surveillance and communications systems supporting approach services were completed and prepared for operational commissioning. The capital city network uplift also remained on track, with integration testing between the new network and CMATS progressing as planned. Together, these initiatives are delivering a more secure, resilient and digitally enabled aviation network that will support the safe management of Australian airspace for years to come.

Cooperation

Cooperation and collaboration with our owner, other government departments and agencies, customers and key stakeholders are crucial in achieving our purpose. Over the past year we have continued to actively engage with Commonwealth, state and local government entities, industry stakeholders, and international partners to drive innovation, improve service delivery outcomes and strengthen governance.

Federal government

In line with the Statement of Expectations, Airservices provided quarterly progress reports to the Minister and the Department during 2025–26 in addition to this annual report. We also provided updates on strategic discussions and activities after Board meetings to the Minister.

Throughout the year, we participated in a number of Senate estimates hearings and inquiries and engaged regularly with the Parliamentary Standing Committee on Public Works on major capital works projects. Our representatives attended 4 Senate estimates hearings conducted by the Rural and Regional Affairs and Transport Committee throughout the year. These included:

- In September 2025, we appeared at the final public hearing convened by the Select Committee on PFAS at Parliament House in Canberra along with other government departments and agencies. In November 2025, the Committee tabled its final report to the Senate. The report contained 47 recommendations, 3 of which relate directly to Airservices. The government is yet to release its response to the final report.
- In October 2025 the Senate referred an inquiry into the state of Australia's aviation sector and its ability to deliver reliable and affordable services to rural, regional and remote communities, to the Senate Rural and Regional Affairs and Transport References Committee for inquiry and report by 25 February 2026. The Committee was granted an extension of time to report until 4 June 2026. Airservices' submission was provided to the Committee on 28 January 2026.
- In September 2025, we hosted members of the Public Works Committee (PWC) for a site visit and public hearing at Rockhampton Airport as part of Airservices' major works submissions for the Rockhampton PFAS Remediation project and ARFF NexGen Phase 1 project. Both major works projects were approved by the Committee in late November.
- In mid-November we submitted a medium work notification to the PWC for works to deliver the Sydney Air Traffic Services Centre from a newly built facility in North Sydney. The Committee provided its approval for this project on 27 November 2025.

In March, we submitted a medium works notification to the PWC to deliver a Groundwater Treatment System at our Main Fire Station at Canberra Airport. The Committee approved the project on 26 March 2026.

During the period we engaged with senators and members of parliament in support of airspace changes and community engagement activities at WSI, Ballina, Brisbane, Hobart and Perth airports.

Other government entities

During the reporting year we continued to engage closely with a range of government departments and agencies including the Department of Defence, Department of Finance, Department of Foreign Affairs and Trade and the Australian Public Service Commission.

This was in addition to our close cooperation and collaboration with agencies on the delivery of our services to the aviation industry such as CASA, Australian Transport Safety Bureau (ATSB), the Australian Maritime Safety Authority (AMSA) and the Bureau of Meteorology.

Civil Aviation Safety Authority (CASA)

We continue to have proactive and transparent engagement with the Australian aviation safety regulator, CASA. This engagement is conducted through multiple channels to ensure alignment on safety and operational matters.

Higher frequency meetings are used to discuss key change programs, project timelines, milestones, and emerging challenges. During 2025–26 this included significant engagement on the delivery of new ATM and ARFF services to support the opening of WSI airport and the introduction of approach and aerodrome control services for Ballina airport.

There are regular national ATS unit briefings to provide updates on service performance and progress against corrective actions at locations where challenges have been identified in delivering the approved Air Traffic Services and maintaining the appropriate supervisory coverage. These briefings support ongoing regulatory oversight related to existing staffing safety findings and demonstrate our commitment to continuous improvement and achieving ATS service resilience.

We provided regular service level reporting throughout 2025–26 to CASA detailing any occurrences where we were unable to meet the service level expectations and our plans to remediate in accordance with our Statement of Expectations – 4 Service Level. We continue to focus on having strategies in place to ensure Air Traffic Services and Aviation Rescue Fire Fighting Services are delivered in accordance with the expectations outlined at 4(a), 4(b), 4(c), 4(d), 4(e) and 4(f).

During 2025–26 a joint steering committee was established to provide strategic oversight and collaborative leadership in resolving visibility-related non-compliances at control towers across Australia.

During the reporting period, we successfully renewed two of our Civil Aviation Safety Regulations (CASR) operating certificates. CASR Part 173 Procedure Design Service Provider Certificate was issued on 19 September 2025 and is valid for 3 years. CASR Part 172 Air Traffic Service Provider Certificate was issued on 14 July and is valid for 3 years.

Australian Competition and Consumer Commission (ACCC)

Throughout the year, Airservices engaged regularly with the ACCC to support the development of the FY2027–FY2031 Long-Term Pricing Agreement (LTPA) through fortnightly working group meetings, monthly workshops, and executive-level discussions. Engagement focused on customer feedback, service performance, capital and operating expenditure, regulatory models, forecasts, and proposed pricing.

The ACCC was also invited to observe customer engagement activities, including Pricing Consultative Committee (PCC) meetings, providing direct insight into customer feedback on the LTPA.

To support the ACCC's assessment, Airservices provided early drafts of key attachments before formally lodging the Draft Price Notification (DPN) on 2 April 2026. Following lodgment, Airservices worked with the ACCC to address information requests and improve transparency, and will maintain engagement as the assessment progresses.

Our customers and key stakeholders

> Airservices continued to engage actively with customers and airport partners to strengthen strategic relationships and collaboration. This proactive engagement included regular executive meetings and ongoing industry forums, connecting with a broad cross-section of airlines, airports and general aviation stakeholders to build industry confidence in our continued focus on service improvement and significant investment in performance-enhancing investments to enable industry growth.

We also continue to publish monthly Aviation Network Performance Overview reports and weekly update on the impact of the Middle East disruption on the Australian aviation sector. These publications provide key insights on network performance outcomes and drivers to inform industry planning and operations management.

International

Collaboration with global peers is a key pillar to remaining at the forefront of our sector. We are recognised as a leading provider of critical aviation services and often referred to for trusted advice by counterparts.

The Minister's Statement of Expectations sets out our need to function in conformity with Australia's international obligations, including the requirements of ICAO, and provide assistance and advice in relation to the Government's Asia Pacific aviation capacity and capability building initiatives.

We have increased our strategic engagements with global peers with a key focus on the Asia-Pacific region to ensure we remain agile to influence the region's ever-changing operating environment.

Indonesia Transport Safety Assistance Package (ITSAP)

In financial year 2025–26, Airservices delivered 31 activities under ITSAP with our counterparts AirNav Indonesia and the sub-directorate of the Directorate General of Civil Aviation. Key outcomes achieved over the year include several activities to support AirNav Indonesia's implementation of their new Air Traffic Management Automation System in the Jakarta Air Traffic Services Centre.



Papua New Guinea Memorandum of Understanding (PNG MoU)

Under the PNG MoU, Airservices worked extensively with NiuSky Pacific Limited (NSPL) to conduct a detailed review into their Power Outage Event in July 2025 that led to a complete loss of air traffic management capability. The outcomes of the review have helped shape NSPL's immediate service assurance and demonstrate the need for strengthened oversight into critical systems. We also supported activities to enhance capability within their air traffic controllers by hosting several staff exchanges in Brisbane to prepare for the operationalization of Standard Terminal Arrival Routes into Port Moresby that will enhance safety and efficiency.

Pacific

We signed a multi-year funding agreement with Australia's Department of Foreign Affairs and Trade to support the Pacific region's capability uplift with respect to air traffic services and ARFF services. We delivered targeted activities to establish relationships and support exposure with Solomon Islands and Tonga ARFFS and Fiji ATC. We also hosted the 21st South-West Pacific Safety Forum to share safety practices and operational insights. See 'Case study: Strengthening aviation capability through Pacific partnerships' for details.

International Civil Aviation Organization (ICAO) and Civil Air Navigation Services Organisation (CANSO) and broader international engagement

Airservices experts made significant contributions to developing aviation standards through active participation in ICAO and CANSO forums. In collaboration with Australian government agencies, Airservices contributed to global and regional standards development aligned with national strategic interests. Staff participated in 11 ICAO global panels and 18 regional working groups, leading efforts to improve aircraft separation standards, terminal airspace efficiency, and support for high-altitude and uncrewed operations. A significant achievement was leading efforts through targeted ICAO fora that led to the final passing through ICAO of standards associated with Space-based Communications.

Through CANSO, Airservices actively engaged with peer organisations at CANSO forums to exchange insights and build meaningful relationships to address global challenges.

> We held targeted engagements to strengthen relationships with service providers in New Zealand at a strategic level and with counterparts from Ireland and Thailand to share insights on specific operational matters where Airservices' experience was requested. Further, we continued to build relationships with like-minded service providers from the United Kingdom and United States.

Case study

Strengthening aviation capability through Pacific partnerships

Through our partnership with DFAT and Pacific aviation stakeholders, we are helping to develop a more connected, capable and resilient aviation sector, one that is better equipped to support safe operations and deliver lasting benefits for communities across the Pacific.

The Australia–Pacific Partnerships for Aviation (P4A) Program, funded by the Australian Government Department of Foreign Affairs and Trade (DFAT), is about building skills, confidence and lasting connections through hands-on training, mentoring and real-world experience.

Aviation Rescue Fire Fighting (ARFF) Service Staff Exchange

- Solomon Islands and Sydney ARFF service
- Tonga and Brisbane ARFF service

Witnessing first-hand how crews prepare, respond and operate in complex airport environments was an invaluable experience for Solomon Islands and Tonga delegates when visiting our airport fire stations.

Over the course of three days, they participated in drill demonstrations and simulation exercises; explored specialist fire fighting vehicles, equipment and systems; and discussed training and competency standards, assurance processes, emergency planning, and lessons learned from past incidents.

Air Traffic Control (ATC) Staff Exchange

- Fiji and Brisbane Air Traffic Services Centre

Observing one of our busiest centres, delegates from Fiji partnered with the Brisbane team in live Operations Room observations and sector familiarisation; tours of the Brisbane Tower and the Civil Military Air Traffic Services Operations Room; overview of the Technical Operations Room's functions and operational simulator; and discussions on ATC Leadership structures, workforce planning, rostering, operational Letters of Agreement, and safety occurrence reporting.

Southwest Pacific Safety Forum

Held in Brisbane from 18–21 May, Air Navigation Service Providers from across the region, including Fiji, Vanuatu, Solomon Islands, Naoero, Papua New Guinea, New Caledonia and our newest members from New Zealand came together to improve aviation safety, operational efficiency and promote regional co-operation across the South-West Pacific and highlights the shared commitment to building aviation capability and resilience throughout the region.

The P4A program is delivering practical, sustainable outcomes that respond to each country's unique operational environment and priorities. Through technical expertise, training, mentoring and knowledge sharing, partners gain access to operational experience that can be applied directly within their own organisations.

Industry bodies

Refer to Our customers and key stakeholders section for details.

Community bodies

The Community Engagement team attended 64 Community Aviation Consultation Group meetings across Adelaide, Bankstown, Brisbane, Essendon, Gold Coast, Jandakot, Melbourne, Moorabbin, Parafield, Perth, Sydney, Townsville and Western Sydney, as well as the Sunshine Coast Community Aviation Forum – a non-Federally leased airport. We also attended the Minister-appointed Brisbane Airport Airspace Advisory Board 5 times during the financial year. At each of these forums we seek to provide updates to community representatives on operations, any new flightpath or procedural changes under consideration and improvements to our public facing information.

Risk profile

Airservices performs an integral role in the Australian aviation industry and operates in an inherently evolving, dynamic and complex environment which creates both risk and opportunity for our business.

We manage and monitor a wide range of risks in pursuit of our strategic objectives, including in our change programs and in our operational activities. We mitigate these risks through proactive identification and assessment, followed by the implementation and ongoing monitoring of effective controls.

We continually assess our risks, including our enterprise risks, as our operating context evolves. Enterprise risks are material risks that could adversely affect our operations, performance or ability to achieve our strategic objectives. For 2025–26, we refreshed our enterprise risks, which are summarised below.

Enterprise risks	Consequences and mitigants
Failure to ensure that the safety of air navigation remains the most important consideration in the end-to-end delivery of our regulated services may lead to compromised margins of safety.	There is an inherent and enduring air navigation safety risk which must be managed in the end-to-end delivery of our regulated services. We have an integrated enterprise-wide Safety Management System embedded into all aspects of our operations enabling the identification, assessment and mitigation of hazards associated with our operations to ensure that the level of operational risk remains acceptably safe and consistent with regulatory and international aviation safety standards and expectations. We undertake external and internal safety promotion including safety information sharing with our customers, our regulator and industry safety forums to support the management of air navigation safety across the industry.
Failure to deliver predictable and reliable service levels that meet stakeholder expectations may result in a loss of stakeholder trust and reputational damage.	We continue to monitor and enhance our service level offering through both strategic and operational workforce planning and investments. We have a range of strategies to manage the supply and availability of our operational workforce and continue to increase our team of air traffic controllers through a pipeline of new trainees and targeted international recruitment. Service performance metrics are closely monitored and regularly reported on. We hold regular engagement sessions with customers and industry partners that address demand, capacity and performance.
Constraints in our revenue and pricing model, together with our reliance on external factors beyond our control (such as traffic volumes) and a limited ability to increase capital, present a risk to our financial sustainability.	Our commitment to financial sustainability has been constrained by a lack of pricing growth in line with inflation, increased requirements for infrastructure investment, and accumulated losses. This has significantly impacted our profitability and has constrained our ability to fund our operations. We are actively pursuing opportunities to increase revenue under a Long Term Pricing Agreement (LTPA) through consultation with the ACCC and our customers. We are also progressing significant cost saving initiatives and alternate financing arrangements.

Enterprise risks	Consequences and mitigants
Ineffective management of workplace culture, workforce planning, and work health and safety hazards, may adversely affect workforce resilience or may expose workers or contractors to physical or psychosocial harm, resulting in service delivery impacts, challenges in attracting and retaining talent, and reputational damage.	We have a range of strategies to manage the supply and availability of our operational workforce. Our workforce strategy and operational deployment processes enable a strong pipeline of skilled staff and the ability to respond to changing operational needs. We are focused on embedding a culture of trust, care and accountability. We actively promote our employee networks and employee support services. Our internal Culture Reform Board oversees culture transformation initiatives and promotes workforce participation in cultural matters. Safe work practices are embedded across the organisation through our Safety Management System, supported by training, monitoring and reporting, as well as work, health and safety forums.
If key suppliers and supply chains are not effectively managed, or market constraints limit the availability of specialised goods and services, then the organisation's ability to deliver critical services, major projects and strategic objectives may be adversely affected, resulting in project delays, increased costs and operational impacts.	Any unplanned disruption to our key suppliers or underperformance, including arising from geopolitical uncertainty, extreme weather events, global economic conditions, or increased demand for specialised aviation services, may constrain availability, increase costs or extend delivery timeframes. While some of these risks are outside of our ability to directly manage or influence, we engage and work closely with key suppliers and strategic partners to understand any potential disruption to their business and to the delivery of the services expected. Business Continuity Plans are in place and tested annually to support organisational resilience including testing of our crisis management response.
Insufficient organisational capability and capacity to manage significant change, including transformational projects, with competing organisational demands, may lead to program delays, increased costs, operational inefficiencies and disruption to core operations.	We are focused on program and project delivery capabilities and work collaboratively with key stakeholders to enable the realisation of program benefits and manage the associated organisational change. We continually review our progress on these major projects through internal and external assurance.
An inability to modernise or maintain ageing or legacy assets, facilities, networks and technology may result in frequent outages or service disruptions, increased operating costs and the inability to meet industry expectations.	We support the reliability and operability of our assets through a structured approach to asset management and organisational preparedness. Our strategic asset management plans guide long-term sustainment and improvement activities. Regular maintenance is prioritised based on asset criticality and the potential impact on service delivery, ensuring resources are directed where they are needed most. We continue to invest in modernising our technology and networks through our strategic programs such as Enterprise Network Modernisation Program and OneSKY, to evolve our capability needed to support future service delivery.

Enterprise risks	Consequences and mitigants
Failure to adequately identify and manage environmental contamination may cause damage to the environment and/or human health, resulting in compliance breaches, reputational damage, and legal and financial challenges associated with remediation activities, including the management of legacy PFAS contamination.	Contaminated land, including legacy impacts from historical activities, poses a material environmental and financial risk to Airservices. While this risk is primarily driven by legacy PFAS contamination associated with historic fire fighting foam use, it reflects a broader category of contaminant risks that require ongoing management across our operational footprint. We manage this risk through a coordinated, risk-based approach that includes site investigation, environmental and human health risk assessment, containment and remediation activities, and ongoing monitoring. This is supported by engagement with Commonwealth, state and local government agencies and with affected stakeholders, to ensure a consistent and transparent approach to management. Progress and effectiveness of these measures are subject to ongoing monitoring, assurance and enterprise governance oversight.
Failure to engage transparently with communities regarding the noise and environmental impacts of aircraft operations may lead to a loss of stakeholder trust, reputational damage and an inability to deliver on our commitments.	We continue to enhance our people and systems capabilities to understand and accurately forecast the effects of aircraft operations, including noise. We are committed to genuine engagement with our stakeholders. Our community-by-design approach to flightpath and airspace design ensures we operate in accordance with our Community Engagement Standard. This is supplemented by transparent reporting on compliance with Noise Abatement Procedures which is now available for all major Australian airports.
We operate in an evolving threat landscape and are exposed to a range of protective security risks including information, cyber, personnel, and physical security that could compromise safety, disrupt our services, and impact operational resilience.	We have active security and threat monitoring and detection in place supported with ongoing staff training and awareness. Our Cyber Secure-by-Design principles guide how we embed appropriate security measures across our technology environment, supported by active threat monitoring, detection capabilities, and tested response plans. We maintain a comprehensive Security Framework which is strengthened through the Enterprise Security Uplift Program supporting the maintenance and evolution of mitigations as the threat landscape changes. This is further strengthened through our security assurance program.

In addition to these enterprise risks, there are many other business risks which are identified, recorded and monitored in our risk registers. A particular area of focus has been the physical risk associated with climate change.

Increasing frequency and severity of extreme weather events due to climate change has the potential to disrupt operations, reducing airspace capacity or impacting the availability and integrity of critical infrastructure. These impacts are expected to intensify over time and vary across our national operating environment, requiring both enterprise-level oversight and site-specific responses.

We are strengthening our approach to managing climate risk through a combination of mitigation and adaptation measures. This includes improving the energy efficiency of our facilities, increasing the use of renewable energy, reducing resource consumption, and enhancing management of water and waste. We are also progressing work to better assess, anticipate and manage climate-related risks and mature the assessment, governance and escalation of climate risks across our operations and asset base. This includes integrating climate considerations into infrastructure planning, operational decision-making and investment prioritisation to improve resilience and continuity of services.

We recognise that new and unknown external risks may emerge that are outside our direct control. We continually monitor the evolving risk landscape and use a range of measures to identify emerging risks early and manage them through appropriate mitigation strategies. Additionally, we continue to strengthen our resilience and response capability needed to adapt to unforeseen circumstances.

Changes to performance measures

The following table provides a summary on changes made to performance measures during financial year 2025–26 compared to the previous year. Performance was measured and assessed using the methodologies set out in the 2025–26 Corporate Plan, with no changes to data sources.

Performance outcome	Key performance indicator	Change to performance measure
Service efficiency	Service availability (%) – ATC Towers/Airspace	KPI introduced in 2025–26 Corporate Plan.
	Service availability (%) – ARFF	KPI introduced in 2025–26 Corporate Plan.
	Airservices attributable cancellations (%)	KPI amended in 2025–26 Corporate Plan to better reflect Airservices attributable impacts on the whole Australian aviation network.
	Airservices attributable ground delay per flight (seconds)	KPI amended in 2025–26 Corporate Plan to better reflect Airservices attributable impacts on the whole Australian aviation network ensuring alignment with our purpose of the safety, regularity and efficiency of air navigation within Australian administered airspace.
Financial sustainability	Earnings before interest, taxes, depreciation & amortisation (EBITDA) ($)	KPI introduced in 2025–26 Corporate Plan. EBITDA replaced return on asset as a primary measure from the perspective of the operating business. EBITDA was selected in preference to Net Profit After Tax (NPAT) because it measures our underlying profit without the material bottom line impacts of financial uncertainties, such as PFAS funding and capital restructuring.
	Cost per instrument flight rules (IFR) flight hour ($)	KPI introduced in 2025–26 Corporate Plan.
Environmental protection	Scope 1 and 2 carbon footprint (tCO_2e)	KPI amended in 2025–26 Corporate Plan to align with the Airservices Environmental Sustainability Strategy 2024–2030.
Community impact	Monthly noise abatement procedure (NAP) reporting for major airports	KPI introduced in 2025–26 Corporate Plan.
	Noise Complainants and Information Service (NCIS) response timeframe (days)	KPI introduced in 2025–26 Corporate Plan.
	Aircraft noise ombudsman (ANO) recommendation response time (days)	KPI amended in 2025–26 Corporate Plan to better reflect Airservices' purpose under the *Air Services Act 1995*.



03
Financial statements

For the year ended 30 June 2026

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Australian National Audit Office

INDEPENDENT AUDITOR'S REPORT

To the Minister for Infrastructure, Transport, Regional Development and Local Government

Opinion

In my opinion, the financial statements of Airservices Australia (the Entity) for the year ended 30 June 2026:

(a) comply with Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and

(b) present fairly the financial position of the Entity as at 30 June 2026 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2026 and for the year then ended:

- Statement by the Chairperson, Chief Executive Officer and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to and forming part of the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and their delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Board of Directors is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards and the rules made under the Act. The Accountable Authority is also responsible for such internal control as the Accountable Authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Authority is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Accountable Authority is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

GPO Box 707, Canberra ACT 2601
38 Sydney Avenue, Forrest ACT 2603
Phone (02) 6203 7300

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Saminda Maddumahewa

Audit Principal

Delegate of the Auditor-General

Canberra

28 September 2026


Aeronautical Information Services
airservices
australia

Statement by Chairperson, Chief Executive Officer and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2026 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that Airservices Australia will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board.



Anne T. Brown
Chairperson



Rob Sharp
Chief Executive Officer



Craig Webster
Chief Financial Officer

Brisbane, 25 September 2026

Financial statements

Statement of Comprehensive Income

for the year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Continuing operations			
Income			
Airways revenues	1.1	**1,135,402**	1,038,325
Finance income	1.1	**23,705**	23,800
Reversal of previous asset write-down		**2,838**	2,093
Other business revenue		**28,673**	24,183
Net gain on disposal of non-current assets		**–**	186
Other income		**2,323**	3,875
Total income		**1,192,941**	1,092,462
Expenses			
Employee benefits	1.2	**808,122**	803,955
Suppliers	1.2	**459,647**	414,646
Depreciation and amortisation	2.3	**125,511**	125,237
Finance costs	1.2	**131,574**	73,097
Impairment loss on financial instruments	1.2	**854**	3,601
Write-down and impairment of other assets	1.2	**31,540**	10,863
Net loss on disposal of non-current assets		**289**	–
Total expenses		**1,557,537**	1,431,399
(Loss) before income tax		**(364,596)**	(338,937)
Income tax (expense)/benefit	1.3	**(26,498)**	101,845
(Loss) after income tax		**(391,094)**	(237,092)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Changes in asset revaluation reserve		**19,500**	23,339
Actuarial gain on defined benefit fund	4.2	**25,216**	20,913
Income tax on items that will not be reclassified to profit or loss		**(13,415)**	(13,276)
Items that may be reclassified subsequently to profit or loss			
(Loss)/gain on foreign exchange hedges		**(4,367)**	2,324
Income tax on items that may be reclassified to profit or loss		**1,310**	(697)
Total other comprehensive income net of tax		**28,244**	32,603
Total comprehensive (loss)		**(362,850)**	(204,489)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

for the year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Current assets			
Cash and cash equivalents	3.1	**647,076**	592,533
Trade and other receivables	2.1	**111,849**	105,240
Prepayments		**14,374**	15,008
Inventories		**3,401**	3,274
Assets classified as held for sale	2.2	**7**	1,469
Other current financial assets	2.6	**1,524**	1,833
Total current assets		**778,231**	719,357
Non-current assets			
Prepayments		**55,249**	36,662
Property, plant and equipment[1]	2.3	**825,292**	812,892
Intangible assets	2.3	**50,389**	55,002
Assets under construction	2.3	**1,835,774**	1,480,438
Deferred tax assets	1.3	**336,128**	374,731
Defined benefit fund asset	4.2	**181,768**	161,345
Other non-current financial assets	2.6	**7,487**	18,833
Total non-current assets		**3,292,087**	2,939,903
Total assets		**4,070,318**	3,659,260
Current liabilities			
Trade and other payables	2.5	**222,356**	183,376
Employee provisions	4.1	**250,374**	237,513
Other provisions	2.5	**118,285**	123,356
Borrowings	3.3	**341,454**	616,759
Other current financial liabilities	2.6	**1,517**	1,049
Other current liabilities	2.7	**15,092**	13,292
Total current liabilities		**949,078**	1,175,345
Non-current liabilities			
Employee provisions	4.1	**36,997**	39,198
Other provisions	2.5	**54,179**	41,769
Borrowings	3.3	**2,792,118**	1,795,317
Other non-current financial liabilities	2.6	**20,881**	13,698
Other non-current liabilities	2.7	**117,731**	131,749
Total non-current liabilities		**3,021,906**	2,021,731
Total liabilities		**3,970,984**	3,197,076
Net assets		**99,334**	462,184
Equity			
Retained losses		**(539,142)**	(168,397)
Reserves		**173,787**	165,892
Contributed equity		**464,689**	464,689
Total equity		**99,334**	462,184

1 Right-of-use assets are included in the Property, plant and equipment line item.

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

for the year ended 30 June 2026

	Retained losses		Asset revaluation reserve	
	2026 $'000	2025 $'000	**2026 $'000**	2025 $'000
Opening balance				
Balance carried forward from previous period	**(168,397)**	53,014	**163,144**	147,850
Opening balance	**(168,397)**	53,014	**163,144**	147,850
Comprehensive income				
Defined benefits actuarial gain – gross	**25,216**	20,913	**–**	–
Defined benefits actuarial gain – income tax effect	**(7,565)**	(6,274)	**–**	–
Revaluation – gross	**–**	(1)	**19,500**	23,339
Revaluation – income tax effect	**–**	–	**(5,850)**	(7,002)
(Loss) for the period	**(391,094)**	(237,092)	**–**	–
Total comprehensive income	**(373,443)**	(222,454)	**13,650**	16,337
Transfers between equity components				
Revaluation reserve – disposals	**2,698**	1,043	**(2,698)**	(1,043)
Closing balance	**(539,142)**	(168,397)	**174,096**	163,144

1 $600m equity injection announced in Commonwealth Budget to be received in FY2026-27.
The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Foreign exchange hedge reserve		Total reserves		Contributed equity[1]		Total equity	
2026 $'000	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000
2,748	1,121	**165,892**	148,971	**464,689**	464,689	**462,184**	666,674
2,748	1,121	**165,892**	148,971	**464,689**	464,689	**462,184**	666,674
-	-	**-**	-	**-**	-	**25,216**	20,913
-	-	**-**	-	**-**	-	**(7,565)**	(6,274)
(4,367)	2,324	**15,133**	25,663	**-**	-	**15,133**	25,662
1,310	(697)	**(4,540)**	(7,699)	**-**	-	**(4,540)**	(7,699)
-	-	**-**	-	**-**	-	**(391,094)**	(237,092)
(3,057)	1,627	**10,593**	17,964	**-**	-	**(362,850)**	(204,490)
-	-	**(2,698)**	(1,043)	**-**	-	**-**	-
(309)	2,748	**173,787**	165,892	**464,689**	464,689	**99,334**	462,184

Cash Flow Statement

for the year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Cash flows from operating activities			
Cash received			
Receipts from customers (inclusive of GST)		**1,277,769**	1,179,714
Interest received		**22,722**	11,297
Total cash received		**1,300,491**	1,191,011
Cash used			
Payments to employees		**(795,365)**	(770,833)
Payments to suppliers (inclusive of GST)		**(546,120)**	(454,179)
Net GST paid		**(38,060)**	(36,182)
Borrowing costs		**(103,277)**	(65,719)
Interest payments on lease liabilities		**(3,778)**	(3,344)
Income tax paid		**–**	(788)
Total cash used		**(1,486,600)**	(1,331,045)
Net cash flows (used by) operating activities	3.2	**(186,109)**	(140,034)
Cash flows from investing activities			
Cash received			
Proceeds from sales of property, plant, equipment and intangibles		**11**	1,178
Proceeds from sales of assets held for sale		**1,343**	–
Total cash received		**1,354**	1,178
Cash used			
Purchase of property, plant, equipment and intangibles		**(467,902)**	(411,938)
Total cash used		**(467,902)**	(411,938)
Net cash flows (used by) investing activities		**(466,548)**	(410,760)
Cash flows from financing activities			
Cash received			
Proceeds from borrowings		**1,676,000**	1,203,000
Total cash received		**1,676,000**	1,203,000
Cash used			
Repayments of borrowings		**(952,000)**	(368,000)
Principal payments of lease liabilities		**(16,800)**	(14,896)
Total cash used		**(968,800)**	(382,896)
Net cash flows from financing activities		**707,200**	820,104
Net increase/(decrease) in cash and cash equivalents		**54,543**	269,310
Cash and cash equivalents at the beginning of the reporting period		**592,533**	323,223
Cash and cash equivalents at the end of period	3.1	**647,076**	592,533

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

Notes to and forming part of the financial statements

Overview

Airservices is an Australian Government owned for-profit entity, responsible for providing facilities and services for the safety, regularity and efficiency of air navigation within Australian-administered airspace. This includes providing air traffic services, aviation rescue fire-fighting services, aeronautical information, radio navigation and telecommunications services.

The financial statements are required by section 42 of the Public Governance, *Performance and Accountability Act 2013* (PGPA Act) and are general purpose financial statements for the year ended 30 June 2026.

The financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and Financial Reporting Rules (FRR) made under the PGPA Act.

The financial statements were authorised for issue in accordance with a resolution of the Board on 25 September 2026.

Significant matters in the current reporting period

Going concern

The financial statements have been prepared on a going concern basis which assumes Airservices will be able to realise its assets and discharge its liabilities in the normal course of business. In reaching this conclusion, the Board considered Airservices' liquidity position, funding arrangements, cash flow risks and forecast financial outcomes for a period of at least 12 months from the date of signing these financial statements.

For the year ended 30 June 2026, Airservices has reported a net loss of $391.1m, working capital deficiency of $176.8m and net operating cash outflows of $186.1m. These results are consistent with losses and negative operating cash outflows experienced over the previous four financial years. Notwithstanding current and historical results, the Board considers Airservices to be a going concern and able to meet its obligations as they fall due. In assessing the appropriateness of the going concern basis, the Board considered the following mitigating factors:

- Cash and cash equivalents of $647.1m, a positive net asset position of $99.3m and several short and long-term debt facility arrangements that will provide the ability to balance short and long-term funding needs. Total unused borrowing facilities as of 30 June 2026 were $1,628.0m of which $670m is in the form of committed cash advance facilities (refer Note 3.4 Standby arrangements and unused credit facilities). Airservices regularly reviews the adequacy of its committed and uncommitted credit facilities and adjusts if necessary.
- Airservices' critical role in Australia's aviation sector as a Commonwealth Corporate entity wholly owned by the Australian Government. Given the critical nature of Airservices' role, the Australian Government has historically provided support to Airservices, when needed. The Australian government is fully cognisant that if Airservices does not continue to provide its services, the aviation industry in Australia would be unable to function. The Australian Government has demonstrated support through previous funding measures and the approved $600m equity injection included in the FY2026–27 Commonwealth Budget.
- Airservices made progress toward a five-year FY2027–FY2031 Long-Term Pricing Agreement (LTPA) for the period FY2026–27 to FY2030–31 with the draft price notification published by ACCC in July 2026. The LTPA is intended to support the recovery of costs associated with major investments and ensure the financial sustainability of Airservices. In addition, a 6% weighted average price increase, became effective from 1 August 2025 on the prices that Airservices charges industry for its services. The cost of providing air traffic management services, aviation rescue firefighting services and enabling services has increased considerably since the last price rise in 2015. The proposed price increase will ameliorate Airservices' cost growth and enable Airservices to continue to contribute to frontline service delivery.
- Industry forecasts indicate continued growth in passenger movements and aviation activity, supporting the revenue assumptions underpinning Airservices' forecast cash flows.

No adjustments have been made to the financial statements relating to the recoverability and classification of the recorded asset amounts or the amounts and classification of liabilities that might be necessary should Airservices not continue as a going concern.

Basis of preparation

Historical cost convention

These financial statements have been prepared on an accrual basis and under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit and loss, and certain classes of property, plant and equipment.

Foreign currency translation

Functional and presentation currency

Items included in the financial statements of Airservices are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Australian dollars, which is Airservices' functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. Translation differences on financial assets and liabilities carried at fair value, and non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are reported as part of the fair value gain or loss.

Taxation

Income tax, Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST) is applicable to Airservices. Refer to Note 1.3 Taxation for further information relating to income tax.

Use of estimates, assumptions, and judgements

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the following notes:

Recoverable amount of Deferred tax asset	Note 1.3
Recoverability of trade and other receivables	Note 2.1
Valuation of property, plant, equipment and intangibles	Note 2.3
ARFFS decontamination provision	Note 2.5
Recoverable amount of other financial assets	Note 2.6
Measurement of lease liabilities	Note 2.7
Long Service Leave & Early Retirement Benefits	Note 4.1
Aviation Super defined benefits	Note 4.2
ARFFS contingent liability	Note 5.1

New Accounting Standards

Adoption of new Australian Accounting Standard requirements

There are no new standards that were issued prior to the sign-off date and are applicable to the current reporting period that had a material effect, nor any that are expected to have a future material effect on the entity's financial statements. No accounting standard has been adopted earlier than the application date as stated in the standard.

Comparative figures

Where necessary, comparative information has been reclassified to enhance comparability in respect of changes in presentation adopted in the current year.

1. Our Financial Performance

This section analyses the financial performance of Airservices Australia for the year ended 2026.

1.1 Revenue

	2026 $'000	2025 $'000
Airways revenue		
Gross Airways revenue	**1,135,402**	1,038,325
	1,135,402	1,038,325

Economic dependency

Airservices' revenue is highly dependent on activity levels within the Australian aviation industry, in which the Qantas Group and Virgin Australia Holdings are the two largest operators. During the year, 39% (2025: 39%) of airways revenue was generated from the Qantas Group (including Jetstar Airways) and 16% (2025: 15%) was generated from Virgin Australia Holdings.

Accounting Policy

Airways revenues

Revenue is recognised when services are rendered for both regulated Airways Services and Other Business Revenue (OBR). The prices charged for regulated services are as published in Airservices' Statutory Charging Determination for Services and Facilities. Under Part VIIA of the *Competition and Consumer Act* (CCA), Airservices is required to notify the Australian Competition and Consumer Commission (ACCC) of a proposed increase in the price of a notified service before that increase takes effect. The ACCC assesses price notifications in accordance with the price notification framework established under Part VIIA. Under Section 54 of the *Air Services Act 1995*, price increases are subject to approval by the Minister before any price changes take effect.

	2026 $'000	2025 $'000
Finance income		
Deposits	**16,207**	4,555
Interest on cash at bank	**7,483**	7,035
Interest rate swap fair value gain	**-**	12,116
Other	**15**	94
Total finance income	**23,705**	23,800

Accounting Policy

Finance income

Finance income is recognised using the effective interest method as set out in AASB 9 Financial Instruments. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

1.2 Expenses

	2026 $'000	2025 $'000
Employee benefits		
Wages and salaries	**503,187**	488,872
Superannuation (defined contribution funds)	**76,267**	69,756
Leave and other entitlements	**160,145**	163,372
Separation and redundancies	**9,832**	23,542
Other employee related expenses	**53,870**	52,029
Employee benefits (excluding defined benefit superannuation expense)	**803,301**	797,571
Net defined benefit superannuation expense recognised in employee benefits		
Current service cost	**13,528**	14,620
Net interest expense	**(8,707)**	(8,236)
Defined benefit superannuation expense	**4,821**	6,384
Total employee benefits	**808,122**	803,955
Supplier expenses		
Goods and services supplied or rendered		
ARFF decontamination	**74,210**	84,233
Contractors	**51,352**	46,457
Consultants	**15,863**	15,643
Compliance Costs	**71,341**	26,808
IT services	**77,821**	84,220
Infrastructure costs	**37,510**	39,294
Operational service costs	**13,452**	13,627
Other occupancy costs	**24,411**	23,797
Repairs and maintenance	**27,723**	26,713
Telecommunications	**13,900**	12,718
Travel	**16,233**	15,404
Other	**34,554**	23,254
Total goods and services supplied or rendered	**458,370**	412,168
Other expenses		
Short-term leases	**919**	1,970
Low value leases	**220**	261
Variable lease payments	**138**	247
Total other supplier expenses	**1,277**	2,478
Total supplier expenses	**459,647**	414,646

The above lease disclosures should be read in conjunction with the accompanying notes 2.3 and 2.7.

Finance Costs		
Borrowing costs	**112,857**	69,753
Interest rate swap fair value loss	**14,939**	–
Interest on lease liabilities	**3,778**	3,344
Total finance costs	**131,574**	73,097

	2026 $'000	2025 $'000
Impairment loss on financial instruments		
Impairment on trade and other receivables	**693**	3,432
Bad debts written off	**161**	169
Total impairment loss on financial instruments	**854**	3,601
Write-down and impairment of other assets		
Impairment of property, plant and equipment[1]	**31,540**	10,157
Revaluation decrements	**-**	706
Total write-down and impairment of other assets	**31,540**	10,863

1 Primarily relates to the impairment of the Sydney Kingsford Smith Airport Tower project, the Brisbane Large Mock-up Unit replacement/upgrade project and a portion of the ENMP program.

Accounting Policy

Employee benefits

Accounting policies for employee-related expenses is contained in the Our People section (refer to Section 4).

Contractor and consultants

Consultants are specialist professionals whose knowledge or expertise cannot be obtained in-house. Their output involves the development of intellectual output for example, research, evaluation, advice, and recommendations, to assist with Airservices' decision-making. Whereas contractors are generally utilised from labour hire services to perform day-to-day duties at Airservices, for example, labour hire firm providing personnel to fill a temporary vacancy for a personal assistant, or in a programme area. Skills to perform services obtained via external labour hire would normally be maintained within the entity.

Short-term leases and leases of low-value assets

Airservices has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets (less than $10,000). The entity recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

1.3 Taxation

	2026 $'000	2025 $'000
Income tax (expense)/benefit		
Deferred tax (expense)/benefit	**(26,498)**	101,845
Income tax (expense)/benefit attributable to continuing operations	**(26,498)**	101,845
Reconciliation of income tax (expense)/benefit to prima facie tax payable		
(Loss) from continuing operations before income tax (expense)/benefit	**(364,596)**	(338,937)
Prima facie income tax benefit/(expense) at 30%	**109,379**	101,681
Tax effect of amounts which are not deductible/assessable in calculating taxable income:		
Deferred tax asset derecognition	**(132,239)**	–
Prior year (under)/over provision of tax	**198**	(25)
Other non-deductible expenditure	**(3,836)**	189
Income tax (expense)/benefit	**(26,498)**	101,845

Accounting Policy

Income tax

The income tax (expense)/benefit for the year is the tax payable on the current year's taxable income based on the income tax rate. It is then adjusted for any changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the Statement of Comprehensive Income.

Reconciliation of deferred tax asset

	2026 $'000	2025 $'000
Deferred income tax in the Statement of Financial Position relates to the following:		
Right-of-use assets	**(39,677)**	(39,122)
Defined Benefit asset	**(54,530)**	(48,405)
Property, plant and equipment	**(52,625)**	(54,878)
Foreign currency exposures	**(355)**	(1,248)
Interest rate swap	**(2,349)**	(4,952)
Capitalised borrowing costs	**(23,238)**	(17,430)
Other	**(7,975)**	13,156
Deferred tax liabilities	**(180,749)**	(152,879)
Lease liabilities	**37,536**	36,348
Employee provisions	**86,211**	83,013
Other provisions	**51,739**	49,538
Tax losses	**318,698**	346,006
Foreign currency exposures	**487**	70
Interest rate swap	**6,233**	4,354
Other	**15,973**	8,281
Deferred tax assets	**516,877**	527,610
Net deferred tax assets	**336,128**	374,731
Deferred income tax in the Statement of Comprehensive Income relates to the following:		
Right-of-use assets	**(556)**	172
Defined Benefit asset	**1,438**	1,907
Property, plant and equipment	**(4,743)**	10,873
Interest rate swap	**4,482**	(3,635)
Other	**(5,441)**	(4,049)
Lease liabilities	**1,188**	74
Employee provisions	**5,474**	8,586
Other provisions	**(2,755)**	5,075
Deferred tax asset derecognition	**(132,239)**	–
Tax losses	**106,654**	82,842
Deferred income tax (expense)/benefit	**(26,498)**	101,845
Defined benefit asset	**(7,565)**	(6,274)
Property, plant and equipment	**(5,850)**	(6,981)
Foreign currency exposures	**1,310**	(697)
Deferred tax charged to other comprehensive income	**(12,105)**	(13,952)
Property, plant and equipment	**–**	788
Deferred tax charged to income tax provision	**–**	788
Movements:		
Opening balance at 1 July	**374,731**	286,050
Credited/(charged) to income tax (expense)/benefit	**(26,498)**	101,845
Credited/(charged) to other comprehensive income	**(12,105)**	(13,952)
Credited/(charged) to income tax provision	**–**	788
Closing balance at 30 June	**336,128**	374,731

1.3 Taxation (continued)

Tax losses

A deferred tax asset of $336.1m has been recognised (2025: $374.7m). Based on management's forecast of future taxable profit, an impairment of $132.2m (2025: Nil) has been recognised. Airservices considers it probable the remaining tax losses recognised will be fully utilised.

Airservices has capital losses of $3.5m (2025: $4.8m) that are available indefinitely for offset against future capital gains. Deferred tax assets have not been recognised in respect of these losses as management has evaluated and concluded that it is not probable that future capital gains will be available, against which Airservices can utilise these losses in the foreseeable future.

Consistent with 2025, there were no other unrecognised deferred tax assets at 30 June 2026.

Accounting Policy

Deferred tax assets and liabilities

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction that at the time of the transaction did not affect either accounting or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and carried forward tax losses only if it is probable that future taxable temporary differences or profits will be available to utilise those deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.4 Dividends

Dividends paid

No final dividend for the year ended 30 June 2026 was paid (2025: Nil). No interim dividend for the years ended 30 June 2026 and 30 June 2025 were paid.

Franking credits

Franking credits available for subsequent financial years based on a tax rate of 30% (2025: 30%) are $496.8m (2025: $496.8m).

The above amounts represent the balance of the franking account as at the end of the financial year.

Accounting Policy

Dividends

A provision is made for the amount of any dividend approved by the Board but unpaid, prior to the end of the year.

2. Our Asset Base

This section analyses Airservices Australia's assets used to generate financial performance and the operating liabilities incurred as a result. Employee-related information is disclosed in the Our people section.

2.1 Receivables

	2026 $'000	2025 $'000
Trade and other receivables		
Trade receivables, net of waivers (a)	**109,979**	113,933
Less impairment loss allowance (b)	**(4,303)**	(13,920)
	105,676	100,013
Accrued revenue and interest	**6,173**	5,227
Total receivables	**111,849**	105,240
a. Ageing analysis of trade receivables		
Current	**97,228**	93,728
Overdue by:		
1 to 30 days	**7,310**	4,607
31 to 60 days	**1,438**	1,568
61 to 90 days	**939**	615
90 + days	**3,064**	13,415
Total trade receivables	**109,979**	113,933
Trade and other receivables (net) expected to be recovered		
No more than 12 months	**111,849**	105,240
More than 12 months	**-**	-
Total trade and other receivables (net)	**111,849**	105,240
b. Reconciliation of the impairment loss allowance		
Opening balance	**13,920**	10,488
Amounts written off	**(9,339)**	-
Amounts reversed in Statement of Comprehensive Income	**(971)**	-
Increase recognised in Statement of Comprehensive Income	**693**	3,432
Closing balance	**4,303**	13,920
The provision for impairment of receivables is aged as follows:		
Current	**617**	629
Overdue by:		
1 to 30 days	**392**	260
31 to 60 days	**319**	350
61 to 90 days	**322**	211
90 + days	**2,653**	12,470
Total provision for impairment of receivables	**4,303**	13,920

Credit terms for goods and services are 28 days (2025: 28 days).

Provisions for expected credit losses (ECL)

Modelled provision for ECL

The modelled provision for ECL is a probability weighted estimate of multiple scenarios using the roll-rate approach based on historical analysis of receivable balances, provisioning, and delinquencies. A further average probability of default measurement for our key customer's receivables of 1.14% was applied. Together this is representative of Airservices' view of the forward-looking distribution of potential loss outcomes. The increase in provisions as a result of changes in modelled ECL are reflected through the line item "Increase recognised in Statement of Comprehensive Income".

2.2 Assets classified as held for sale

There is one parcel of land that has been identified as surplus to requirements and classified as held for sale at 30 June 2026 at the carrying amount of $7,000. In 2024–25 two parcels of land were classified as held for sale and were disposed of during 2025–26. The carrying amount of these assets was $1,469,000 and they were sold for $1,343,000.

2.3 Property, plant and equipment and intangibles

Non-current assets — property, plant, equipment and intangibles

	Land $'000	Buildings $'000	Plant and equipment $'000
As at 1 July 2025			
Gross book value	**63,827**	**706,976**	**619,240**
Accumulated depreciation and impairment	**(12,802)**	**(182,339)**	**(382,010)**
Net book value 1 July 2025	**51,025**	**524,637**	**237,230**
Additions			
Purchased	**–**	**–**	**56**
Commissioned assets under construction	**–**	**50,209**	**18,348**
Right-of-use (ROU) assets additions	**143**	**28,810**	**2,251**
Revaluations and impairments recognised in other comprehensive income	**1,271**	**16,577**	**1,652**
Reversal of previous asset write-down	**–**	**1,241**	**626**
Impairments – recognised in profit and loss	**–**	**–**	**–**
Depreciation/amortisation expense	**–**	**(39,330)**	**(50,247)**
Depreciation on right-of-use assets	**(3,661)**	**(12,687)**	**(2,576)**
Other movements	**–**	**1**	**–**
Other movements of right of use assets	**(64)**	**(34)**	**2**
Disposal of ROU assets	**–**	**(28)**	**–**
Disposals – other	**–**	**(25)**	**(128)**
Transferred to assets held for sale	**(7)**	**–**	**–**
Net book value 30 June 2026	**48,707**	**569,371**	**207,214**
Net book value as at 30 June 2026 represented by:			
Gross book value	**63,973**	**772,879**	**484,367**
Accumulated depreciation and impairment	**(15,266)**	**(203,508)**	**(277,153)**
Total net book value as at 30 June 2026	**48,707**	**569,371**	**207,214**
Carrying amount of right-of-use assets	**23,519**	**113,369**	**5,673**

1 Total property, plant and equipment includes right-of-use assets leased to third-parties as an operating lease of $0.08m at 30 June 2026.
2 Total Assets under Construction is broken down as follows:

AUC Component	FY2026	Major Assets/Projects
Buildings	$341.4m	WSIA ARRF, Brisbane ATSC Extension,
Plant and Equipment	$427.6m	CMATS Solution, ENMP Program, WSIA ARFF Fleet Acquisition,
Intangibles	$1,066.7m	CMATS Solution, OneSKY CMATS and Integration, DAS Program, TTRP Program
Total	**$1,835.7m**	

Total property, plant and equipment[1] $'000	Internally developed software $'000	Other intangible assets $'000	Total intangibles $'000	Assets under construction[2] $'000	Total $'000
1,390,043	360,309	75,161	435,470	1,480,438	3,305,951
(577,151)	(306,453)	(74,015)	(380,468)	-	(957,619)
812,892	53,856	1,146	55,002	1,480,438	2,348,332
56	-	-	-	467,847	467,903
68,557	12,414	-	12,414	(80,971)	-
31,204	-	-	-	-	31,204
19,500	-	-	-	-	19,500
1,867	-	-	-	-	1,867
-	-	-	-	(31,540)	(31,540)
(89,577)	(16,645)	(365)	(17,010)	-	(106,587)
(18,924)	-	-	-	-	(18,924)
1	4	-	4	-	5
(96)	-	-	-	-	(96)
(28)	-	-	-	-	(28)
(153)	(21)	-	(21)	-	(174)
(7)	-	-	-	-	(7)
825,292	49,608	781	50,389	1,835,774	2,711,455
1,321,219	366,198	49,479	415,677	1,835,774	3,572,670
(495,927)	(316,590)	(48,698)	(365,288)	-	(861,215)
825,292	49,608	781	50,389	1,835,774	2,711,455
142,561	-	-	-	-	142,561

2.3 Property, plant and equipment and intangibles (continued)

Non-current assets — property, plant, equipment and intangibles

	Land $'000	Buildings $'000	Plant and equipment $'000
As at 1 July 2024			
Gross book value	72,310	675,393	834,263
Accumulated depreciation and impairment	(17,816)	(167,256)	(556,600)
Net book value 1 July 2024	**54,494**	**508,137**	**277,663**
Additions			
Purchased		–	–
Commissioned assets under construction – Gross Value	–	29,795	13,924
Right-of-use (ROU) assets additions	1,592	992	4,548
Revaluations and impairments recognised in other comprehensive income	430	18,056	4,853
Revaluations recognised in profit and loss	–	2,913	(3,619)
Reversal of impairments on right-of-use assets recognised in net cost of services	–	–	2,093
Depreciation/amortisation expense	–	(34,275)	(57,683)
Depreciation on right-of-use assets	(3,811)	(11,778)	(2,241)
Other movements	–	(3)	1,243
Other movements of ROU assets	(140)	10,876	(2,706)
Disposals – other	(71)	(76)	(845)
Transfers to assets held for sale	(1,469)	–	–
Net book value 30 June 2025	**51,025**	**524,637**	**237,230**
Net book value as at 30 June 2025 represented by:			
Gross book value	63,827	706,976	619,240
Accumulated depreciation and impairment	(12,802)	(182,339)	(382,010)
Total net book value as at 30 June 2025	**51,025**	**524,637**	**237,230**
Carrying amount of right-of-use assets	27,101	97,308	5,996

1 Total property, plant and equipment includes right-of-use assets leased to third-parties as an operating lease of $0.10m at 30 June 2025.
2 Total Assets under Construction is broken down as follows:

AUC Component	FY2025	Major Assets/Projects
Buildings	$182.2m	WSIA ARFF, Perth and Brisbane ATSC Extension, Sydney Kingsford Smith Airport (KSA) Tower
Plant and Equipment	$338.2m	CMATS Solution, ENMP Program, WSIA ARFF Fleet Acquisition, Digital Twin
Intangibles	$960.0m	CMATS Solution, OneSKY CMATS and Integration, DAS Program
Total	**$1,480.4m**	

Total property, plant and equipment[1] $'000	Internally developed software $'000	Other intangibles assets $'000	Total intangibles $'000	Assets under construction[2] $'000	Total $'000
1,581,966	333,988	76,019	410,007	1,150,704	3,142,677
(741,672)	(293,292)	(74,591)	(367,883)	–	(1,109,555)
840,294	**40,696**	**1,428**	**42,124**	**1,150,704**	**2,033,122**
–	–	–	–	411,937	411,937
43,719	28,327	–	28,327	(72,046)	–
7,132	–	–	–	–	7,132
23,339	–	–	–	–	23,339
(706)	–	–	–	–	(706)
2,093			–	–	2,093
(91,958)	(15,167)	(282)	(15,449)	–	(107,407)
(17,830)	–	–	–	–	(17,830)
1,240	–	–	–	–	1,240
8,030	–	–	–	–	8,030
(992)	–	–	–	–	(992)
(1,469)	–	–	–	–	(1,469)
812,892	**53,856**	**1,146**	**55,002**	**1,480,438**	**2,348,332**
1,390,043	360,309	75,161	435,470	1,480,438	3,305,951
(577,151)	(306,453)	(74,015)	(380,468)	–	(957,619)
812,892	**53,856**	**1,146**	**55,002**	**1,480,438**	**2,348,332**
130,405	–	–	–	–	130,405

2.3 Property, plant and equipment and intangibles (continued)

a. Revaluation of land, buildings, plant and equipment

The valuation basis for land, buildings, plant and equipment is fair value as outlined in Note 2.4.

Airservices engaged accredited valuers Marsh to value its land, buildings and plant and equipment. The effective date of the revaluation was 30 June 2026.

b. Contractual commitments for the acquisition of property, plant, equipment and intangible assets

Capital commitments for property, plant, equipment and intangibles was $1,628.6m (2025: $1,140.6m) and includes GST where relevant.

c. Impairment

In line with accounting standards, management has performed an impairment review of both existing assets and assets under construction. Principally, the review has focused on future use of existing assets, and changes in project, technology and business system requirements.

d. Carrying amounts[1] that would have been recognised if land, buildings and plant and equipment were measured using the cost model:

	2026 $'000	2025 $'000
Land		
At cost	**1,822**	1,822
Total land at cost	**1,822**	1,822
Buildings		
At cost	**801,217**	751,881
Accumulated depreciation	**(419,917)**	(389,722)
Total buildings at cost	**381,300**	362,159
Plant and equipment		
At cost	**1,244,108**	1,202,269
Accumulated depreciation	**(1,057,494)**	(986,059)
Total plant and equipment at cost	**186,614**	216,210

1 The above carrying amounts excludes ROU assets.

e. Borrowing costs

The total borrowing costs capitalised at 30 June 2026 is $77.5m (2025: $58.1m) of which $24.0m (2025: $19.9m) were capitalised to assets under construction during the year and $4.6m (2025: $4.1m) were transferred to fixed assets. As Airservices borrows money generally to fund both operating and capital expenditure, the weighted average cost of borrowings of 4.5% (2025: 4.16%) was used as the capitalisation rate.

Accounting Policy

Asset recognition threshold

Purchases of property, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases less than $5,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Cost and valuation

Property, plant and equipment are measured at cost or at fair value, less, where applicable, accumulated depreciation and any accumulated impairment losses.

Assets purchased by Airservices are initially recorded at cost and represent costs directly attributable to the acquisition. Labour and direct overheads incurred in installation are capitalised and added to the cost. Assets constructed by Airservices are initially recognised at the cost of materials, labour, direct overheads and borrowing costs incurred on qualifying assets.

All costs associated with repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

Revaluations

Following initial recognition at cost, property, plant and equipment (excluding ROU Assets) are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Independent valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the asset's fair value at the reporting date. Revaluations are conducted by an independent qualified valuer.

Any revaluation surplus is credited to the asset revaluation reserve included in the equity section of the Statement of Financial Position unless it reverses a revaluation decrease of the same asset previously recognised in the Statement of Comprehensive Income, in which case the increase is recognised in profit or loss.

Any revaluation deficit is recognised in the Statement of Comprehensive Income, except that a decrease offsetting a previous surplus for the same asset is debited directly to the asset revaluation reserve to the extent of the credit balance existing in the revaluation reserve for that asset. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset. The revaluation surplus is accounted for net of deferred tax in the asset revaluation reserve.

Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Leased Right of Use (ROU) Assets

At inception of a contract, Airservices assesses whether an arrangement is, or contains, a lease. An arrangement contains a lease if a customer has the right to control the use of an identified asset for a period in exchange for consideration. Airservices is a party to lease contracts for the following ROU asset classes – land, building, plant and equipment at 30 June 2026.

Airservices has elected not to separate non-lease components and account for its lease and non-lease components as a single lease component only if immaterial, as allowed by the Department of Finance.

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. The commencement date is the date on which a lessor makes an underlying asset available for use by a lessee.

If the lease transfers ownership of the underlying asset to Airservices by the end of the lease term, or if the costs of the ROU asset reflects that Airservices will exercise a purchase option, the asset will be depreciated from the commencement date to the end of the useful life of the underlying asset.

2.3 Property, plant and equipment and intangibles (continued)

Leased Right of Use (ROU) Assets (continued)
These assets are accounted for as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

Following initial application, an impairment review is undertaken for any ROU lease asset that shows indicators of impairment and an impairment loss is recognised against any ROU lease asset that is impaired. Leased ROU assets continue to be measured at cost after initial recognition in Airservices' financial statements.

De-recognition and disposal
An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising from de-recognition, calculated as the difference between net disposal proceeds and carrying value, is included in the Statement of Comprehensive Income in the year the asset is derecognised.

Impairment of non-financial assets
The carrying values of property, plant and equipment (including ROU assets) are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable and, as a minimum, at least annually. All assets were assessed for impairment as at 30 June 2026.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which it belongs. If any impairment indication exists, and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

Recoverable amount of non-current assets
All assets are subjected to impairment tests at each reporting date. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made. Where the carrying amount exceeds the recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for each asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash flows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a market-determined risk adjusted discount rate.

Depreciation
Depreciable property, plant and equipment are written off to their estimated residual values over their estimated useful lives to Airservices, using in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date, and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives.

	2026	2025
Buildings (e.g. control towers, fire stations, commercial property)	10–45 years	10–45 years
Building equipment	2–40 years	2–40 years
Other Assets (e.g. airways technical equipment, vehicles)	2–40 years	2–40 years

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

Spares
Asset-specific spare parts (repairable spares) have been treated as plant and equipment and depreciated over the useful life of the parent asset to which they are related.

Decommissioning and site rehabilitation
Where Airservices has an obligation to incur site rehabilitation costs and the requirements outlined below in Note 2.5 Other Provisions and Payables have been met, the estimated cost to make good the site is recorded as a provision.

The net present value of the make-good obligation is measured by discounting using market yields at the reporting date on high quality corporate bonds (AA and AAA rated bonds only) with terms to maturity that match, as closely as possible to the estimated future cash-flows of the related make-good obligation.

Intangible assets
Intangible assets acquired separately are initially measured at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and impairment losses. Where amortisation is charged on assets with finite lives, this expense is taken to the Statement of Comprehensive Income. Software is amortised on a straight-line basis over 3–10 years.

Research costs associated with in-house developed intangible assets are expensed as incurred. Costs incurred on development projects (relating to the design and testing of new improved products) are recognised as intangible assets when it is probable that the project will be a success, considering its commercial and technical feasibility and its cost can be measured reliably. The carrying value of development costs is reviewed for impairment annually or more frequently if there is evidence to suggest that the carrying value may not be recoverable. All intangibles were assessed for indicators of impairment as at 30 June 2026.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying value of the asset as at the date of de-recognition and are recognised in the Statement of Comprehensive Income.

Borrowing costs
Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

2.4 Fair value disclosure

The following tables provide an analysis of assets and liabilities that are measured at fair value. The remaining assets and liabilities disclosed in the Statement of Financial Position do not apply the fair value hierarchy.

The different levels of the fair value hierarchy are defined below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Fair value measurements

Fair value measurements at 30 June 2026 by hierarchy for assets and liabilities

	Fair value measurements at the end of the reporting period				
	2026 $'000	2025 $'000	**Category (Level 1, 2, or 3)**	**Valuation technique**	**Inputs used**
Financial assets					
Forward exchange contracts	**1,182**	4,158	2	ADCF	[1]
Interest rate swaps	**7,829**	16,508	2	ADCF	[2]
Total financial assets at fair value	**9,011**	20,666			
Non-financial assets					
Land	**25,188**	23,924	2	DC	[3]
Buildings	**456,002**	427,329	3	DRC	[4]
Plant and equipment	**201,541**	231,234	3	DRC	[5]
Assets held for sale	**7**	1,469	2	DC	[3]
Total non-financial assets at fair value	**682,738**	683,956			
Total fair value measurements of assets	**691,749**	704,622			
Financial liabilities					
Forward exchange contracts	**1,623**	232	2	ADCF	[1]
Interest rate swaps	**20,775**	14,515	2	ADCF	[2]
Total financial liabilities at fair value	**22,398**	14,747			
Total fair value measurements of liabilities	**22,398**	14,747			
Financial liabilities not measured at fair value in the statement of financial position					
Medium Term Notes	**2,804,498**	2,053,907	2	DC	[6]
Commercial Paper	**41,449**	116,140	2	DC	[6]
Standby Cash Advances	**300,000**	300,000	2	DC	[6]
Total financial liabilities not measured at fair value	**3,145,947**	2,470,047			

DC Direct Comparison
DRC Depreciated Replacement Cost (Cost Approach)
ADCF Adjusted Discounted Cash Flows

[1] Current foreign exchange market rates.
[2] Current market interest rates.
[3] Land assets were individually inspected and valued in 2023–2024 and were not subject to indexation. Consideration was given to general and local market conditions, in conjunction with recent sales data, limitations, interests, encumbrances, and notifications to determine fair value movement. Land assets were valued using an indexation approach in 2025–2026.
[4] Buildings asset class were individually inspected and valued in 2024. Due to the unique nature of the asset without an active and liquid market, the cost approach was used. Benchmarking against similar assets and indexation were applied to obtain the fair value in 2026. Building assets were trended via indexation in previous years.
[5] Plant and equipment asset class were subject to the indexation approach of valuation. The index range used was 1% to –1.04%.
[6] Medium term notes, standby cash advances and commercial paper fair values reflect the price that an existing investor is prepared to receive if they were to sell their investment in the secondary market.

2.4 Fair value disclosure (continued)

Airservices engages external, independent and qualified valuers to assess the fair value of Airservices' property, plant and equipment on an annual basis. Highest and best use is the same as current use. In 2026, no physical inspections were undertaken and a desktop assessment for land and buildings based on previous year inspection in 2024 were utilised to value the assets. All Plant and Equipment assets were valued on a desktop assessment basis informed by physical inspections undertaken in 2023 and previous years.

Land

The majority of land assets have restrictive zoning constraints which were considered when assessing location valuation. Furthermore, many parcels of land are in remote locations, are landlocked or have other features which negatively impact the marketability. Some land parcels have been assigned a nominal value given the impact of these factors.

For the remaining land assets, the fair value has been determined through assessment of general and local market conditions, in conjunction with recent sales data, analysed to determine fair value movement. The assessment includes the confirmation of legal descriptions including limitations, interests, encumbrances, and notifications. Additional information utilised in the assessment includes resources management whereby land assets were analysed in line with their zoning and development control constraints.

Buildings

Building assets are typically unique in nature and situated on larger parcels of restricted use land (which can be owned by other parties). For those assets, it means there isn't an active or liquid market to base a valuation on and so have been valued using the Cost Approach (depreciated replacement cost). Where possible, recent examples of construction costs for similar assets were obtained to benchmark other assets. However, where there was scant evidence available for consideration, costs for comparable assets in other locations (non-airside) have been used an inflation factor applied using the valuer's professional judgement to allow for the challenges of airside construction.

The valuation assessment of building assets included adjustment of remaining useful life periods to derive fair value. Buildings which had a current value of less than $50,000 were not inspected, however have been included in a desktop assessment and valued at their current net book value.

Plant and Equipment (P&E)

These assets represent a specialised group of assets integrated to perform the control, monitoring and safety requirement of air and ground movement of commercial aircraft and airport support vehicles within Australia. Generally, the plant and equipment assets are typical at each airport and only vary subject to the operational requirements of each airport. Airservices' assets include navigational aids, en-route surveillance systems, airport infrastructure and fire and rescue vehicles.

P&E assets have been valued using the indexation method where all assets previously comprehensively valued by the independent valuer have had the costs increased by an appropriate market metric, and a single year of remaining life reduced to appropriately adjust for the depreciation.

Reconciliation for recurring Level 3 fair value measurements

Recurring Level 3 fair value measurements — reconciliation for assets

	Non-financial assets		
	Buildings 2026 $'000	Plant and equipment 2026 $'000	Total 2026 $'000
Opening balance	**427,329**	**231,234**	**658,563**
Total gains/(losses) recognised in Statement of Comprehensive Income[1]	**1,241**	**626**	**1,867**
Total gains recognised in Other Comprehensive Income[2]	**16,577**	**1,652**	**18,229**
Purchases	**-**	**56**	**56**
Commissioned	**50,209**	**18,348**	**68,557**
Disposals	**(25)**	**(128)**	**(153)**
Depreciation	**(39,330)**	**(50,247)**	**(89,577)**
Closing balance	**456,001**	**201,541**	**657,542**

1 These gains/(losses) are presented in the Statement of Comprehensive Income under Reversal of previous asset write-downs/Write-down and impairment of other assets.

2 These gains/(losses) are presented in the Statement of Comprehensive Income under Changes in asset revaluation reserve.

2.5 Other provisions and payables

Current payables and other provisions

	2026 $'000	2025 $'000
Current trade and other payables		
Trade payables	**36,934**	30,632
Employees		
Salaries and wages	**27,370**	24,554
Superannuation	**492**	218
Tax payables		
Accrued payroll tax	**4,485**	5,750
Net goods and services tax payable	**9,576**	10,084
Group tax payable	**8,438**	7,726
Revenue received in advance	**2,888**	1,013
Interest payable	**25,742**	18,025
Other accrued expenses	**106,431**	85,374
Total current trade and other payables	**222,356**	183,376
Current other provisions		
ARFFS decontamination[1]	**82,837**	102,337
Makegood on leasehold assets	**2,708**	5,000
Other[2]	**32,740**	16,019
Total current other provisions	**118,285**	123,356
Total current provisions and payables	**340,641**	306,732
Non-current other provisions		
Makegood on leasehold assets	**52,288**	40,120
Other[2]	**1,891**	1,649
Total non-current provisions	**54,179**	41,769

1 **Aviation Rescue & Fire Fighting Services (ARFFS) decontamination:** The provision relates to the assessment, management, and containment of possible contaminated ARFFS training sites as outlined in Note 5.1 Contingent liabilities.

2 **Other provision:** The other provision includes on-costs associated with recreation leave and long service leave, such as workers compensation and payroll tax. This is classified as separate provisions to employee benefits in accordance with section 24 of the FRR and the total amount for 30 June 2026 is $19.1m (2025: $16.1m).

The remaining balance relates to contractual obligations associated with project-related provisions, including asbestos remediation, which remain payable under the relevant contractual agreements.

Accounting Policy

Provisions

Provisions are recognised when Airservices has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. Where the effect of the time value of money is material, the obligation is measured using a discount rate which reflects current market assessments and the risks specific to the liability. Increases in the provision due to the passage of time (unwinding of the discount) are then recognised as expense.

Accounting Judgements and Estimates

Other provisions

An estimate of expected future costs has been used to establish the provision for the assessment, management and containment of possible contaminated ARFFS training sites and the remediation and restoration of leased property sites. The calculation of provisions is subject to the volatility of economic assumptions, in particular, discount rates, inflation and payment pattern assumptions. Cost estimates, including their respective ranges and contingencies are based on experience and advice provided by qualified specialists allowing for current state of uncertainty and unknown factors.

Movements in provisions

	2026 $'000	2025 $'000
i. ARFFS decontamination (Current/Non-current)		
Carrying amount at start of period	**102,337**	88,296
Additional provisions made	**37,810**	84,233
Payments	**(57,310)**	(70,192)
Carrying amount at end of period	**82,837**	102,337
ii. Makegood on leasehold assets (Current/Non-current)		
Carrying amount at start of period	**45,120**	44,046
Additional provisions made	**10,303**	1,882
Payments	**(427)**	(808)
Carrying amount at end of period	**54,996**	45,120
iii. Other (Current/Non-current)		
Carrying amount at start of period	**17,668**	15,867
Additional provisions made	**18,295**	3,174
Payments	**(1,332)**	(1,373)
Carrying amount at end of period	**34,631**	17,668

2.6 Other financial assets and liabilities

	2026 $'000	2025 $'000
Other current financial assets		
Interest rate swaps	**342**	251
Forward exchange contracts	**1,182**	1,582
Total other current financial assets	**1,524**	1,833
Other non-current financial assets		
Interest rate swaps	**7,487**	16,257
Forward exchange contracts	**-**	2,576
Total other non-current financial assets	**7,487**	18,833
Other current financial liabilities		
Interest rate swaps	**-**	849
Forward exchange contracts	**1,517**	200
Total other current financial liabilities	**1,517**	1,049
Other non-current financial liabilities		
Interest rate swaps	**20,775**	13,666
Forward exchange contracts	**106**	32
Total other non-current financial liabilities	**20,881**	13,698

Refer to Note 2.4 for basis of fair value measurement.

2.7 Other assets and other liabilities

	2026 $'000	2025 $'000
Other current liabilities		
Lease liability		
Land	**2,691**	2,578
Buildings	**9,812**	9,094
Plant and equipment	**2,589**	1,620
Total other current liabilities	**15,092**	13,292
Other non-current liabilities		
Lease liability		
Land	**21,541**	24,254
Buildings	**85,281**	79,081
Plant and equipment	**3,136**	4,449
Other[1]	**7,773**	23,965
Total other non-current liabilities	**117,731**	131,749
Maturity analysis — contractual undiscounted cash flows		
Within 1 year	**18,398**	18,240
Between 1 to 5 years	**41,969**	56,202
More than 5 years	**92,010**	90,445
Total leases	**152,377**	164,887

1 This represents the excess of amounts received from the Department of Defence under the On-Supply Agreement, from Defence's share of work conducted by Thales under the CMATS acquisition contract.

The above lease disclosures should be read in conjunction with the accompanying notes 1.2 and 2.3.

Accounting Policy

Lease liabilities

For all new contracts entered into, Airservices considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or Airservices' incremental borrowing rate.

The lease liability is measured at the present value of future lease payments, discounted using the Implicit Interest Rate (IIR), if available, otherwise the Incremental Borrowing Rate (IBR) is used. The discount rate represents Airservices' borrowing rate with the asset portfolio adjusted for the profile of the underlying asset (and its securitisation), currency and the tenure.

Where the IBR is used, Airservices will reference a 30-year Australian Medium-Term Note (MTN) corporate bond yield curve which has been built to reflect the costs of borrowings. The curve can be used to represent the entity's borrowing rate across asset categories and tenures.

Lease payments to be included in the measurement of the lease liability comprise of fixed payments (including in-substance fixed payments) less any lease incentives; variable lease payments that depend on an index or a rate; the exercise price of a purchase option if reasonably certain of exercise; amounts expected to be payable under a residual value guarantee; and any payments of penalties for terminating the lease if the lease term reflects the lessee exercising an option to terminate the lease.

Lease payments not included in the initial measurement of the lease liability are recognised directly in profit and loss. Overall, the variable payments constitute up to 1% (2025: 2%) of Airservices' entire lease payments at 30 June 2026. Airservices expects this ratio to remain relatively constant in the future years. Refer to Note 1.2 Expenses for further detail.

The lease term determined comprises the non-cancellable period of lease contracts; periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

Subsequent to initial measurement, the lease liability will be reduced to reflect lease payments made and increased to reflect interest on the lease liability.

Airservices remeasures the lease liability whenever there is a change in future lease payments arising from change in an index or rate; if there is a change in the entity's estimate of the amount expected to be payable under a residual value guarantee; or if the entity changes its assessment of whether it will exercise a purchase, extension, or termination option. When the lease liability is remeasured, the corresponding adjustment is reflected in the ROU asset or profit and loss depending on the nature of the reassessment or modification.

3. Our funds management

This section identifies Airservices Australia's funding structure.

3.1 Cash and cash equivalents

	2026 $'000	2025 $'000
Cash and cash equivalents		
Cash at bank and in hand	**166,176**	169,333
Deposit at call	**250,900**	173,200
Term deposits	**230,000**	250,000
Total cash and cash equivalents	**647,076**	592,533

a. Cash at bank and in hand

Cash at bank has a floating interest rate of 4.55% for balances up to $162.5m (2025: 4.05% for balances up to $150m). For balances greater than $162.5m, the interest rate is 4.35% (2025: 3.85% for balances greater than $150m). Cash in hand and some non-interest-bearing bank accounts have a zero interest rate.

b. Deposits at call

The deposits at call have a weighted average floating interest rate of 4.5% (2025: 4.00%). These 11am cash deposits are rolled over daily.

c. Term deposits

The term deposits have a weighted average interest rate of 4.85% and will mature on 20 July, 22 July, 23 July, 28 July, 29 July, and 23 September 2026 (2025: 4.15%).

Accounting Policy

Cash and cash equivalents

Cash is recognised at its nominal amount. Cash in the Statement of Financial Position comprises cash at bank and in hand and deposits at call and term deposits which are readily convertible to cash on hand.

3.2 Reconciliation of cash and cash equivalents

	2026 $'000	2025 $'000
Reconciliation of net (loss) after income tax to net cash flows from operations		
Net (loss) after income tax	**(391,094)**	(237,092)
Adjustments for non-cash items:		
Depreciation expense	**125,511**	125,237
Impairment recognised for property, plant and equipment	**31,540**	10,157
Reversal of previous asset write-downs	**(1,867)**	(2,093)
Net loss on sale/write-down of non-current assets	**289**	520
Aviation Super defined benefit contributions movement (after tax)	**17,651**	14,639
Change in assets		
Decrease in gross receivables	**3,008**	4,318
(Increase) in inventories	**(127)**	(288)
(Increase) in prepayments	**(17,953)**	(6,717)
Decrease/(increase) in other assets	**11,655**	(9,229)
Decrease/(increase) in deferred tax	**38,603**	(88,681)
Change in liabilities		
(Decrease)/increase in employee benefits	**(6,673)**	17,273
(Decrease)/increase in allowance for impairment	**(9,617)**	3,432
(Decrease) in other liabilities	**(2,006)**	(2,062)
Increase in other provisions	**7,339**	16,916
Increase in creditors and accruals	**7,632**	13,636
Net cash flow from operating activities	**(186,109)**	(140,034)

3.3 Borrowings

	2026 $'000	2025 $'000
Unsecured borrowings		
Current[1]	**341,454**	616,759
Non-current[2]	**2,792,118**	1,795,317
Total borrowings	**3,133,572**	2,412,076

1 This represents amounts issued under a $300m commercial paper program and a $300m bilateral cash advance facility. It includes $300m maturing 30 July 2026, $12m maturing 6 October 2026 and $30m maturing 8 October 2026.

2 This represents amounts issued under a $3,500m medium term note program. It includes $300m maturing 15 November 2028, $275m maturing on 15 May 2030, $175m maturing on 15 May 2031, $500m maturing 22 April 2032, $200m maturing on 15 November 2032, $250m maturing on 15 May 2034, $500m maturing on 15 May 2035, $500m maturing 15 November 2037 and $100m maturing on 15 November 2052.

3.4 Standby arrangements and unused credit facilities

	2026 $'000	2025 $'000
Committed borrowing facilities		
Cash advance facilities	**970,000**	850,000
Total committed borrowing facilities	**970,000**	850,000
Amount utilised	**(300,000)**	(300,000)
Unused committed borrowing facilities	**670,000**	550,000
Uncommitted borrowing facilities		
Commercial paper program	**300,000**	300,000
Medium term note program	**3,500,000**	2,800,000
Total uncommitted borrowing facilities	**3,800,000**	3,100,000
Amount utilised	**(2,842,000)**	(2,118,000)
Unused uncommitted borrowing facilities	**958,000**	982,000
Total unused committed and uncommitted borrowing facilities	**1,628,000**	1,532,000

3.5 Financial instruments

Airservices has exposure to credit risk, liquidity risk, market risk (comprising of interest rate and foreign exchange risk) arising from its operations and use of financial instruments. Airservices uses financial instruments to manage these risks within a framework consisting of a comprehensive set of risk management policies. These risks are managed centrally, and speculative trading is strictly prohibited.

Financial assets and liabilities — classification and measurement

Cash and cash equivalents
Airservices' cash and cash equivalents are overnight or short term deposits that are held to maturity and have cash flows that solely represent principal and interest. All cash and cash equivalents are classified under AASB 9 as financial assets at amortised cost.

Trade and other receivables
All Airservices' trade receivable cash flows solely represent principal and interest payments and are classified under AASB 9 as financial assets at amortised cost. When measuring its trade and other receivables, Airservices has adopted the AASB 9 simplified approach to measure the impairment loss allowance at an amount equal to the lifetime expected credit loss.

Committed cash advances
Airservices' cash advances are bank loans that are held to maturity and have cash flows that solely represent principal and interest. All committed cash advances are classified under AASB 9 as financial liabilities at amortised cost.

Medium term notes and commercial papers
Airservices' financial liabilities include medium term notes and commercial papers which are initially measured at fair value less transactions costs and subsequently remeasured using the effective interest method. Under AASB 9 these instruments are all classified as financial liabilities at amortised cost.

Trade and other payables
Supplier and other payables are recognised at amortised cost as all cash flows solely represent payment of principal. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

Derivative financial instruments
Under AASB 9, all Airservices' derivative financial liabilities are measured and classified as financial assets or liabilities at fair value through profit and loss.

Derivative financial instruments — hedge accounting under AASB 9
Airservices uses derivative financial instruments, such as Forward Exchange Contracts (FECs) and Interest Rate Swaps (IRSs) to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value on reporting date. Derivatives are carried as current or non-current financial assets when the fair value is positive and as current and non-current financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion, which is recognised in other comprehensive income.

3.5 Financial instruments (continued)

Fair value measurements

The fair values of Airservices' FECs and IRSs are calculated using a credit adjusted discounted cash-flow methodology. FEC and IRS contracted rates are compared to current market rates to calculate future cash flows which are then discounted to arrive at a present value. Airservices uses only observable market data as inputs.

Airservices does not apply netting to the fair values of its financial assets and liabilities. The Statement of Financial Position separates the fair values into current and non-current financial assets and liabilities. However, as at 30 June 2026, if netting was applied to the FEC portfolio then FEC financial assets of $1,181,910 would have been reduced by FEC financial liabilities of $1,623,049 to a net liability amount of $441,139 (2025: FEC financial assets of $4,157,828 would have been reduced by FEC financial liabilities of $232,312 to the net asset amount of $3,925,516).

If netting was applied to the IRS portfolio then IRS financial assets of $7,829,124 would have been reduced by IRS financial liabilities of $20,774,960 to the net liability amount of $12,945,836 (2025: IRS financial assets of $16,507,825 would have been reduced by IRS financial liabilities of $14,514,769 to the net asset amount of $1,993,056).

There is no secondary market for committed cash advances as they are executed under bilateral agreements with bank counterparties. As a result, their fair value is equal to the carrying amount.

Refer to Note 2.4 for fair value measurement basis of these instruments.

	AASB 9 accounting classification	**Carrying amount 2026 $'000**	**Fair value 2026 $'000**	Carrying amount 2025 $'000	Fair value 2025 $'000
Assets					
Forward exchange contracts	FVTPL	**1,182**	**1,182**	4,158	4,158
Cash and cash equivalents	AC	**647,076**	**647,076**	592,533	592,533
Receivables	AC	**111,849**	**111,849**	105,240	105,240
Interest rate swaps	FVTPL	**7,829**	**7,829**	16,508	16,508
Total assets		**767,936**	**767,936**	718,439	718,439
Liabilities					
Forward exchange contracts	FVTPL	**1,623**	**1,623**	232	232
Interest rate swaps	FVTPL	**20,775**	**20,775**	14,515	14,515
Medium Term Notes	AC	**2,792,118**	**2,804,498**	1,995,280	2,053,907
Trade and other payables	AC	**222,356**	**222,356**	183,376	183,376
Commercial Paper	AC	**41,454**	**41,449**	116,796	116,140
Committed cash advances	AC	**300,000**	**300,000**	300,000	300,000
Total liabilities		**3,378,326**	**3,390,701**	2,610,199	2,668,170

AC Amortised Cost
FVTPL Fair Value Through Profit and Loss

Financial risk

The financial risk management policy is aligned to Airservices' risk appetite statement. The policy identifies financial risks and provides effective guidance on how Airservices manages the risks faced by the organisation. It sets the risk limits, identifies the controls and determines the process for monitoring and adhering to limits. The policy is designed to add value without adding to the overall risks of the organisation.

The financial risk management policy and systems are reviewed regularly to reflect changes in market practices and Airservices' activities. Internal audit undertakes ad hoc reviews of financial risk management policy, controls and procedures, the results of which are reported to the Board Audit and Risk Committee.

Airservices uses financial instruments to manage its financial risks. The central Treasury unit identifies and evaluates the financial risks in close co-operation with other Airservices' units and seeks to minimise potential adverse effects on the financial performance.
As a result of the nature of Airservices' business and internal policies dealing with the management of financial risk, Airservices' residual exposure to credit, liquidity and market risk is considered to be low.

Credit risk

Credit risk represents the risk that one party to a transaction will fail to discharge an obligation and cause the other party to suffer a financial loss. Airservices invests money and enters into financial derivative contracts with authorised counterparties whose long-term credit rating is at, or above, A- (Standard and Poor's) or A3 (Moody's). There are currently only four approved counterparties. The maximum credit limit for each approved counterparty is currently $400m (2025: $300m). Counterparty credit exposure is assessed using the principles of the 'Current Exposure Method'. As at 30 June 2026, the maximum risk exposure to all authorised counterparties after applying the Current Exposure Method was $791.1m (2025: $686.2m).

Airservices is exposed to credit risk arising from potential default of debtors. This is equal to the total amount of trade and other receivables (2026: $111.9m and 2025: $105.2m). Airservices has assessed the risk of default on payment and has allocated $4.3m in 2026 (2025: $13.9m) as an allowance for impairment.

Airservices trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it Airservices' policy to securitise its trade and other receivables.

Credit risk of financial instruments not past due or individually determined as impaired.

	Not past due nor impaired 2026 $'000	Not past due nor impaired 2025 $'000	**Past due or impaired 2026 $'000**	Past due or impaired 2025 $'000
Receivables	**97,228**	93,728	**12,751**	20,205
Total	**97,228**	93,728	**12,751**	20,205

Airservices is exposed to concentration of risk with respect to trade receivables. 55% of revenues earned are from the following dominant operators: Qantas Group (including Jetstar) and Virgin Group.

3.5 Financial instruments (continued)

Liquidity risk

Liquidity risk management is concerned with ensuring there are sufficient funds available to meet financial commitments in a timely manner whilst also planning for unforeseen events which may reduce cash inflows and cause pressure on liquidity.

The primary objectives of short-term liquidity risk management are to ensure sufficient funds are available to meet daily cash requirements, whilst ensuring that cash surpluses in low interest bearing accounts are minimised.

The primary objective of long-term liquidity risk management is to ensure that funding (i.e. debt) facilities are in place to meet future long term funding requirements.

	Average interest rate %	Floating interest rate $'000	1 year or less $'000	1 to 5 years $'000	More than 5 years $'000	Non-interest bearing $'000	Total $'000
2026 Financial liabilities							
Non-derivative							
Trade and other payables	–	–	–	–	–	222,356	222,356
Commercial paper	4.94	42,000	–	–	–	–	42,000
Medium term notes[1]	5.10	–	142,775	1,274,550	2,543,850	–	3,961,175
Derivative							
Interest rate swaps[2]	–	–	(2,688)	(4,503)	(1,036)	–	(8,227)
Interest rate swaps[3]	–	–	4,259	12,136	8,795	–	25,190
Net financial liabilities		42,000	144,346	1,282,183	2,551,609	222,356	4,242,494
2025 Financial liabilities							
Non-derivative							
Trade and other payables	–	–	–	–	–	183,376	183,376
Commercial paper	4.12	118,000	–	–	–	–	118,000
Medium term notes	4.82	–	295,775	907,800	1,585,250	–	2,788,825
Derivative							
Interest rate swaps[4]	–	–	(468)	1,175	(303)	–	404
Interest rate swaps[5]	–	–	(681)	(2,752)	1,945	–	(1,488)
Net financial liabilities		118,000	294,626	906,223	1,586,892	183,376	3,089,117

1 Average interest rate is the weighted average coupon interest rate on the medium term notes (comparative prior year is the weighted average re-offer yield on the medium term notes).

2 Weighted average interest rates at 30 June 2026 were pay fixed at 3.52% and receive float at 4.78%.

3 Weighted average interest rates at 30 June 2026 were pay float at 4.78% and receive fixed at 3.93%.

4 Weighted average interest rates at 30 June 2025 were pay fixed at 3.13% and receive float at 3.86%.

5 Weighted average interest rates at 30 June 2025 were pay float at 3.83% and receive fixed at 3.61%.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The following table is a sensitivity analysis of the market risk that Airservices is exposed to through the use of foreign exchange and interest rate derivatives as well as investments and borrowings.

Airservices uses IRSs to hedge interest rate risk arising from its medium term notes. As at 30 June 2026, 89% (2025: 83%) of the medium term notes were either fixed or hedged and the notional value of the IRS portfolio equated to $825m (2025: $737m). The interest rate sensitivity analysis on the carrying amount of the IRS portfolio is calculated on a 'reasonably possible' basis with reference to the key drivers of interest rates, market expectations and historical data. In analysing interest rate sensitivities Airservices varies actual interest rates by +/- 0.99% (2025: +/- 1.32%).

Airservices uses FECs to hedge foreign currency exchange rate risk arising from committed transactions primarily relating to capital expenditure program undertakings. As at 30 June 2026, the total value of foreign currency exposures hedged equated to $50.9m (2025: $62.5m). Airservices has adopted a simplified approach to calculate market risk sensitivities on the carrying amount of the FECs. A standard sensitivity variable of +/- 9.06% (2025: +/- 8.06%) has been applied to all currencies. Airservices acknowledges that it is necessary to monitor annual movements in currencies to ensure the relevance of using a single constant rate.

			Effect of positive movement		Effect of negative movement	
	Carrying amount $'000	Change in risk variable +/-%	Profit and loss $'000	Equity $'000	Profit and loss $'000	Equity $'000
2026						
Currency risk						
Buy USD forward contracts	**445**	**9.06**	**-**	**(1,882)**	**-**	**2,257**
Buy EUR forward contracts	**(886)**	**9.06**	**-**	**(2,252)**	**-**	**2,705**
Interest rate risk						
Cash and cash equivalents	**647,076**	**0.99**	**6,386**	**-**	**(6,386)**	**-**
Medium term notes	**2,792,118**	**-**	**-**	**-**	**-**	**-**
Interest rate swaps	**(12,946)**	**0.99**	**(20,782)**	**-**	**23,846**	**-**
Commercial paper	**41,454**	**0.99**	**(416)**	**-**	**416**	**-**
Committed cash advances	**300,000**	**0.99**	**(2,970)**	**-**	**2,970**	
2025						
Currency risk						
Buy USD forward contracts	1,439	8.06	–	(2,232)	–	2,621
Buy EUR forward contracts	2,487	8.06	–	(2,597)	–	3,059
Interest rate risk						
Cash and cash equivalents	592,533	1.32	7,820	–	(7,820)	–
Medium term notes	1,995,280	–	–	–	–	–
Interest rate swaps	1,993	1.32	(25,891)	–	29,207	–
Commercial paper	116,796	1.32	(1,558)	–	1,558	–
Committed cash advances	300,000	1.32	(3,960)	–	3,960	–

3.5 Financial instruments (continued)

Forward exchange contracts

Airservices accounts for all of its FECs as cash flow hedges. Airservices' policy is to achieve 100% hedge effectiveness. All foreign currency exposures have a greater than 95% certainty of occurring, as all exposures are committed.

The effectiveness test is on a FEC rate to market rate comparison. Prospective testing is on a critical terms basis with the retrospective test based on an effectiveness ratio of 80–125%. Gains or losses are recognised on the hedging instrument (i.e. the FEC) and hedged item (i.e. the committed foreign exchange exposure) with any ineffectiveness recognised in the Statement of Comprehensive Income.

At balance date, the details of outstanding contracts are (Australian dollar equivalents):

	Sell Australian Dollars		Average Exchange Rate	
	2026 $'000	2025 $'000	**2026 EURO/$1**	2025 EURO/$1
Buy euros				
Maturity				
3 months or less	**11,962**	1,635	**0.5797**	0.5923
Greater than 3 months but less than 1 year	**15,489**	10,077	**0.5812**	0.5958
Greater than 1 year	**841**	21,347	**0.5442**	0.5904

	Sell Australian Dollars		Average Exchange Rate	
	2026 $'000	2025 $'000	**2026 US/$1**	2025 US/$1
Buy US dollars				
Maturity				
3 months or less	**11,852**	7,235	**0.6830**	0.6526
Greater than 3 months but less than 1 year	**9,603**	12,969	**0.7294**	0.6720
Greater than 1 year	**1,175**	9,227	**0.6532**	0.7333

Capital management

Airservices is a price regulated government-owned corporate Commonwealth entity with a capital management strategy that targets a minimum standalone/independent credit rating in the 'bbb' range and allows for sufficient flexibility in gearing to enable Airservices to absorb short-medium term shocks to traffic levels and costs. Recently, following an assessment of its forecast net debt and shareholder equity positions, the Board approved a temporary increase in the maximum gearing ratio to allow Airservices to accommodate costs associated with generational investment programs such as OneSKY and ARFFS NexGen.

Airservices conducts independent biennial reviews to assess its capital structure and develop actionable recommendations to optimise financial performance and maintain its capacity to fund the delivery of core services and investment programs. A review completed in December 2024 resulted in a number of enhancements to Airservices' Treasury Management Policy, including a strengthened capital structure framework, the introduction of a dividend policy, and the refreshment of key financial performance indicators. A subsequent review completed in March 2026 confirmed that Airservices' capital structure framework remains appropriate. The review highlighted that the organisation's capital position continues to be influenced by the scale of its investment program and broader financial challenges, reinforcing the importance of ongoing focus on key financial metrics and funding capacity.

4.0 Our people

This section describes a range of employment and post-employment benefits provided to our people and our relationships with other key people.

4.1 Employee provisions

	2026 $'000	2025 $'000
Current employee provisions		
Employee benefits		
Recreation leave	**78,181**	69,999
Long service leave	**167,242**	159,544
Separations and redundancies	**3,034**	4,277
Other	**1,753**	3,517
Pre-Comcare Workers compensation	**164**	176
Total current employee provisions	**250,374**	237,513
Non-current employee provisions		
Employee benefits		
Long service leave	**26,932**	25,326
Separations and redundancies	**1,198**	2,659
Other	**7,691**	9,825
Pre-Comcare Workers compensation	**1,176**	1,388
Total non-current employee provisions	**36,997**	39,198

Description of provisions

Employee benefits:

Workers compensation
These provisions represent Airservices' self-insured liability for workers compensation prior to 1 July 1989, which is calculated annually by an independent actuary.

Separations and redundancies
This includes $3.6m (2025: $4.3m) for ATC employees who were employed by Airservices on 1 July 1998 and continue to meet the eligibility requirements under the relevant enterprise agreement and $0.6m (2025: $2.7m) for redundancy provisions.

Other
This provision is for a retention incentive scheme relating to Air Traffic Services Centre program.

4.1 Employee provisions (continued)

Accounting Policy

Employee benefits

Salaries, wages, and termination benefits
Liabilities for short-term employee benefits and termination benefits expected to be wholly settled within 12 months of the end of the reporting period are measured at their nominal amounts. Liabilities for salary and wages are recognised and are measured as the amount unpaid at the reporting date at pay rates which will be applicable when paid, in respect of employees' services up to that date.

Recreation leave
The provision for recreation leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Accordingly, the employee benefit provision is measured as a long-term benefit by calculating the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

Long service leave and early retirement benefit
Employee benefit provisions for long service leave and early retirement benefits are assessed by qualified actuaries on an annual basis. Various actuarial assumptions are required when determining Airservices' obligations and these are discussed below.

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date, using the projected unit credit method. A liability for early retirement benefit is recognised within the provision for separations and redundancies in accordance with the applicable Enterprise Agreement and is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds (AA and AAA rated bonds only) with terms to maturity that match, as closely as possible, the estimated future cash outflows.

On-costs associated with recreation leave and long service leave are classified as separate provisions from employee benefits, in accordance with section 24 of the FRR and is recognised in Other Provisions, Note 2.5.

4.2 Defined benefit fund asset

Superannuation plan

Aviation Super is a corporate plan of ART and retains the defined benefit members of Airservices' employees.

The plan has a defined benefit section and a defined contribution section. The defined benefit section provides benefits based on the length of service and final average salary. The defined contribution section receives fixed contributions and Airservices' legal or constructive obligation is limited to these contributions.

The following sections set out details relating only to the defined benefits section of the Plan. Note that the defined benefits section is closed to new members. The valuation uses estimated 30 June 2026 membership and asset data.

	2026 $'000	2025 $'000
Benefit asset		
The amounts recognised in the statement of financial position are determined as follows:		
Present value of the defined benefit obligation	**(435,620)**	(450,742)
Fair value of defined benefit plan assets	**617,388**	612,087
Net benefit asset – non-current	**181,768**	161,345
Categories of plan assets		
The major categories of plan assets are as follows:		
Cash	**12,348**	12,242
Equity instruments	**225,347**	223,412
Debt instruments	**219,173**	217,291
Other assets	**160,520**	159,142
Total plan assets	**617,388**	612,087
Reconciliations		
Reconciliation of the present value of defined benefit obligation:		
Balance at the beginning of the year	**450,742**	452,095
Current service cost	**13,528**	14,620
Contribution by members	**5,320**	5,800
Interest cost	**22,872**	23,809
Remeasurements		
Effect of changes in financial assumptions	**(6,570)**	1,429
Effect of experience adjustments	**(2,753)**	(4,424)
Benefits paid	**(47,519)**	(42,587)
Balance at the end of the year	**435,620**	450,742
Reconciliation of the fair value of plan assets:		
Balance at the beginning of the year	**612,087**	598,884
Interest Income	**31,579**	32,045
Remeasurements		
Return on plan assets (excluding interest income)	**15,893**	17,918
Contribution by Airservices	**28**	27
Contribution by members	**5,320**	5,800
Benefits paid	**(47,519)**	(42,587)
Balance at the end of the year	**617,388**	612,087

4.2 Defined benefit fund asset (continued)

	2026 $'000	2025 $'000
Net amount recognised in the Statement of Comprehensive Income		
The amounts recognised in the Statement of Comprehensive Income are as follows:		
i. Defined benefit cost recognised in profit or loss		
Current service cost	**13,528**	14,620
Interest on the net defined benefit asset	**(8,707)**	(8,236)
Total included in employee benefits expense	**4,821**	6,384
ii. Remeasurements (recognised in Other Comprehensive Income)		
Effect of changes in financial assumptions	**(6,570)**	1,429
Effect of experience adjustments	**(2,753)**	(4,424)
Return on plan assets (excluding interest income)	**(15,893)**	(17,918)
Total remeasurements included in Other Comprehensive Income	**(25,216)**	(20,913)
iii. Total defined benefit (gain) recognised in the Statement of Comprehensive Income	**(20,395)**	(14,529)
Actual return on plan assets	**39,588**	56,256

Principal actuarial assumptions

The principal actuarial assumptions used (expressed as weighted averages) were as follows:

	2026	2025
Discount rate	**5.80%**	5.30%
Future salary increases – short term	**6.40%**	6.00%
Future salary increases – long term	**5.10%**	4.80%

The economic assumptions used by the actuary to make the funding arrangements were:

- a discount rate of 5.80% p.a. (2025: 5.30% p.a.) derived by applying the yield curve reported by Milliman to the expected cash flows of Aviation Super and equating this to a single equivalent rate.
- the salary increase rate assumption is equivalent to a liability weighted single rate assumption of 5.20% p.a (2025: 4.80% p.a.).

Sensitivity analysis

A sensitivity analysis for the key actuarial assumptions, holding other assumptions constant, and their potential impact on the defined benefit obligation are shown below.

	Increase $'000	Decrease $'000
2026		
Discount rate (0.5% movement)	**(18,266)**	**19,350**
Future salary increases (0.5% movement)	**15,727**	**(15,025)**
2025		
Discount rate (0.5% movement)	(21,431)	19,930
Future salary increases (0.5% movement)	16,139	(18,066)

Maturity profile

The following payments are expected to be made in future years out of the defined benefit plan obligation.

	2026 $'000	2025 $'000
Undiscounted Benefit Payments		
1 year or less	**40,294**	36,601
2 to 5 years	**195,015**	182,102
6 to 9 years	**228,328**	226,399
10 years plus	**493,287**	539,904
Total expected payments	**956,924**	985,006

The average duration of the defined benefit plan obligation at the end of the reporting period is 6 years (2025: seven years).

Employer contributions

Employer contribution rates are reviewed by the Employer as required under the Trust Deed. The Trustee receives advice on contribution rates with each actuarial investigation of the Plan undertaken for the Trustee. The Employer also reviews contributions rates as required if the financial position of the plan deteriorates. An actuarial investigation of the Plan is made each year (current practice), and the last such assessment was made as at 30 June 2025. This disclosed a surplus of $145.5m (2024: $156.1m). An actuarial investigation meeting requirements of the *Superannuation Industry (Supervision) Act 1993* is undertaken every three years.

For the year ended 30 June 2026 the employer contribution rate was:

- 3% of gross salary for those employees who remain members of the Commonwealth Superannuation Scheme (CSS category) (2025: 3%);
- From 1 July 2018, a contribution holiday was applied for other Airservices' employees who are full members (FULL) accruing a defined benefit under Division 2 of the Trust Deed.

The Employer and Trustee have an agreement regarding contributions required, should the Fund's financial position become unsatisfactory.

The objectives in setting the contribution rate are to ensure:

i. the benefit entitlements of members and other beneficiaries are fully funded by the time they become payable; and;
ii. there is a low probability that the assets are insufficient to meet the minimum benefit liabilities of the Fund should it terminate.

To achieve the first objective, the actuary has adopted a method of funding benefits known as the Attained Age Normal funding method. This funding method seeks to have benefits funded by means of a total contribution which is expected to be a constant percentage of members' salaries over their remaining working lifetimes. To achieve the second objective, the actuary undertakes scenario testing of the short-term financial position of the Plan.

Employer contributions expected to be paid by Airservices for the year ended 30 June 2027 are $0.026m due to the contribution holiday for full members, not including any additional contributions required (2026: $0.028m).

Net Financial position of the plan

In accordance with AASB 1056 Superannuation Entities, the Plan's net financial position is determined as the difference between the present value of the accrued benefits and the fair value of Plan assets. This was determined as at the date of the most recent financial report of ART Consolidated Financial Statements (ART 2025), when a surplus of $156.1m was reported. Last year in these financial statements, Airservices recognised a defined benefit asset of $161.3m at 30 June 2025.The difference between the amounts is due to the different accounting treatment of the net financial position for the employer under AASB 119, and the Plan under AASB 1056.

As at 30 June 2026 these financial statements disclose a defined benefit asset of $181.8m (2025: $161.3m). Aviation Super's net financial position for the Plan under AASB 1056 will not be available until after these financial statements have been signed.

Accounting Policy

Superannuation

Contributions are made predominantly to Aviation Super (sponsored by Airservices) and Commonwealth Superannuation Corporation (ComSuper) which administers the Commonwealth Superannuation Scheme (CSS) and Public Sector Superannuation (PSS) funds. Aviation Super has a defined benefit section and an accumulation section within its fund. Contributions to the Aviation Super defined benefit fund are made in accordance with advice received from the fund's actuary. Contributions to accumulation funds are in accordance with the organisation's Enterprise Agreement(s) and other employee contracts, in line with legislative requirements. Contributions to ComSuper for the PSS and CSS funds are in accordance with actuarial reports as notified by the Department of Finance.

Contributions to all funds except the Aviation Super defined benefit fund are recognised as an expense as they become payable. With respect to the Aviation Super defined benefit fund, the net interest on the net defined benefit asset is recognised in the profit before income tax, whereas actuarial gains and losses are recorded in other comprehensive income.

A liability or asset in respect of the Aviation Super defined benefit superannuation plan is recognised in the Statement of Financial Position and is measured as the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets as outlined above. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the interpolation between the yield on high quality corporate bonds (AA and AAA rated bonds only) that have terms approximating to the terms of the related obligation. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Accounting Judgements and Estimates

Aviation Super defined benefit plan

Various actuarial assumptions are required when determining Airservices' obligations under the Aviation Super defined benefit plan. The assumptions relied on for the period to 30 June 2026 are discussed above.

Long Service Leave and Early Retirement Benefits

Various actuarial assumptions are required when determining Airservices' obligations for long service leave and the early retirement benefit scheme. The long-term employee benefit assumptions relied on for the period to 30 June 2026 are based on enterprise agreements that were applicable during the financial year. These include a 6.40% annual salary increase for the first year and 5.10% (2025: 4.8%) p.a. thereafter, staff turnover rates ranging from 7.0% to 19.0% (depending on period of service), and the rate at which long service leave is taken while an employee is assumed to be 0.271 months of leave per annum. The Discount Rate is derived from a yield curve based on interpolation of high-quality corporate bonds (AA and AAA rated bonds only) based on the durations that reflect the estimated mean term of the liabilities, as follows:

Liability	Mean term	Corporate Bond Rates (Milliman)	Discount Rate
Defined benefits	6.8 years	Derived by applying the yield curve reported by Milliman at 30 June 2026 to the expected cashflows of Aviation Super and equating this to a single equivalent rate. This method is the same the method as that used last year.	5.8% p.a (5.3% 2025)
Long Service Leave	5.9 years	5 year and 6 year	5.6% p.a (5.0% 2025)
Early Retirement Benefit	1.6 years	1 year and 2 year	3.9% p.a (5.0% 2024)
Recreation Leave	1 years	Short term yield	5.0% p.a. (3.9% 2025)

4.3 Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of Airservices, directly or indirectly, including any Board member. Also included, are personnel acting in key management positions for periods of 30 consecutive days or more or acting arrangements required to be in place due to vacancy regardless of timeframe. Key management personnel remuneration is reported in the table below:

	2026 $'000	2025 $'000
Key executive remuneration expense for the reporting period		
Board		
Short-term employee benefits:		
Salary	**659**	731
Allowances and other benefits	**22**	59
Total short-term employee benefits	**681**	790
Post-employment benefits:		
Superannuation (post-employment benefits)	**79**	84
Total post-employment benefits	**79**	84
Total Board remuneration	**760**	874
Key Executive Management		
Short-term employee benefits:		
Salary[1]	**6,623**	6,446
Allowances and other benefits	**206**	195
Total short-term employee benefits	**6,829**	6,641
Post-employment benefits:		
Superannuation (post-employment benefits)	**376**	416
Total post-employment benefits	**376**	416
Other long-term benefits:		
Long service leave	**138**	132
Total other long-term benefits	**138**	132
Termination benefits	**-**	2,720
Total Key Executive Management remuneration	**7,343**	9,909
Total Key Management Personnel remuneration[2]	**8,103**	10,783

The information about non-executive Board members included in the table above relates to 6 individuals (2025: 10 individuals)

1 Salary includes recreation leave paid and the net movement in recreation leave balance in the current reporting period.

2 The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the entity.

Airservices has determined the key management personnel to be the Board members, Chief Executive Officer, Deputy Chief Executive Officer, eight Executive General Managers (positions of which were covered by thirteen officers during the year) and the General Counsel & Board Secretary. The information about executives above relates to 11.93 Full Time Equivalents (FTEs) (2025: 11.35 FTEs).

4.4 Related party transactions

a. Board members

The names of persons who were Board members of Airservices during the financial year are as follows:

	Status	Commenced	Finished
Chairperson			
Anne Brown[1]	Ongoing	25 July 2025	Current
Board members			
Lawrence Turner	Ongoing	3 March 2021	Current
Melvin Hupfeld	Ongoing	1 August 2023	Current
Nicolle Connelly	Ongoing	1 August 2023	Current
Susan Ferrier	Ongoing	24 March 2025	Current
Douglas Bain	Ongoing	1 April 2025	Current
Chief Executive Officer			
Rob Sharp[2]	Ongoing	29 July 2024	Current

b. Executives

The names of persons who were Executives of Airservices during the financial year (noting CEO remuneration is included in the Board remuneration table) are as follows:

Executives	Title	Commenced	Finished
Rob Sharp	Chief Executive Officer	29 July 2024	Current
Peter Curran[3]	Deputy Chief Executive Officer	29 July 2024	Current
Rochelle Reynolds	Chief Airspace and Network Officer	20 January 2025	Current
Michelle Petersen[4]	Chief Aerodromes Officer	8 July 2024	Current
Craig Webster	Chief Financial Officer	17 February 2025	Current
Mark Hind	Chief Technology Enablement Officer	27 April 2020	Current
Danielle Mesa	Chief People and Culture Officer	30 October 2023	Current
Vivienne King	Chief Operating Officer	21 August 2023	Current
Jacqui O'Dea	Chief Risk, Noise and Environment Officer	10 February 2025	Current
Paul Stoddart	Chief Customer and External Relations Officer	11 June 2024	Current
Dominic Gyngell	General Counsel & Board Secretariat	12 February 2025	Current
Travers Mayvis[5]	A/g Chief Aerodromes Officer	25 July 2025	7 April 2026
Cameron Wright	A/g Chief Operating Officer	28 July 2025	19 September 2025
Thomas Hunter	A/g Chief Customer and External Relations Officer	22 December 2025	1 February 2026

1 Anne Brown – First appointed to the Board on 4 December 2019, appointed Acting Chair from 3 June 2025 to 24 July 2025, and appointed Chair on 25 July 2025.

2 Rob Sharp – Interim CEO from 29 July 2024 to 19 January 2025. Formally appointed on 20 January 2025.

3 Peter Curran – Acting CEO from 1 July 2024 to 28 July 2024. Formally appointed Deputy CEO on 29 July 2024.

4 Michelle Peterson – Acting Chief Aerodromes Officer from 8 July 2024 to 26 November 2024. Formally appointed on 27 November 2024.

5 Travers Mayvis – Noting a break in the acting engagement between 7 September and 21 September 2025.

c. Transactions with related parties

Certain key management personnel (KMP) and Board member-related entities have transactions with Airservices that occur within normal customer or supplier relationships on terms and conditions no more favourable than those which it is reasonable to expect Airservices would have adopted if dealing with the KMP/Board member-related entity at arm's length in similar circumstances. These transactions include the following entities and have been described below where the transactions are considered likely to be of interest to users of these financial statements:

2026

- Airservices provided 11 payments to the Department of Home Affairs amounting to **$192,778** for the period 1 July 2025 to 30 June 2026 during which time Melvin Hupfeld was a Board Member of the Airservices Australia Board and was member of an expert advisory board appointed by the Minister of Home Affairs and Cyber Security providing occasional support to produce a recommended Australian National Cyber Security Strategy.
- Airservices provided 1 payment to DXC Technology Australia amounting to **$46,201.58** for the period 1 July 2025 to 30 June 2026 during which time Melvin Hupfeld was a Board Member of the Airservices Australia Board and was a consultant providing executive advisory services to DXC Technology Australia through the Public Service Advisory Board (PSAB).
- Airservices provided 48 payments to Thales Australia amounting to **$123,361,687.64** and received 1 payment from Thales Australia amounting to **$731.50** for the period 1 July 2025 to 30 June 2026 during which time Jacqui O'Dea was the Chief Risk, Noise & Environment Officer at Airservices Australia and her son was employed as Senior Offensive Security Consultant at Thales.
- Airservices provided 12 payments to Evinact Pty Ltd amounting to **$181,746.40** for the period 1 July 2025 to 30 June 2026 during which time Mark Hind was the Chief Technology Enablement Officer at Airservices Australia and he had personal relationships with business owners / major shareholders of Evinact Pty Ltd.
- Airservices provided 15 payments to Tractix Pty Ltd amounting to **$991,909.16** for the period 1 July 2025 to 30 June 2026 during which time Mark Hind was the Chief Technology Enablement Officer at Airservices Australia and his daughter was employed by Tractix Ptd Ltd.
- Airservices provided 12 payments to Megaport Australia Pty Ltd amounting to **$88,408.14** for the period 1 July 2025 to 30 June 2026 during which time Mark Hind was the Chief Technology Enablement Officer at Airservices Australia and was a shareholder of Megaport Australia.
- Airservices received 1 payment from Raytheon Australia Pty Ltd amounting to **$3,900.01** for the period 1 July 2025 to 30 June 2026 during which time Melvin Hupfeld was a Board Member of the Airservices Australia Board and was a consultant providing executive advisory services to Raytheon Australia through the Public Service Advisory Board (PSAB).
- Airservices received 12 payments from the Royal Victorian Aero Club amounting to **$90,601.10** for the period 1 July 2025 to 30 June 2026 during which time Melvin Hupfeld was a Board member of the Airservices Australia Board and a patron of the Royal Victorian Aero Club.
- Airservices received 24 payments from Virgin Australia amounting to **$202,031,568.33** for the period 1 July 2025 to 30 June 2026 during which time Lawrence Turner was a Board member of the Airservices Australia Board and his son in law was employed with Virgin Australia as Boeing 737 Captain.

4.4 Related party transactions (continued)

Transactions with related parties

2025

- Airservices provided payments to Australian Maritime Systems Group amounting to $233,682.47 for the period 1 July 2024 to 4 June 2025 during which time John Weber was Chairman of the Airservices Australia Board and was a Director at Australian Maritime Systems Group.
- Airservices provided payments to Jigsaw Group amounting to $22,338.80 for the period 1 July 2024 to 30 June 2025 during which time Lawrence Turner was a Board Member at Airservices Australia and his daughter was a workplace trainee performing work unrelated to Air Services at Jigsaw Group Limited.
- Airservices provided payments to RMIT University amounting to $160,921.20 for the period 1 July 2024 to 30 June 2025 during which time Nicolle Connelly was a Board Member at Airservices Australia and Associate Professor / Assistant Associate Dean at RMIT University.
- Airservices provided payments to the Civil Aviation and Safety Authority amounting to $99,300.86 for the period 1 July 2024 to 8 September 2024 during which time Greg Hood was Deputy Chair of the Airservices Board and their domestic partner was an employee of the Civil Aviation and Safety Authority.
- Airservices provided payments to L3 Harris Communications Australia amounting to $7,095,772.93 for the period 1 July 2024 to 8 September 2024 during which time Greg Hood was Deputy Chair of the Airservices Board and had a personal relationship with the Chief Executive Officer of L3 Harris Communications Australia.
- Airservices provided payments to NEXTDC Limited amounting to $87,675.45 for the period 1 July 2024 to 21 April 2025 during which time Eileen Doyle was both a Board member of Airservices Australia and Non-Executive Director at NEXTDC Limited.
- Airservices provided payments to Thales amounting to $3,838,515.97 for the period 10 February 2025 to 30 June 2025 during which time Jacqui O'Dea was the Chief Risk, Noise & Environment Officer at Airservices Australia and her son was employed as Senior Offensive Security Consultant at Thales.
- Airservices provided payments to Tractix Pty Ltd amounting to $471,900.68 for the period 1 July 2024 to 30 June 2025 during which time Mark Hind was the Chief Technology Enablement Officer at Airservices Australia and his daughter was employed by Tractix Ptd Ltd.
- Airservices received payments from Royal Victorian Aero Club amounting to $ 87,746.54 for the period 1 July 2024 to 30 June 2025 during which time Melvin Hupfeld was a Board member of Airservices Australia and patron of Royal Victorian Aero Club.
- Airservices received payments from Virgin Australia amounting to $176,641,279.50 for the period 1 July 2024 to 30 June 2025 during which time Lawrence Turner was a Board member of Airservices Australia and his son in law was employed with Virgin Australia as a Boeing 737 Captain.

To the extent permitted by law, Airservices provides indemnities to its Board members and officers to complement the insurance arrangements that it has in place.

The Board adheres to a strict Conflict of Interest Protocol which includes a review of Board members' personal interests at each Board meeting. The management of any conflict is dependent on its nature and severity and may include the exclusion of Board members from receiving related material or withdrawal from discussion or decision making.

5. Managing Uncertainties

This section analyses how Airservices Australia manages financial risks within its operating environment.

5.1 Contingent liabilities

Airservices had contingent liabilities at 30 June 2026 in respect of:

Aviation Rescue Fire Fighting Services (ARFFS) potential contaminated site management

Airservices and its predecessor organisations, including the Civil Aviation Authority and the Commonwealth Department of Transport, historically used firefighting foams containing per- and poly-fluorinated alkyl substances (PFAS) in the provision of aviation rescue and firefighting services. Airservices ceased using PFAS-containing firefighting foams at civilian airports in 2010.

Airservices continues to investigate and manage PFAS impacts associated with past operations at airports where it operates and is implementing its National PFAS Management Plan. Airservices works closely with the Commonwealth and other stakeholders in relation to PFAS management activities, noting that other historic users of PFAS are also likely to have contributed to PFAS contamination at a number of locations.

During 2025–26, Airservices continued site investigations and progressed management and remediation activities at a number of locations.

As investigations and management activities continue, additional obligations may arise. The nature, scope and cost of any future site-specific management and remediation actions will depend on the outcomes of ongoing investigations, regulatory requirements and future management decisions. Accordingly, Airservices is not currently able to reliably quantify its potential exposure in respect of these matters.

Airservices continues to engage with the Commonwealth regarding appropriate arrangements to support management of legacy PFAS issues arising from historical operations, including those of predecessor organisations.

Legal claims

Perth Airport Pty Ltd (PAPL) continues to pursue proceedings against Airservices in the Federal Court in Western Australia seeking, amongst other things, compensation for alleged PFAS contamination by Airservices at Perth Airport. At this point in time, Airservices is not able to reliably quantify any potential liability.

Airservices is a defendant in two proceedings before the Supreme Court of Victoria arising from the fatal mid-air collision near Mangalore Airport on 19 February 2020. The plaintiffs allege that Airservices breached statutory and common law duties in the provision of air traffic services and seek damages, including for psychiatric injury. Airservices denies liability and is defending both proceedings. At this point in time, Airservices is not able to reliably quantify any potential liability.

Accounting Policy

Contingent liabilities and contingent assets
Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

6. Other Information

6.1 Remuneration of auditors

	2026 $	2025 $
Remuneration of auditors		
Auditing services provided by the Australian National Audit Office	**390,000**	380,000

6.2 Monies held on behalf of third parties

Airservices has been contracted by the Solomon Islands Civil Aviation Authority and the Republic of Naoero to provide airspace management and accounts receivable services. The contracts require Airservices to retain cash received and to remit funds at a later date to the Solomon Islands and Naoero Governments as required under the respective agreements. At balance date, the money held on behalf of third parties totalled $0.51m (2025: $0.51m) for the Solomon Islands and $0.07m (2025: $0.06m) for Naoero.

6.3 Events after the reporting date

There were no subsequent events that had the potential to significantly affect the ongoing structure and financial activities of Airservices.


RESCUE
AUSTRALIA
FIRE

04
Capability



Our people

We are committed to creating a diverse workforce and an inclusive workplace where people feel safe, respected, and valued.

Our priority continues to be building a high-performing, safe and respectful culture – one built on trust and focused on serving our people, customers and community. As a Commonwealth authority employer, we are bound by the following legislation:

- *Equal Employment Opportunity (Commonwealth Authorities) Act 1987*
- *Human Rights Commission Act 1986*
- *Racial Discrimination Act 1975*
- *Sex Discrimination Act 1984*
- *Disability Discrimination Act 1992*
- *Workplace Gender Equality Act 2012*
- *Age Discrimination Act 2004*

Culture improvement

In January 2025 we launched our culture improvement program with 2025–26 seeing the completion of the first full year of implementation and commencement of year 2 of a 3-year roadmap. Our year 2 focus has shifted to embedding and scaling initiatives that demonstrated strong results in phase 1. Efforts centered on empowering leaders and teams to take ownership of culture change, reinforcing positive behaviours, and seeking to further embed cultural expectations into priority policies, processes and everyday moments that matter. Initiatives were aligned to our target culture pillars of safety and respect, trust, collaboration and high performance.

Safety and respect

We launched our new Safe Place service model and Prevention and Management of Harmful Workplace Behaviour Procedure, strengthening leader ownership and accountability for managing conduct matters, and improving the consistency and timeliness of responses to workplace concerns. This has been supported with 20 trained Bystander facilitators now in place to support enterprise-wide delivery and speak-up capability.

A new conduct review panel was established and convened for the first time on 6 May 2026, strengthening consistency in conduct-related decision-making.

We delivered initiatives under our Diversity, Equity and Inclusion Statement of Commitment, Gender Equality Action Plan and the 2026–2029 Reconciliation Action Plan, contributing to improvements in employee experience across priority inclusion areas, including safety, respect and belonging.

Trust

We launched Team Talks, a structured initiative enabling leaders to cascade key messages and facilitate 2-way dialogue, increasing visibility of organisational priorities and supporting more consistent communication across teams. Utilising feedback from the Culture Compass survey we delivered face-to-face executive leadership team engagement sessions across the country, increasing direct access to executives and providing opportunities for employees to raise questions and share feedback.

We designed and launched the inaugural Leadership Excellence Acceleration Program (LEAP) for senior leaders, strengthening capability in priority areas to instill trust and accountability, and supporting more consistent leadership practices across the organisation. This replaced our previous leadership engagement forum throughout 2025. The inaugural cohort commenced with baseline capability assessments for participants, creating a measurable benchmark for individual development and program evaluation over the 12-month program.

We piloted a team-based approach to building culture champions through an ARFF session at WSI airport, providing insights to inform broader application across operational teams.

Collaboration

We continued engagement with the Culture Reform Board as a representative voice of the workforce, including refreshing membership through an expression of interest process to strengthen diversity of perspectives and input into the culture improvement program. We shared the 2025 Culture Compass results across the workforce through the Team Talk program and promoted the 2026 Culture Compass survey, supporting increased awareness and participation in understanding how teams work together across the organisation.

High performance

We delivered the Above and Beyond Awards program, recognising 33 employees from over 220 nominations, reinforcing behaviours aligned to high performance and organisational values. We finalised delivery of the Ability to Execute (A2E) program, building practical capability across teams. Feedback from 85 participants indicated strong uptake of tools such as structured prioritisation and pre-mortem risk planning, supporting improved planning and execution. We also designed and delivered the Service Lead Capability Uplift program, strengthening capability in key roles responsible for operational delivery.

We designed a new leadership development approach, including a Leadership Capability Framework and 4 leadership pathways, providing clearer expectations and structured development opportunities across leadership levels. We strengthened the performance framework to improve the quality and consistency of performance management, supporting more meaningful conversations between leaders and employees on expectations, development and outcomes.

Enhancing our employee value proposition

During the year, we focused on creating a supportive environment for our people by prioritising purpose, flexibility and wellbeing. We have continued to provide flexible work arrangements and access to a range of offerings to support wellbeing including our Employee Assistance Program, Peer Assistance Network, Mental Health First Aid and Wellbeing Hub.

To reinforce our desired culture, we need to attract and retain talent. We have continued to celebrate and promote our new recognition program across the year, including hosting the Above and Beyond Awards and a refreshed Dedicated Service Awards process. In financial year 2025–26, we received 226 nominations for the Above and Beyond Awards, with 43% coming from Aerodromes and Airspace & Networks. Nomination volumes increased steadily across the year, reaching 69 in the June 2026 quarter.

Workforce planning

The past year presented a challenging environment for workforce planning, with global aviation workforce shortages continuing alongside strong growth in air travel and cargo demand. In response, we strengthened workforce resilience across our operational and technical workforces to support the safe and efficient delivery of our services.

The delivery of our services relies on specialised skills, including operational judgement, technical discipline, incident response, and the use of complex equipment and systems. Our workforce planning approach focused on both current service needs and future capability, informed by demand forecasts and evolving technology requirements.

Operational workforce availability remained strong throughout 2025–26. Air traffic controllers and ARFF workforces consistently exceeded demand, supported by sustained recruitment and training throughput. During the year, 109 new air traffic controllers were endorsed, with around 120 trainees in the pipeline. ARFF capacity also increased by more than 80 FTE (full-time equivalent), strengthening resilience and supporting future requirements, including WSI airport. See case study 'Strengthening service delivery and workforce resilience' for more information.

We advanced targeted workforce planning across engineering and technical cohorts to address critical capability risks associated with increasing system complexity, the demands of ongoing transformation programs and an ageing workforce. Priority workforce plans identified actions to improve capacity, manage retirements and provide targeted upskilling aligned to future equipment and technologies.

Demand for Science, Technology, Engineering and Mathematics (STEM) skills remained high across all industries, and in particular systems engineering, cybersecurity and analytical skills. In this context, we supported talent pipeline development through increasing external awareness of our careers, particularly in youth cohorts, improvement recruitment processes and enhancing candidate experiences. Broader enterprise capability uplift for existing staff also progressed through leadership development and increased uptake of enterprise learning platforms.

These initiatives have strengthened workforce resilience, improved alignment between workforce supply and demand, and identified the skills required for our future.

EXIT

Equal employment opportunity report

Development of our Culture Improvement Program

This year marked the second year of our Cultural Improvement Program's implementation. Our culture improvement program has helped us accelerate progress toward our desired culture, building on the solid foundations established through the implementation of the Elizabeth Broderick review recommendations and subsequent progress assessments.

The culture improvement program seeks to support a number of outcomes, including equal employment opportunities. These are as follows:



Outcome 1

Build a high-performing culture.



Outcome 2

Create a safe, respectful and psychologically safe workplace.



Outcome 3

Strengthen trust between employees and leaders.



Outcome 4

Improve leadership capability and accountability.



Outcome 5

Improve employee engagement and employee experience.



Outcome 6

Support diversity, equity and inclusion outcomes.



Outcome 7

Embed and sustain cultural change through a structured three-year roadmap.

The program was developed through a broad consultation and engagement process involving the Executive Leadership Team, employees and the Culture Reform Board.

Employee feedback has played a significant role in shaping the program, with inputs gathered through:

- employee engagement surveys and Organisational Health Index surveys
- employee comments submitted through survey processes
- focus groups
- pulse surveys
- consultation through employee networks and working groups.

A key component of ensuring a direct link between employee experience and our cultural initiative design has been improved measurement and monitoring of employee engagement and organisational health to better understand employee experiences and target action where it is most needed.

Employee feedback through the above channels has informed organisational decision-making and continuous improvement. We organised an independent assessment (completed in August 2025) to evaluate progress against the goals of the program and provided valuable insights to shape the ongoing delivery of the 3-year roadmap, and more recently introduced our People and Culture dashboard in late 2025 to provide up-to-date insights on employee engagement trends and issues.

More information on the program and actions taken to address our people's feedback can be found in the quarterly Culture Transformation Progress Reports available at **airservicesaustralia.com/about-us/our-culture/**.

The following sections provide a breakdown of the activities that have been delivered across the year to meet equal employment opportunity program goals. This includes an evaluation against objectives and indicators to track the impact of our program.

Diversity, equity and inclusion (DEI)

This year we launched the DEI Statement of Commitment, the 2025–2028 Gender Equality Action Plan (GEAP) and the 2026–2029 Reconciliation Action Plan (RAP). We continued to partner with our Executive Leadership Team, employee networks, Culture Reform Board, PRIP Working Group and RAP Working Group to guide the delivery of these initiatives. We defined our Days of Recognition calendar aligned to diversity days of significance to build awareness across our DEI Statement of Commitment priorities. These days were supported by a variety of communications and activations.

Our focus for gender equality was on talent attraction and baselining our targets as part of the Workplace Gender Equality Agency (WGEA) requirements which will be used for our reporting looking forward. Our focus for reconciliation has been on the relationships pillar of our RAP in order to foster mutually beneficial relationships with Aboriginal and Torres Strait Islander individuals, communities and organisations.





Gender equity

Our 2025–2028 GEAP aims to:

- Increase female representation in operational roles
- Embed gender equality into workplace culture
- Create safe and inclusive environments.

We are continuing to prioritise increasing the representation of women in operational areas, with a focus on ARFF as our largest gap in the representation of women. The representation of women in ARFF increased from 5.6% in financial year 2024–25 to 5.9% in financial year 2025–26, although we did not meet our target for female representation in each ARFF recruit course.

In order to increase female representation in operational roles, we have focused on targeted attraction of women through more than 35 careers engagements, as well as Women in ARFF online sessions. We launched a partnership with Flightdeck, an organisation which specialises in designing and delivering diversity campaigns, and aviation careers campaigns nationally. The partnership increased the visibility and accessibility of aviation careers for high school girls in regional and remote communities across NSW, NT, SA and WA through distance education role model sessions. As part of this partnership, Airservices is also featured in the Women in Aviation Careers Handbook and website, which provides ongoing visibility of our careers with a focus on operations. We continued to actively support women through the recruitment process via personalised engagement, without altering minimum role standards.

We continued to work with the Champions of Change Fire and Emergency Services Group as part of our ongoing commitment to improving the experience and representation of women in operational areas. This included shaping sector guidance around structural barriers to gender equality in areas such as flexible working and personal protective equipment and clothing (PPE). We also established an advisory group of female fire fighters to provide feedback on the female experience of PPE. A new style of helmet was made available with a greater range in order to improve safety and inclusion. Women on ARFF recruit courses were also given access to a female experienced fire fighter mentor to support them on their journey. We will continue to work towards our commitment to increasing representation of women in ARFF to 7.4% by 2028 as part of our WGEA target.

During the year we focused on embedding gender equality into our workplace culture through the Women@Airservices Network and gender pay gap monitoring. The network hosted an International Women's Day event under the theme of Balance the Scales. The event included an address from the network's executive sponsor, a conversation on our gender pay gap, deep dive into our GEAP and panel discussion. In total, 98 people attended the session with a follow-up survey reporting that 100% of attendees felt that the presenters were engaging during the session. The network also hosted a virtual session on the topic of menopause and perimenopause with over 120 attendees and has promoted a variety of opportunities to support the visibility and development of women across the sector.

As reported in our annual WGEA Employer Statement, our 2024 median total remuneration pay gap is 10.5% in favour of men (increased from 6.6% in favour of men in 2023). Our median base salary gender pay gap is 1.5% in favour of women (reduced from 2.7% in favour of women in 2023). To deepen our commitment to improving the gender pay gap and structural drivers behind this, we have committed to a 1-point reduction in our gender pay gap and an annual comprehensive gender pay gap analysis through to 2028 as part of our WGEA targets.

Gender equality objectives	2025–26 Result	2025–26 Target	Assessment (Met/Not Met)
Increased representation of non-managers (ARFF) Women in each ARFF recruit course	**2**	3	**Not met** ⊗

First Nations

Representation of First Nations employees increased slightly from 1.7% in financial year 2024–25 to 1.8% in financial year 2025–26. Following endorsement from Reconciliation Australia in April 2026, we launched our 2026–2029 Reconciliation Action Plan (RAP) in May 2026 to coincide with National Reconciliation Week. Our RAP has 63 deliverables (including 19 recurring deliverables) which we are continuing to deliver with our RAP Working Group. Our RAP prioritises meaningful, measurable impact over representation alone, ensuring our efforts drive tangible outcomes for Aboriginal and Torres Strait Islander peoples.

We have completed 15 out of the 63 deliverables at the end of June 2026, with an additional 19 in various stages of delivery.

The deliverables of our RAP are aligned with Reconciliation Australia's core pillars of respect, relationships, opportunities and governance.

The majority of deliverables completed thus far focused on the relationships pillar of our RAP. To commence dialogue on our RAP journey, we led a number of events during National Reconciliation Week. Together with Alice Springs Council we co-hosted a National Reconciliation Week Community BBQ in Alice Springs, represented by our ARFF workforce and Chief People & Culture Officer as RAP sponsor and executive champion.

In addition, we held a listening afternoon tea with our ARFF and ATC crew in Alice Springs to enable us to further understand our current state as we embark on this RAP which has a strong focus on ARFF as well as our regional and remote workforce. We launched further guidance for our workforce around Acknowledgement of Country, Welcome to Country and cultural protocols. We also partnered with Koori Mail to advertise job vacancies to effectively reach Aboriginal and Torres Strait Islander potential candidates.

Table 1: Progress against 2026—2029 RAP deliverables as at 30 June 2026

Design	Planning	Delivery	Complete	Not started	On hold
4	5	10	15	29	0

LGBTQIA+ inclusion

We launched our respect campaign alongside our days of recognition in May, beginning with marking the International Day Against Homophobia, Biphobia, Intersexism and Transphobia (IDAHOBIT). We leveraged external partnerships, including engagement with Qantas' LGBTQIA+, to support visibility and drive inclusion across the aviation sector. Our Respectful Workplace Behaviours Policy explicitly addresses vilification and discrimination based on sexual orientation and gender identity, reinforcing our zero-tolerance approach to harmful behaviours.

Disability and accessibility

Representation of people with a disability has remained stable at 0.8%. Airservices continues existing support around disability and accessibility, including conformance with the Web Content Accessibility Guidelines (WCAG) 2.1 Level AA and our disability awareness eLearning course. Tailored support plans were implemented for neurodiverse employees involved in workplace matters, demonstrating our commitment to inclusive and individualised support. An expression of interest was launched for employees to participate in listening sessions to understand how we could better support disability and neurodiversity inclusion. The learnings will be built into our support for the upcoming year.



Safe and respectful workplace

We refreshed our Leadership Standard to reflect our target culture, including clear expectations for psychological safety and zero tolerance for harmful behaviours. We continued to deliver bystander training at key sites, with over 1,000 employees having attended the training. A train-the-trainer session was run to maximise the reach of future sessions across the workforce. The new Safe Place service model was launched in March 2026, inclusive of the new Prevention and Management of Harmful Workplace Behaviour procedure. Key changes included increased accountability with safeguarding for leaders when preventing and responding to workplace concerns, a dedicated reporting portal to make it easier and safer for people to raise concerns, guardrails for sanction decisions through the establishment of a conduct review panel, and a greater focus on proactive engagement with teams and sites.



Evaluation against objectives and indicators

Airservices made strong progress in strengthening its diversity, equity and inclusion foundations, supported by the launch of key frameworks, increased engagement and enhanced governance, despite a challenging commercial and financial environment. Positive movement in gender equality was evident, with an uplift in the representation of women in operational roles despite ongoing attraction challenges and strengthened momentum through targeted initiatives and clear commitments on gender pay equity.

Early progress on the Reconciliation Action Plan has focused on building meaningful relationships and engagement, while broader inclusion efforts have increased awareness and capability across the organisation. Significant advancements were also made in fostering a safe and respectful workplace through enhanced leadership expectations, expanded bystander training and the refresh of the Safe Place service model. Together, these efforts provide a strong platform for continued progress, with a clear focus in the next financial year on addressing identified barriers and accelerating momentum to more fully achieve our targets.

Table 2: Summary of evaluation against program objectives

Objective	Success Indicator/s	Results
Improve representation of women in ARFF	Increase in number of women in ARFF as a proportion of total headcount	5.9% representation of women in ARFF, up from 5.6%
	Increase in number of women on each ARFF recruit course	2 women on each ARFF recruit course
Improve gender pay gap	Reduction in total remuneration pay gap *[WGEA target set May 2026]*	10.5% in favour of men, up from 6.6%
Foster meaningful engagement with reconciliation	Number of RAP initiatives completed *RAP endorsed April 2026*	15 initiatives completed
Create safe and respectful workplaces	Bystander training participation	>1000 participants total
		66% agreement with 'respect' question on Culture Compass, down 1 point

Diversity profile

Over the past year at Airservices, the number of women employed increased by 2.4%. Despite this growth, women's overall representation declined by 0.3 percentage points across the financial year, reflecting a higher rate of growth among men (4.7%). Women in the Senior Leadership job family increased by 33.3%, slightly outpacing the 31.9% increase for men.

Table 3: Representation of designated groups in overall headcount from financial years 2021–22 to 2025–26

Designated groups[1,2]	2021–22	2022–23	2023–24	2024–25	2025–26
Indigenous Australians	1.9%	1.9%	1.8%	1.7%	**1.8%**
People with a disability	1.0%	0.9%	0.9%	0.8%	**0.8%**
People from a culturally or linguistically diverse background	23.0%[4]	22.8%	23.9%[5]	24.7%	**26.5%**
Female employees	20.2%	19.8%	21.0%	20.1%	**19.8%**
Gender: Non-binary, 'Uses a different term', 'Prefers not to answer'[3]	n/a	0%	0%	0%	**0%**

1 Note that disclosure is voluntary, and not all employees provide equity and diversity data for these groups.
2 All figures are inclusive of full-time equivalent employees only.
3 Reporting of non-binary and other gender terms is not yet captured effectively by current Human Resources Information System (HRIS).
4 Definition updated to meet the MCIMA Minimum Core Set of Standards for reporting culturally and linguistically diverse statistics.
5 Correction issued from figure reported previously as 15.2%.

Table 4: Employees in diversity groups by job role classification as at 30 June 2026[1]

Job family	Aboriginal and Torres Strait Islander	Culturally and Linguistically Diverse	Disability
Air Traffic Management	5	372	6
Aviation Rescue Fire Fighting services	56	115	8
Engineering	0	93	0
Technical and Trade	3	67	4
Information and Communications Technology	1	50	1
Enabling Professions	5	253	10
Senior Leadership	1	72	2
Total by diversity groups	71	1,022	31
Percentage of workforce	**1.8%**	**26.5%**	**0.8%**

1 All figures are inclusive of full-time equivalent employees only.
Personal information, as recorded in our Human Resources Information System (HRIS), is treated confidentially according to the *Privacy Act 1988*.

Table 5: Gender by job role classification as at 30 June 2026

Job family[1]	Female by percentage	Female by number	Male by number	Non-binary, uses a different term, prefers not to answer (#)[2]
Air Traffic Management	16.3%	226	1,160	0
Aviation Rescue Fire Fighting services	5.9%	58	933	0
Engineering	11.9%	20	149	0
Technical and Trade	6.9%	17	230	0
Information and Communications Technology	18.6%	21	92	0
Enabling Professions	46.8%	331	377	0
Senior Leadership	37.1%	88	149	0
Total by gender	19.8%	761	3,090	0

1 All figures are inclusive of full-time equivalent employees only.
2 Reporting of non-binary and other gender terms is not yet captured effectively by current Human Resources Information System (HRIS).

Table 6: Employee age profile as at 30 June 2026

Age range[1]	Under 25	25–34	35–44	45–54	55–64	65+
Number of employees	85	630	1,306	1,118	634	78
Percentage of employees	2.2%	16.4%	33.9%	29.0%	16.5%	2.0%

1 All figures are inclusive of full-time equivalent employees only.

Table 7: Average retirement age

	2021–22	2022–23	2023–24	2024–25	2025–26
Average retirement age	66.7	67.9	60.7	62.3	**61.7**

Table 8: Part-time employees by age bracket

Flexibility	Under 25	25–34	35–44	45–54	55–64	65+	Total
Permanent part-time	0	10	58	48	43	4	163
Temporary part-time	2	2	0	0	1	0	5

Table 9: Ongoing employees by location (2025–26)

	Man/Male			Woman/Female				
State[1]	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	Non-binary, uses a different term, prefers not to answer[2]	Total
NSW	432	4	**436**	83	3	**86**	0	**522**
QLD	993	36	**1,029**	218	32	**250**	0	**1,279**
SA	96	4	**100**	13	1	**14**	0	**114**
TAS	79	1	**80**	4	0	**4**	0	**84**
VIC	827	29	**856**	185	36	**221**	0	**1,077**
WA	246	5	**251**	21	2	**23**	0	**274**
ACT	165	4	**169**	98	6	**104**	0	**273**
NT	84	0	**84**	8	0	**8**	0	**92**
External Territories	0	0	**0**	0	0	**0**	0	**0**
Overseas	0	0	**0**	0	0	**0**	0	**0**
Total	**2,922**	**83**	**3,005**	**630**	**80**	**710**	**0**	**3,715**

Table 10: Ongoing employees by location (2024–25)

	Man/Male			Woman/Female				
State[1]	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	Non-binary, uses a different term, prefers ot to answer[2]	Total
NSW	370	3	**373**	64	5	**69**	0	**442**
QLD	962	35	**997**	211	28	**239**	0	**1,236**
SA	96	3	**99**	13	2	**15**	0	**114**
TAS	73	1	**74**	5	0	**5**	0	**79**
VIC	825	22	**847**	181	35	**216**	0	**1,063**
WA	234	3	**237**	20	2	**22**	0	**259**
ACT	159	7	**166**	88	14	**102**	0	**268**
NT	77	0	**77**	8	0	**8**	0	**85**
External Territories	0	0	**0**	0	0	**0**	0	**0**
Overseas	0	0	**0**	0	0	**0**	0	**0**
Total	**2,796**	**74**	**2,870**	**590**	**86**	**676**	**0**	**3,546**

1 All figures are reported on an actual head count basis (number of employees) excluding labour hire, contractors and consultants.
2 Reporting of non-binary and other gender terms is not yet captured effectively by current Human Resources Information System (HRIS).

Table 11: Non-ongoing employees by location (2025–26)

	Man/Male			Woman/Female				
State[1]	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	Non-binary, uses a different term, prefers not to answer[2]	Total
NSW	18	0	18	10	0	10	0	**28**
QLD	23	1	24	22	0	22	0	**46**
SA	1	0	1	0	0	0	0	**1**
TAS	0	0	0	0	0	0	0	**0**
VIC	37	1	38	12	0	12	0	**50**
WA	0	0	0	0	0	0	0	**0**
ACT	3	1	4	5	2	7	0	**11**
NT	0	0	0	0	0	0	0	**0**
External Territories	0	0	0	0	0	0	0	**0**
Overseas	0	0	0	0	0	0	0	**0**
Total	**82**	**3**	**85**	**49**	**2**	**51**	**0**	**136**

Table 12: Non-ongoing employees by location (2024–25)

	Man/Male			Woman/Female				
State[1]	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	Non-binary, uses a different term, prefers not to answer[2]	Total
NSW	13	1	**14**	10	0	**10**	0	**24**
QLD	20	0	**20**	26	0	**26**	0	**46**
SA	1	0	**1**	1	0	**1**	0	**2**
TAS	0	0	**0**	0	0	**0**	0	**0**
VIC	38	1	**39**	18	0	**18**	0	**57**
WA	1	0	**1**	1	0	**1**	0	**2**
ACT	5	1	**6**	10	1	**11**	0	**17**
NT	0	0	**0**	0	0	**0**	0	**0**
External Territories	0	0	**0**	0	0	**0**	0	**0**
Overseas	0	0	**0**	0	0	**0**	0	**0**
Total	**78**	**3**	**81**	**66**	**1**	**67**	**0**	**148**

1 All figures are reported on an actual head count basis (number of employees) excluding labour hire, contractors and consultants.
2 Reporting of non-binary and other gender terms is not yet captured effectively by current Human Resources Information System (HRIS).

Work health and safety (WHS)

This section is presented in accordance with the *Work Health and Safety Act 2011* (WHS Act).

Executive commitment to WHS

In 2025–26, our Board and Executive continued their strong commitment to WHS, recognising that the health, safety and wellbeing of our people is fundamental to operational excellence and organisational performance.

Our approach remains focused on proactively identifying and eliminating or, where this is not possible, mitigating safety hazards for our people. This includes continued focus on both physical health and psychosocial hazards, reflecting our commitment to ensuring a safe, respectful and healthy workplace.

This year, we further enhanced our safety and health leadership and capability with the appointment of our first Chief Medical Officer. This role provides clinical governance and oversight of aviation-based occupational health programs and supports workforce wellbeing initiatives across the organisation. The introduction of this role represents a significant step in maturing our health governance and evidence-based strategic health frameworks.

Also, during 2025–26, we continued to strengthen our safety culture through a focus on increased organisation-wide safety communications, including the introduction of a quarterly safety newsletter and an annual safety survey for all employees. We implemented a number of initiatives around safety risk and compliance management, including critical risk and controls uplift, and system-enabled risk and compliance management.

Psychosocial risk management

Our approach to psychosocial risk management continued to mature during the reporting period, with the Psychosocial Risk Improvement Program (PRIP) strengthening as a core component of our system level psychosocial frameworks with targeted initiatives progressed under the key program pillars of leadership commitment, strategy and governance, and capability uplift.

The PRIP adopts a structured, data-driven and consultative approach to identifying psychosocial hazards and assessing risk across the organisation. It integrates insights from multiple data sources evaluated through working groups with cross-functional representatives, to build a comprehensive understanding of our psychosocial risk profile and evaluate the effectiveness of organisational controls.

Key areas of progress include:

- Strengthening risk management processes and governance frameworks
- Enhancing workforce consultation mechanisms and documentation
- Improving systems for psychosocial reporting and triage
- Embedding psychosocial considerations into change management processes.

During the reporting period, Comcare undertook a psychosocial inspection, a regulatory activity conducted for organisations within its scheme. Positive aspects of our approach were recognised, including Safe Place, the Peer Assistance Network (PAN) and PRIP.

Remediation of identified improvement areas is actively underway. This has included expanding the resources and guidance available to our people and leaders, supporting increased awareness, early intervention, and the sustained management of psychosocial risks.

Refer to ‘Case study: Psychosocial risk improvement program’ in the annual performance statement for more information.

Work health and safety initiatives

Electrical safety

Electrical safety continues to be a key priority. Our Electrical Switchboard Replacement Program was ongoing throughout 2025–26, with the first tranches of replacements being completed.

This multi-year program addresses risks associated with aging electrical infrastructure, including arc-flash hazards, and applies Safety in Design principles to improve the safety and reliability of our operational environments.

Health risk management and occupational hygiene

In 2025–26, we established the Health Risk Assessment Program, establishing a more systematic and sustainable model for managing occupational health risks.

This program strengthens our approach to occupational hygiene and health management, with a particular focus on improving identification, assessment and control of health hazards across our operations. It also prepares the organisation for the introduction of Workplace Exposure Limit (WEL) regulatory changes commencing from 1 December 2026. Phase one of the program, which will review and determine our similar exposure groups and undertake hazard identification across the groups, is due for completion in early 2026–27.

This work represents a significant step forward in embedding a proactive, data-informed and risk-based approach to managing long-term health risks.

Worker wellbeing initiatives

During 2025–26, we replaced our Employee Assistance Program, with a more holistic health care approach through engagement of a new provider who will deliver a multidisciplinary model of care, offering 24/7 access to medical, psychological and wellbeing support for employees and their immediate families. The service incorporates evidence-based triage at the first point of contact, ensuring individuals are connected to the most appropriate support, and provides continuity of care through proactive follow-up where required.

This transition represents a significant enhancement in our approach to supporting the physical, psychological and social wellbeing of our people, strengthening confidence in access to care and reinforcing our commitment to a safe and supportive work environment.

We have continued to embed and strengthen our mental health capability across the organisation, including further embedding of our peer networks into our safety management system.

These programs complement our broader psychosocial risk management framework and reinforce our commitment to creating a safe and supportive work environment.

Targeted injury risk reduction

We continued to focus on reducing injury risk in high-risk operational environments, particularly within our ARFF service.

Programs targeting body stressing injuries including working groups focused on breathing apparatus and other heavy personal protective equipment, as well as Safety in Design associated with new infrastructure such as our new fleet of fire vehicles, continue to support injury prevention and workforce capability.

Consultation and health and safety committees

Consultation remains central to our WHS approach.

Local Health and Safety Committees continue to operate across Brisbane, Sydney, Perth (on behalf of Western Australia, a state-based committee), Central regions (on behalf of South Australia and Northern Territory) supporting proactive identification and resolution of workplace health and safety matters. The National Health and Safety Committee for ARFF is now in place to address health and safety matters impacting our fire fighters at a national level, providing an additional avenue for our people to raise, review, and consult on national solutions.

Our local and national WHS based forums also provide structured pathways for engagement on organisation-wide risks and initiatives and meaningfully integrate with other established initiatives such as the PRIP.

Workers' compensation premium

Our Comcare premium for 2026–27 has increased from 1.35% of payroll to 2%, which is above the Commonwealth scheme average of 0.95% (up from 0.84%). Final premium is $24,720,951.

This increase is due to our increased claim numbers in disease-based claims rather than injuries. Disease claims are driven by presumptive legislation which enables claims from current and former ARFF employees exposed to hazardous materials in the course of their employment.

Improvement notices and Comcare investigations

During 2025–26, we received one improvement notice and one prohibition notice. Airservices was not the subject of any Comcare investigations.

An improvement notice was issued regarding safe structures, where inspections and checks to demountable footings at Townsville ARFF were required. Airservices returned to compliance after the building was re-footed and a scheduled maintenance regime enacted.

A prohibition notice was issued on the roof of a boat shed at Coolangatta ARFF, following a provisional improvement notice that was issued by the Health and Safety Representative. A roof report had indicated fall concerns should it be accessed. The boat shed has been demolished and the Prohibition Notice was lifted.

Table 13: Work health and safety occurrences and hazards from 2021–22 to 2025–26

Incident category	2021–22	2022–23	2023–24	2024–25	2025–26
Reported work-related WHS occurrences	160	195	242	255	**331**
Reported work-related WHS hazards	413	404	415	500	**786**[5]
Workplace fatality	0	1[3]	0	0	**0**
Serious injury or illness requiring Comcare notification	3[1]	1	1	0	**2**
Dangerous incidents requiring Comcare notification	5[2]	0	2[4]	7	**6**

1 One report notification was for workplace transmission of COVID-19 in NSW.

2 One dangerous incident did not arise out of the conduct of Airservices business, however, was required to be reported under cross-jurisdiction obligations.

3 In 2022–23 an external person experienced a critical medical episode resulting in loss of life during the physical aptitude testing component of Airservices recruitment activities.

4 One dangerous incident was reported to Comcare and subsequently determined not to have met the criteria under the WHS Act.

5 The increase in reported hazards reflects continued efforts to promote a positive reporting culture and reinforce the importance of hazard reporting across the organisation. It also represents the first full financial year of the new safety reporting database, which is significantly easier to use and has improved accessibility for reporting.

Environment, social and governance (ESG)

Airservices continued to embed environmental, social and governance (ESG) considerations into decision-making, risk management and operational planning during 2025–26. Environmental and climate-related risks remain key areas of focus, particularly in relation to climate change, emissions reduction, aircraft noise, natural resource use, legacy contamination and community expectations regarding environmental performance.

During the year, we strengthened integration between enterprise environmental risk management and site-level environmental controls through ongoing implementation of our Environmental Management System, improved environmental governance arrangements and enhanced compliance and assurance processes. This included incorporation of environmental compliance obligations into the Integrated Risk Management system, controls and obligations across our operations.

We also continued to monitor and respond to the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act), including establishment of the National Environment Protection Agency (EPA) and broader reforms aimed at strengthening environmental assessment, compliance and transparency requirements. These reforms are expected to increase regulatory oversight and environmental reporting requirements for infrastructure development and operational activities. Airservices is assessing the implications of these changes, while continuing to engage with government and industry stakeholders to support effective implementation.

Stakeholder expectations regarding environmental performance, transparency and accountability continue to evolve. We are continuing to strengthen internal environmental governance processes, risk management, assurance and reporting capabilities to support informed decision-making and the safe, efficient and sustainable delivery of air navigation services.

We recognise that aircraft noise can have a significant impact on communities and are committed to genuine and transparent engagement with our communities and industry stakeholders to shape sustainable solutions to aircraft noise management. Refer to the 'noise abatement' section in the Annual Performance Statement for more information.

Airservices has continued to review and refine our Community Engagement Standard (CES), our framework for ensuring communities are meaningfully informed and have genuine opportunities to contribute to proposals that may affect them. Lessons drawn from recent engagement programs have been incorporated into the ongoing evolution of the CES, strengthening our approach to early, accessible, and responsive community engagement. These programs reinforced the value of clear visual communication, multiple engagement formats, and transparent evidence-based information. The insights they provide help shape how we engage, ensuring that those affected by aircraft noise have a genuine voice in shaping outcomes that balance operational safety and efficiency with community amenity.

Service and enabling technology

Airservices operates and invests in a complex portfolio of operational, digital and enterprise technologies that underpin the safe delivery of air navigation services, enable efficient business operations, and support the continued modernisation and cyber resilience of Australia's aviation infrastructure.

Service delivery

We continued to modernise our operational technology and service delivery capabilities, achieving key milestones in support of future aviation operations. At WSI airport, the next-generation ARFF system was installed and commissioned within the Fire Control Centre, representing the first deployment in a national rollout designed to enhance incident monitoring, coordination and emergency response.

Progress was also made in modernising air traffic management services through the upgrade of control tower technologies. The program is replacing ageing infrastructure with modern, resilient platforms that will improve service reliability and support the future transition to the CMATS under the OneSky program. The first operational towers remain on track to transition to the new technology in 2027. See update on 'OneSKY' in the Annual Performance Statement under the capital investments section for details.

Digitalisation

We continued to advance the digitalisation of aviation services through the rollout of Airport Collaborative Decision Making (A-CDM), enabling real-time information sharing between airports, airlines and Airservices. The initiative has improved operational awareness and contributed to more efficient airport operations through reduced delays, enhanced runway utilisation and improved management of gate and ground activities.

Further progress was also made in modernising critical aviation information services, with the ongoing upgrade of the National Aeronautical Information Processing System. This investment will strengthen the platform that supports flight planning, pre-flight briefing and aeronautical information services, improving resilience, service reliability and regulatory compliance across the aviation sector.

Enabling business systems

We continued to invest in modern, resilient business systems that support efficient and reliable operations. The successful migration of enterprise business systems to Amazon Web Services (AWS) established a contemporary cloud platform, improving security, availability and scalability while reducing technical debt and creating a foundation for future automation and innovation.

Further enhancements to enterprise resource planning, workforce rostering and risk management systems improved system reliability, user experience and operational effectiveness. These investments have strengthened workforce planning, fatigue management and organisational resilience, supporting the delivery of safe and sustainable aviation services.

Cyber

Cyber security remained a key focus throughout the year, with continued investment in strengthening Airservices' cyber resilience and supporting the secure delivery of critical aviation services. Our approach balanced risk management, regulatory obligations, and organisational priorities to ensure cyber capabilities continue to evolve in line with the changing threat environment.

We strengthened cyber resilience by enhancing our organisational capability to manage cyber risks and respond to an evolving threat environment. Ongoing investment in cyber security capabilities, workforce awareness and resilience initiatives enabled us to protect critical systems and services while maintaining confidence in the security and reliability of operational outcomes. More information on our holistic approach to security, including cyber security can be found in the Security section under Our governance.

We also strengthened our cyber readiness through the delivery of national and multi-agency cyber exercises involving industry and Defence partners. These activities provided valuable opportunities to validate response and recovery arrangements, strengthen collaboration across the aviation ecosystem, and enhance our ability to respond effectively to emerging cyber threats.

Case study

Working towards cyber security resilience

As aviation systems become increasingly interconnected and digitally enabled, Airservices continues to strengthen cyber security as a critical enabler of safe, secure and reliable air navigation services. During the year, the Cyber Uplift Program progressed through a significant phase of delivery, enhancing the resilience of both corporate and operational technology environments and improving Airservices' ability to prevent, detect and respond to evolving cyber threats.

Recognising that cyber resilience extends beyond organisational boundaries, Airservices continued to play a leadership role in strengthening cyber preparedness across the aviation sector and broader critical infrastructure community. Through active collaboration with industry partners, government agencies and international stakeholders, Airservices has helped build a more connected and resilient aviation ecosystem capable of responding to increasingly sophisticated cyber threats.

In November 2025, Airservices led an Asia-Pacific aviation cyber incident response exercise involving Air Navigation Service Providers (ANSP) from across the region. The exercise strengthened cross-border collaboration, improved collective understanding of cyber risks and enhanced coordinated response arrangements for aviation-related cyber incidents.

This commitment to regional engagement continued in April 2026 through the Southwest Pacific Operations Forum cyber security workshop. The event brought together aviation stakeholders from across the Southwest Pacific to share insights on emerging threats, discuss leading practices and strengthen information-sharing relationships that support the security and resilience of regional aviation operations.

In May 2026, Airservices led Exercise DarkSky26, a national cyber resilience exercise involving aviation industry participants, government departments and key sector partners. The exercise tested sector-wide cyber incident response arrangements, strengthened crisis management capabilities and reinforced the importance of coordinated action during significant cyber events.

Together, these initiatives demonstrate Airservices' commitment to not only strengthening its own cyber resilience, but also contributing to a more secure and resilient aviation sector. By fostering collaboration across industry, government and international partners, Airservices continues to support the collective capability required to protect Australia's aviation ecosystem from current and emerging cyber threats.





05
Governance and accountability

Our Board and committees

Our Board

Under the *Air Services Act 1995* (the Act), our Board is responsible for:

- deciding the objectives, strategies and policies followed by Airservices; and
- ensuring that Airservices performs its functions in a proper, efficient and effective manner.

The functions of our Board are set out in Section 21 of the Act. The Board is the 'accountable authority' under the PGPA Act, which imposes governance obligations on our Board as an accountable authority.

The following is information about the memberships of the Board and the Board committees, the Board and Board committee functions, meeting attendance for the 2024–25 financial year, and other governance and accountability matters.

Further information about our corporate governance is available on our website at **airservicesaustralia.com/about-us/our-governance**.



Anne T. Brown

BA CA GAICD

Board Chairperson | Non-executive Board Member | Chair, Alternate Funding Committee

Anne T. Brown was first appointed to the Board on 4 December 2019. She was appointed Deputy Chairperson on 13 December 2024 and Chairperson on 25 July 2025. Her current term expires on 25 July 2028.

Anne is an experienced non-executive Director and executive with over four decades of experience in professional and financial services, renewable energy, and critical infrastructure. Her expertise encompasses risk management, economic regulation, corporate governance, capital management and audit. Her executive career included senior roles with KPMG and Sydney Futures Exchange and culminated in the role of Chief Risk Officer at ASX.

Anne is currently an independent Board member of AusEnergy Services Ltd and an independent member of the Clean Energy Regulator's Audit Committee, having previously served on its Board.

Anne holds a double major Bachelor degree in Accountancy and Computer Science from Heriot-Watt University in Edinburgh. She a Member of the Institute of Chartered Accountants of Scotland and is a Graduate of the Australian Institute of Company Directors.



Nicolle Connelly

FRAeS, Meng, GAICD

Non-executive Board Member | Chair, Safety Committee

Nicolle Connelly was appointed to the Board on 1 August 2023 and her current term expires on 31 October 2030. Ms Connelly is Chair of the Safety Committee, member of the People, Culture and Remuneration Committee and a member of the Technology Committee.

Ms Connelly's career spans over 38 years in the aviation sector. This career includes a variety of roles and responsibilities in Airservices Australia, Airlines and Academia.

Currently Nicolle Connelly is Associate Professor of Aerospace Engineering at Royal Melbourne Institute of Technology (RMIT). Ms Connelly's specialisation is Air Traffic Management and Transport Safety.

Ms Connelly was previously employed at Airservices Australia for 27 years. During that time Nicolle Connelly held operational management and senior management roles, including service as a qualified operational air traffic controller.

Nicolle has been the recipient of numerous awards, including the 2025 Safety Professional of the Year at the Australian Aviation Awards, in 2023 she won the Teaching Excellence award from the Australian Awards for University Teaching (AAUT) and she was the Female Educator of the Year at RMIT in 2022. She was also the recipient of the Women in Aviation/ Aerospace for outstanding contribution to the aviation or aerospace sectors in 2020.

Nicolle is a Fellow of the Royal Aeronautical Society (FRAeS) and a Fellow of the International Federation of National Teaching (IFNTF). She has a Master of Engineering Airworthiness from RMIT.



Lawrence (Lawrie) Turner

GAICD

Non-executive Board Member | Chair, Technology Committee

Lawrie Turner was appointed to the Board on 3 March 2021. He serves as Chair of the Technology Committee and is a member of the Safety Committee, the Audit and Risk Committee and the Alternate Funding Committee. His current term expires 9 May 2027.

Mr Turner has over 20 years of experience in the aviation industry, having held executive roles at Qantas Airways, Virgin Australia Airlines, and internationally with Sabre Corporation in the USA. He is a Fellow of the Royal Aeronautical Society and a member of the Australian Institute of Company Directors.

Mr Turner has served as Chief Information Officer across the airline, retail, telecom, and rail industries. At Qantas, he developed the strategy and led the integration of commercial IT systems supporting the merger with Australian Airlines and represented the airline in the formation of the Oneworld Alliance. As Vice President for Sabre's Sirena-3 program in Russia, he led the implementation of the country's first multi-host airline reservations system. At Virgin Australia, he held the roles of Chief Information Officer, acting Chief Operating Officer, and Group Executive Business Services. He has also undertaken strategic technology consulting assignments for organisations including the Department of Defence's Chief Information Officer Group and Newcrest Mining.



Melvin Hupfeld

AO DSC

Non-executive Board Member | Chair, Sustainability Committee

Mel Hupfeld was appointed to the Board in August 2023. Mr Hupfeld's current term expires on 31 July 2027. Mel Hupfeld is Chair of the Sustainability Committee and a member of the Audit and Risk Committee and the Safety Committee.

Mel Hupfeld serves on the Air Force Association Board, the Spitfire Association Advisory Council, the Swinburne Research Institute Advisory Board, Mitre Australia Advisory Council and is a member of the Public Service Advisory Board to provide strategic advice to government and industry clients. During 2023 he assisted the Minister for Home Affairs and Cyber Security as a member of the Expert Advisory Board to develop a National Cyber Security Strategy.

Mel Hupfeld joined the Royal Australian Air Force as an Academy Cadet in January 1980 and graduated as a pilot with a Bachelor of Science degree in 1983.

During his Air Force career, he flew Mirage, Classic Hornet and Super Hornet fighter aircraft in several of the Air Force's fighter squadrons and achieved over 3,500 flying hours. In 2001 Mel took command of No 75 Squadron (75SQN) and led the Squadron in operations in the Middle East on Operations BASTILLE and FALCONER as part of Australia's contribution to Operation IRAQI FREEDOM in 2003. He completed several staff appointments including in the capability development and force design areas and completed the Royal Air Force Advanced Command and Staff Course, graduating with a Master of Arts in Defence Studies from King's College in London in 1998.

Mel commanded at every level within Air Force and notably, on promotion to the rank of Air Marshal, was appointed as Chief of Joint Operations in May 2018 and subsequently Chief of Air Force in July 2019. He transitioned to the Air Force Reserve in July 2022.



Susan Ferrier

LLB, BA, MBA

Non-executive Board Member | Chair, People, Culture and Remuneration Committee

Susan Ferrier was appointed to the Board on 24 March 2025 for a four-year term until 23 March 2029. She is Chair of the Board People, Culture, Remuneration Committee, a member of the Technology Committee and a member of the Sustainability Committee.

Ms Ferrier has deep expertise in cultural transformation and governance, with over 30 years' experience working with boards across major Australian and international banking corporations, consulting, and legal firms.

Her previous roles include Group Executive for People & Culture at National Australia Bank, Global Head of People for KPMG International, KPMG Global Head of Inclusion & Diversity and the National Managing Partner for People & Culture for the KPMG Australian firm. Ms Ferrier also worked in the United Kingdom for 15 years in global and regional roles for large financial services organisations including HSBC, Deutsche Bank, Barclays, ING and NatWest.

She is a board member and Chair of the People and Remuneration Committee for Mineral Resources Limited, a member of the Sydney Symphony Orchestra board and serves on the People, Safety and Culture Committee at the University of Sydney. Ms Ferrier also Co-Chairs Jawun, a non-profit that supports economic and social development in Indigenous communities.



Douglas Bain

B.Acc, CA, GAICD

Non-executive Board Member | Chair, Audit and Risk Committee

Douglas Bain was appointed to the Board on 1 April 2025. He serves as Chair of the Audit and Risk Committee and is a member of the Sustainability Committee and the Alternate Funding Committee. His current term expires on 31 March 2028.

Mr Bain is a Chartered Accountant and a graduate of the Australian Institute of Company Directors. Mr Bain recently retired as a senior audit partner at Ernst & Young, as has over 30 years of experience in driving financial performance across the construction, infrastructure, property, and resources sectors, with a strong focus on governance and financial risk management.

Mr Bain currently serves on several boards, including Odyssey House New South Wales, and was previously a member of the Audit Committee for the Australian International Military Games (Invictus).



Rob Sharp

BBus(Mgt), CA, GAICD, CompIEAust, EngExec, FRAeS

Chief Executive Officer

Rob Sharp was appointed Chief Executive Officer (CEO) on 20 January 2025 and has served on the Board from 29 July 2024. As CEO, Mr Sharp is an ex-officio member of each Committee, except the Audit and Risk Committee and the Alternate Funding Committee. Mr Sharp's term will expire on 19 January 2029.

Mr Sharp has over 25 years of senior executive experience in the aviation and transport sectors. He holds a Bachelor of Business and is a Fellow of the Royal Aeronautical Society, a Chartered Accountant, a Companion of Engineers Australia, and a Graduate of the Australian Institute of Company Directors.

Mr Sharp's professional experience includes serving as CEO of Virgin Australia Airlines, where he led 8,000 employees and oversaw all aspects of the airline's operations, including customer strategy, international alliances, and digital transformation. He was also CEO of Tigerair for four years, where he delivered a turnaround strategy and rebranded the airline. His transport career began at Qantas Airways, where he held roles across strategy, commercial and operational functions, including responsibility for airline innovation, global airport infrastructure, and logistics.

Mr Sharp also served as Secretary for Transport for NSW, leading 30,000 employees and managing a $72 billion infrastructure pipeline focused on technology and innovation. Earlier in his career, he worked at Price Waterhouse, specialising in infrastructure and high technology, and was Operations Director at Hypertec Research, a successful start-up that became Australia's largest technology exporter at the time.

Mr Sharp has held academic and advisory roles including adjunct professor at Curtin Business School, member of the John Grill Centre Advisory Committee at the University of Sydney, and Governor of the Warren Centre for Advanced Engineering at the University of Sydney.

Former Board members

No Board members concluded their term during 2025–26.

Board committees

The **Safety Committee** assists our Board to ensure that we meet our operational safety and work, health and safety obligations. It also monitors organisational preparedness to counter security threats. The committee has at least 3 non-executive Board members, plus the Board Chair and CEO as ex-officio committee members.

The **Audit and Risk Committee** assists the Board in maintaining objective and reliable financial and performance reporting, and effective systems for risk management and internal controls. It helps our Board ensure that we comply with all relevant legislative and regulatory obligations. The committee has at least 3 members, all of whom must be independent non-executive Board members.

The **People, Culture and Remuneration Committee** assists our Board in overseeing strategy, policies and practices relating to the management of our people and culture. It also reviews the performance, remuneration and succession plans for our CEO and Executive team. The Committee has at least 2 non-executive Board members, plus the Board Chair and CEO as ex-officio committee members.

The **Technology Committee** assists the Board in overseeing our technology, systems engineering and information technology (IT) strategies and policies. It also oversees the strategic direction and policies of business systems, operational technology and IT security. The Committee also has responsibility for overseeing the execution of the OneSKY Program. The Committee has at least 3 non-executive Board members, plus the Board Chair and CEO as ex-officio committee members.

The **Sustainability Committee** assists the Board in overseeing our strategy to address impacts on the environment and the community; our compliance with environmental obligations; community engagement; and implementation of the Aircraft Noise Ombudsman recommendations. The Committee has at least 3 non-executive Board members, plus the Board Chair and CEO as ex-officio committee members.

The **Alternate Funding Committee** assists the Board by advising on alternative funding arrangements to support the significant investment required by Airservices to continue to deliver its mandated services. The Committee has at least 3 non-executive Board members.

The committee was setup as a temporary committee for alternative funding considerations. This short-term committee provided focused Board oversight of funding options throughout year.

Each Board committee has been established with either a charter or a term of reference:

Board charter:
airservicesaustralia.com/wp-content/uploads/Board-Charter.pdf

Safety Committee charter:
airservicesaustralia.com/wp-content/uploads/Airservices-BSC-Charter.pdf

Audit and Risk Committee charter:
airservicesaustralia.com/wp-content/uploads/Airservices-BARC-Charter.pdf

People, Culture and Remuneration Committee charter:
airservicesaustralia.com/wp-content/uploads/Board-People-Culture-and-Remuneration-Committee-Charter.pdf

Technology Committee charter:
airservicesaustralia.com/wp-content/uploads/Airservices-BTIC-Charter.pdf

Sustainability Committee charter:
airservicesaustralia.com/wp-content/uploads/Airservices-BECC-Charter.pdf

Board committee membership consists only of Board members.

In 2025–26, Board members were remunerated in accordance with the relevant Remuneration Tribunal (Remuneration and Allowances for Holders of Part-time Public Office) Determination and did not receive additional remuneration for membership of any Board committee.

Meeting attendance

The number of meetings of the Board and Board committees held during the period ended 30 June 2026, along with the corresponding attendance by each Board member, are shown in the tables below.

Table 14: The Board

Board members	No. of possible meetings	No. of meetings attended
Ms Anne Brown (Chair)[1]	14	14
Ms Nicolle Connelly	14	14
Mr Lawrence Turner	14	14
Mr Melvin Hupfeld AO	14	13
Ms Susan Ferrier	14	13
Mr Douglas Bain	14	14
Mr Rob Sharp	14	14

1 Anne Brown was first appointed to the Board on 4 December 2019, appointed Acting Chair from 3 June 2025 to 24 July 2025, and appointed Chair on 25 July 2025.

Table 15: Safety Committee

Committee members	No. of possible meetings	No. of meetings attended
Ms Nicolle Connelly (Committee Chair)[1]	5	5
Mr Lawrence Turner	5	5
Mr Melvin Hupfeld AO	5	4
Ms Anne Brown[2]	5	5
Mr Rob Sharp	5	5

1 Nicolle Connelly served as Committee Chair from 1 July 2025 to 30 June 2026.

2 Anne Brown was first appointed to the Board on 4 December 2019, appointed Acting Chair from 3 June 2025 to 24 July 2025, and appointed Chair on 25 July 2025.

Table 16: Audit and Risk Committee

Committee members	No. of possible meetings	No. of meetings attended
Mr Douglas Bain (Committee Chair)[1]	6	6
Mr Melvin Hupfeld AO	6	6
Mr Lawrence Turner	6	6

1 Douglas Bain served as Committee Chair from 1 July 2025 to 30 June 2026.

Table 17: People, Culture and Remuneration Committee

Committee members	No. of possible meetings	No. of meetings attended
Ms Susan Ferrier (Committee Chair)[1]	6	6
Ms Anne Brown[2]	6	6
Ms Nicolle Connelly	6	6
Mr Rob Sharp	6	6

1 Susan Ferrier served as Committee Chair from 1 July 2025 to 30 June 2026.

2 Anne Brown was first appointed to the Board on 4 December 2019, appointed Acting Chair from 3 June 2025 to 24 July 2025, and appointed Chair on 25 July 2025.

Table 18: Technology Committee

Committee members	No. of possible meetings	No. of meetings attended
Mr Lawrence Turner (Committee Chair)[1]	5	5
Ms Nicolle Connelly	5	5
Ms Susan Ferrier	5	5
Ms Anne Brown[2]	5	5
Mr Melvin Hupfeld AO	5	5
Mr Rob Sharp	5	5

1 Lawrence Turner served as Committee Chair from 1 July 2025 to 30 June 2026.

2 Anne Brown was first appointed to the Board on 4 December 2019, appointed Acting Chair from 3 June 2025 to 24 July 2025, and appointed Chair on 25 July 2025.

Table 19: Sustainability Committee

Committee members	No. of possible meetings	No. of meetings attended
Mr Melvin Hupfeld AO (Committee Chair)[1]	4	4
Ms Anne Brown[2]	4	4
Ms Susan Ferrier	4	4
Mr Douglas Bain	4	4
Mr Rob Sharp	4	4

1 Melvin Hupfeld served as Committee Chair from 1 July 2025 to 30 June 2026.

2 Anne Brown was first appointed to the Board on 4 December 2019, appointed Acting Chair from 3 June 2025 to 24 July 2025, and appointed Chair on 25 July 2025.

Table 20: Alternate Funding Committee (Established 8 May 2025)

Committee members	No. of possible meetings	No. of meetings attended
Ms Anne Brown (Committee Chair)[1]	9	9
Mr Douglas Bain	9	9
Mr Lawrence Turner	9	9

1 Anne Brown served as Committee Chair from 1 July 2025 to 30 June 2026.

Benefits and interests in contracts with Airservices Australia

Details of directors' benefits and interests in contracts with Airservices are set out in notes 4.3 and 4.4 of the financial statements.

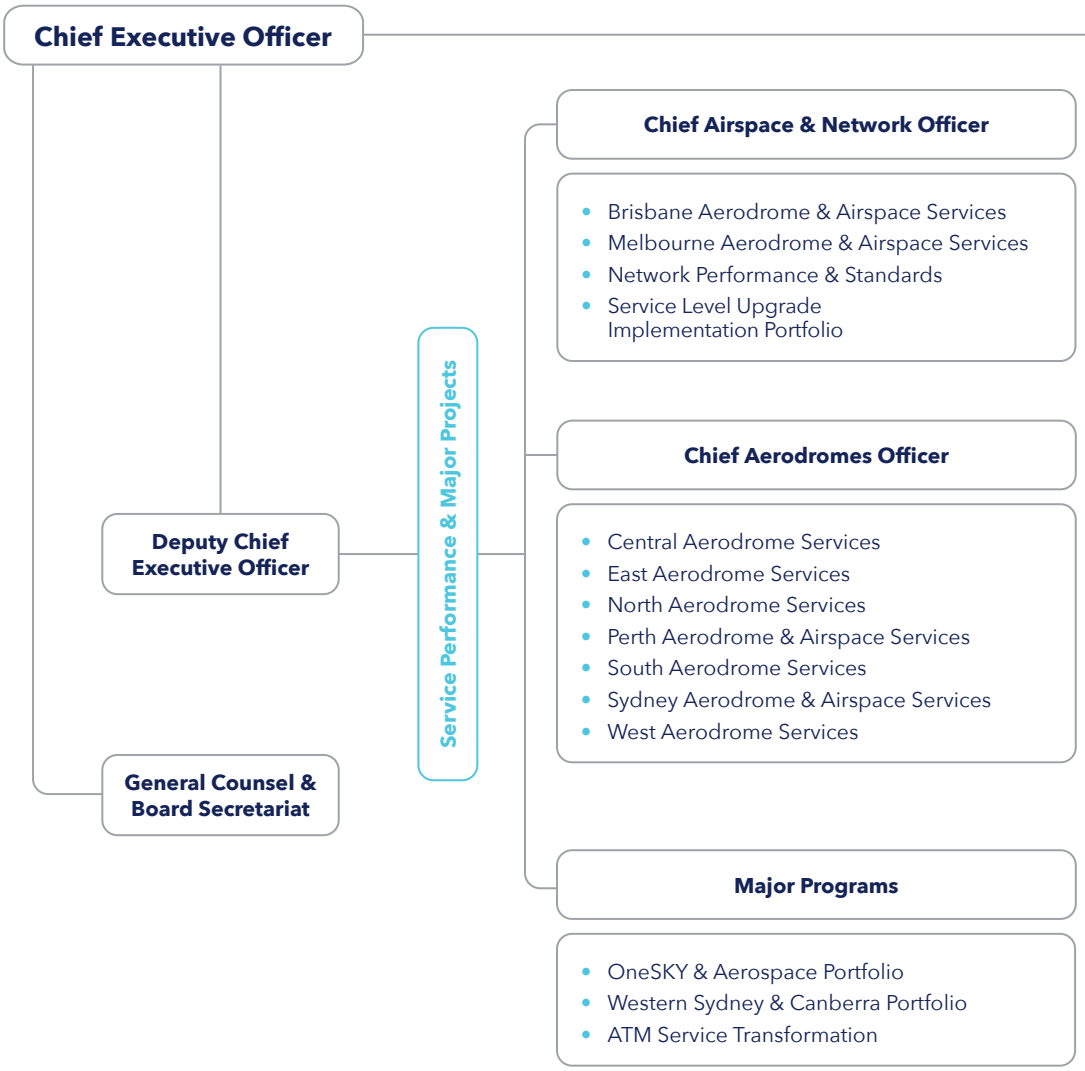
Directors' and Officers' indemnities and insurance

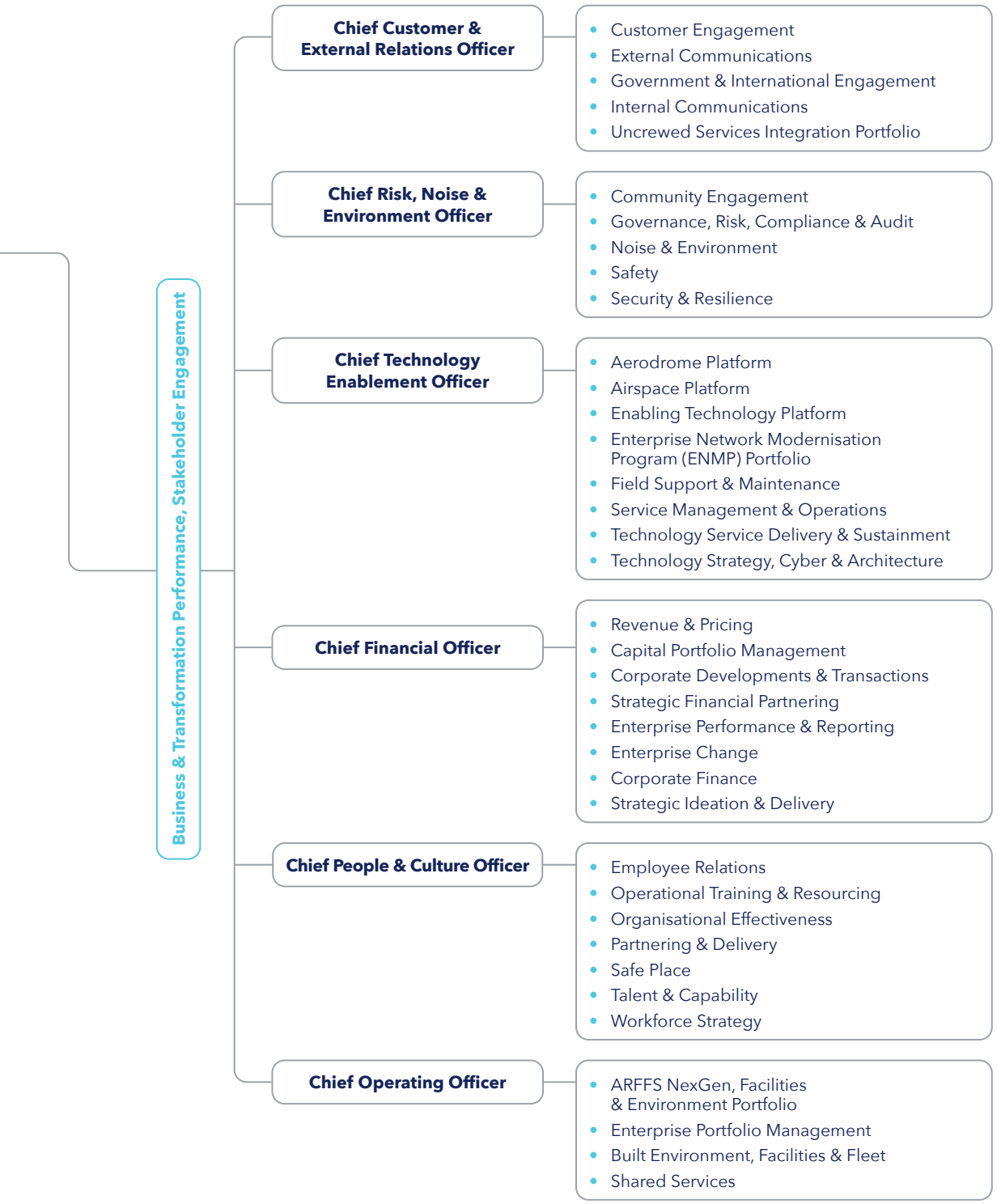
In 2025–26, we held a Directors' and Officers' liability insurance policy. It is a condition of this policy that the nature of the Directors' and Officers' indemnities and insurance, including the limits of liability and the premium payable, are not disclosed to third parties, except to the extent required by law or when the insurer consents in writing to such disclosure.

Our business structure

Over the past year, we undertook target operating model design changes across all our functions to build stronger foundations for the future, as well as improve financial and enterprise-wide performance.

Through this, we have built stronger linkages between our ways of working and provided greater clarity on how our people contribute to the services that we deliver. The diagram below outlines our organisational structure as at 30 June 2026.




Business & Transformation Performance, Stakeholder Engagement
Chief Customer & External Relations Officer
Customer Engagement
External Communications
Government & International Engagement
Internal Communications
Uncrewed Services Integration Portfolio
Chief Risk, Noise & Environment Officer
Community Engagement
Governance, Risk, Compliance & Audit
Noise & Environment
Safety
Security & Resilience
Chief Technology Enablement Officer
Aerodrome Platform
Airspace Platform
Enabling Technology Platform
Enterprise Network Modernisation Program (ENMP) Portfolio
Field Support & Maintenance
Service Management & Operations
Technology Service Delivery & Sustainment
Technology Strategy, Cyber & Architecture
Chief Financial Officer
Revenue & Pricing
Capital Portfolio Management
Corporate Developments & Transactions
Strategic Financial Partnering
Enterprise Performance & Reporting
Enterprise Change
Corporate Finance
Strategic Ideation & Delivery
Chief People & Culture Officer
Employee Relations
Operational Training & Resourcing
Organisational Effectiveness
Partnering & Delivery
Safe Place
Talent & Capability
Workforce Strategy
Chief Operating Officer
ARFFS NexGen, Facilities & Environment Portfolio
Enterprise Portfolio Management
Built Environment, Facilities & Fleet
Shared Services

Our governance

Governance Statement

Airservices Australia is committed to meeting high standards of corporate governance, performance and accountability expected of us in the delivery of our services for the benefit of our stakeholders, including the travelling public.

The Board annually approves a Governance Statement that outlines the most significant aspects of our governance arrangements and processes.

airservicesaustralia.com/wp-content/uploads/2024/11/AIR074-Governance-Statement-24-25.pdf

Risk management and compliance

We recognise that achieving our purpose and strategic objectives, delivering safe and reliable services to the aviation industry and community, and meeting stakeholder expectations require the effective management of risks and obligations, supported by strong governance and informed decision-making.

Capital governance has been strengthened through the capital portfolio management function and the Capital Investment Committee, providing clearer priority setting, scope discipline and delivery oversight.

As a corporate Commonwealth entity, we comply with the PGPA Act to ensure the effective, efficient, economical and ethical use of our resources.

Risk management

We are committed to both a culture and practice of proactive risk management, and we see effective risk management as integral to achieving our objectives. We take a principle-led and continuous improvement approach towards risk management that meets the requirements of section 16 of the PGPA Act and is consistent with both ISO 31000:2018 Risk Management – Guidelines and the Commonwealth Risk Management Policy.

The Board approves our Risk Appetite Statement which sets out a common understanding of the level of risk that our organisation is willing to accept in pursuit of its objectives. Our Risk Appetite Statement articulates our need to maintain the safety of air navigation as the most important consideration, while delivering value and reliable service for our customers and the aviation industry. Additionally, the Board oversees current and emerging enterprise risks and the implementation of our Risk Management Framework.

Compliance management

We have a fundamental responsibility to ensure ongoing compliance with our legal and regulatory obligations. Our compliance management approach is broadly aligned to ISO 37301:2021 Compliance Management Systems Guidelines.

Compliance obligation registers are supported by robust monitoring, assurance and reporting activities, providing oversight of compliance performance and enabling effective management of our legal and regulatory obligations.

Ethical standards and fraud control

We promote high standards of ethical behaviour, and we have no tolerance for fraudulent or corrupt conduct. This is articulated in our Risk Appetite Statement. We maintain strong and effective fraud and corruption control arrangements consistent with section 10 of the Public Governance, Performance and Accountability Rule 2014 (PGPA Fraud Rule).

Our Fraud and Corruption Control Plan documents our systems of control to manage Fraud and Corruption Risk. Performance against ethical standards and fraud control are reported to the Board through the People, Culture and Remuneration Committee and the Board Audit and Risk Committee.

Our Ethics and Fraud Control Policy and the Respectful Workplace Behaviour Policy, supported by the People and Code of Conduct Policies, inform employees, contractors and consultants about our ethical standards and our approach to fraud and corruption including clarifying expectations in relation to behaviour and conduct. All alleged incidents of fraud, corruption and bribery are managed in accordance with our procedures on the Prevention and Management of Harmful Workplace Behaviour, as well as Public Interest Disclosure (where alleged 'disclosable conduct' under the *Public Interest Disclosure Act 2013* is reported). This includes investigations and any required reporting to external law enforcement agencies. We regularly review and monitor fraud risks and their associated controls. All reasonable measures are undertaken to prevent, detect and investigate incidents of fraud and corruption.

Resilience

During 2025–26, we continued to strengthen organisational resilience through a coordinated program of crisis management, business continuity and emergency response activities. Our approach focused on embedding lessons from real incidents, sector intelligence and targeted exercises into practical improvements to our plans, decision-making processes and response capability.

Our all-hazards exercise program tested the integration of key response arrangements across operational, tactical and strategic levels, including crisis management, incident response, communications and business continuity plans. These activities improved coordination across internal business units and reinforced the capability of people performing critical crisis management roles.

The continued involvement of the Board and Executive in resilience activities supported visible leadership, clearer accountabilities and a stronger culture of preparedness. Externally, we participated in aviation sector, critical infrastructure and multi-agency forums and exercises with government, airport, industry and emergency management partners. This participation enabled us to test cross-agency coordination, clarify information-sharing pathways, understand interdependencies across the aviation ecosystem and strengthen interoperability in complex disruption scenarios.

Our external engagement also provided opportunities to share lessons, benchmark our arrangements and incorporate sector intelligence into resilience planning. Participation in these forums strengthened relationships with key response partners before an event occurs, helping ensure our crisis management, business continuity and emergency response arrangements remain aligned with the expectations and operating realities of the broader aviation and critical infrastructure environment.

Through these efforts, we are building a more mature, adaptive and connected resilience capability, better positioned to anticipate, withstand, respond to and recover from disruption in an increasingly complex risk environment.

Security

We maintain a strong and proactive commitment to personnel, physical, information, technology and cyber security, underpinned by our comprehensive Security Framework and strengthened through the Enterprise Security Uplift Program (ESUP). The program is driving a coordinated uplift of our protective security maturity, with a focus on improving governance, risk management, assurance, security culture, capability, systems and controls across the enterprise.

Our approach is risk-based and aligned with the Australian Government Protective Security Policy Framework (PSPF), which sets expectations for protecting people, information and resources across key security domains. During 2025–26, we continued to strengthen protective security arrangements to respond to the evolving threat environment, including by improving visibility of security risks, clarifying accountabilities, maturing assurance activities and supporting secure delivery of critical aviation services and major transformation programs.

The ESUP provides the pathway to address priority security obligations and strengthen enterprise-wide resilience across security governance, personnel security, physical security, information security, technology and cyber security. This includes uplifting policy and assurance settings, improving protective security risk management, strengthening security-by-design practices, and supporting programs and business areas to embed security requirements early in planning, delivery and operational readiness activities.

As an Aviation Industry Participant (AIP), we maintain a Transport Security Program (TSP) and an associated Aviation Security Identification Card (ASIC) program, administered in accordance with regulatory requirements set by the Department of Home Affairs. These arrangements support background checking, identity management and access control for security-sensitive aviation environments, and remain an important part of our broader personnel and physical security control framework.

Case study

Building resilience in response to Middle East conflict

The escalation of conflict between the US, Israel and Iran disrupted aviation operations, including the prolonged closure of key Middle East aviation hubs. In response, Airservices activated enhanced resilience arrangements to assess potential impacts and ensure organisational preparedness.

Under the guidance of the Resilience team, representatives from across the organisation came together to maintain situational awareness, identify emerging risks and support timely, risk-informed decision-making. Through regular engagement and collaboration, teams assessed vulnerabilities, monitored critical dependencies and tested preparedness against a range of escalation scenarios.

Key actions included implementing travel controls to protect staff, supporting airport partners managing increased numbers of grounded aircraft, validating fuel supply and holding arrangements, and assessing potential impacts on operations, project delivery and financial performance. Airservices also worked with operational partners to identify measures that could maximise fuel efficiency and maintain service continuity should conditions deteriorate.

Situational awareness was supported through dedicated collaboration channels, enabling timely coordination, escalation and decision-making. Recognising the significant concurrent demands facing the organisation, resilience activities were designed to complement existing operational processes and minimise additional workload and reporting burdens while maintaining effective oversight.

Airservices maintained close engagement with industry and government partners, providing regular updates to industry, participating in National Emergency Management Agency-led National Coordination Mechanisms, monitoring Ministerial engagement with industry and coordinating information requests across jurisdictions to support a consistent operating picture and aligned messaging.

The response demonstrated the value of proactive scenario planning, coordinated information sharing and risk-informed decision-making during a period of significant global uncertainty.

Our internal audit performance

Internal Audit is established under the authority of our Board and provides the "third line" of assurance within our Three Lines model. Its mandate and responsibilities are defined in the Internal Audit Charter which is endorsed by our Board Audit and Risk Committee (BARC).

Internal auditing strengthens the organisation's ability to create, protect, and sustain value by providing the Board and management with independent risk-based and objective assurance, advice, insight, and foresight, particularly in relation to the design and operating effectiveness of the organisation's system of risk management and internal controls.

During 2025–26, our internal audit team performed 11 internal audits.

All corrective actions arising from our internal audits are tracked, and their implementation progress is overseen by BARC.

External audits

During 2025–26, the Australian National Audit Office (ANAO) did not conduct any additional performance audits in addition to the Financial Statement audit.

Transparency performance

Privacy

We promote a culture that values and protects personal information. This is supported by measures to ensure compliance with the *Privacy Act 1988*, the Privacy (Australian Government Agencies – Governance) APP Code 2017, the Australian Privacy Principles, and the Notifiable Data Breaches (NDB) scheme.

We conduct Privacy Threshold Assessments and Privacy Impact Assessments (PIAs) to identify, assess and manage privacy risks associated with our projects and activities.

During the reporting period, one notifiable data breach was reported under the NDB scheme, affecting a single individual. A further 11 minor privacy incidents were managed in accordance with internal procedures.

We also implemented a range of initiatives to improve Airservices' privacy maturity. These include staff awareness training, governance and compliance process enhancement, and stakeholder consultations to raise awareness of obligations, discuss issues of concern and establish ongoing relationships. We will continue to focus on improving all aspects of our privacy practices.

Our Privacy Policy is available at **airservicesaustralia.com/privacy-policy/**.

Freedom of information (FOI)

We are required to publish information as part of the Information Publication Scheme (IPS) in accordance with the *Freedom of Information Act 1982* (FOI Act).

Our FOI disclosure log lists information released in response to FOI access requests. The disclosure log and IPS are available at **airservicesaustralia.com/about-us/freedom-of-information/**.

Information is not published on the disclosure log or the IPS if it:

- contains personal or business details, rendering it unreasonable to publish
- is exempt from release under the FOI Act
- has been published or released outside the FOI Act.

During 2025–26, we received 118 applications under the FOI Act, consisting of 108 primary requests and 10 requests for internal review. The Information Commissioner also notified us of 3 applications for review of prior Airservices decisions.

Over this same timeframe we finalised 124 applications under the FOI Act consisting of 114 primary requests and 10 internal reviews.

Judicial decisions and reviews by outside bodies

During the reporting period, there were no judicial decisions or decisions of administrative tribunals which have had, or may have, a significant impact on the entity.

06
Environmental and social



Environmental management and performance

This section fulfils the requirements of section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act) and provides a strategic overview of our environmental performance during the year. It highlights how Airservices is embedding environmental stewardship into its operations and decision-making, while progressing its contribution to environmentally sustainable development (ESD).

In alignment with the Commonwealth Climate Disclosure policy, which strengthens transparency around climate-related risks and opportunities, Airservices continues to advance its climate reporting maturity. For 2025–26, we have prepared our disclosures in accordance with the Year 2 Commonwealth Climate Disclosure requirements, reflecting an enhanced, more comprehensive assessment of climate impacts, risks, and opportunities across our operations. Further details are provided in Appendix C: Commonwealth Climate Disclosure.

Environment management approach

Environmental management system

Airservices has a corporate-based, nation-wide Environmental Management System (EMS), which aligns with the requirements of ISO 14001:2015 Environmental Management Systems – Requirements with guidance for use (ISO14001) and is currently certified at three sites (Canberra, Cairns and Adelaide Airports).

Our operations have the potential to impact the environment through aircraft noise, greenhouse gas emissions, natural resource consumption and legacy site contamination. We take a disciplined, enterprise-wide approach to managing these impacts through our EMS, which provides a structured framework of controls, monitoring, assurance and continuous improvement.

Environmental management is embedded within our broader corporate strategy and risk management framework, supporting delivery of our Corporate Plan. This includes maintaining safe and efficient air navigation services while progressively reducing environmental impacts and strengthening long-term sustainability outcomes for the aviation sector and the communities we serve.

Our environmental risk profile spans key areas including aircraft noise, emissions, biodiversity, heritage values, natural resource use and legacy contamination. These risks are actively managed through a layered control environment operating at both enterprise and site levels. At the enterprise level, the National Operational Environmental Management Plan establishes consistent standards, governance arrangements and performance expectations across the organisation. This is complemented by site-based environmental management plans, which translate these requirements into operational controls tailored to local conditions, regulatory obligations and stakeholder expectations.

We maintain a strong focus on transparency, compliance and accountability. No material environmental breaches were recorded during 2025–26, reflecting the effectiveness of our control framework. However, we recognise the increasing complexity of our operating environment, including ongoing challenges associated with legacy contamination and rising stakeholder and community expectations regarding environmental performance and disclosure.

In response, we are continuing to strengthen our approach through enhanced monitoring, data-driven insights, assurance activities and capability uplift across the organisation. Continuous improvement remains a strategic priority, ensuring we are well positioned to manage emerging risks, meet evolving regulatory requirements and support the transition to a more sustainable aviation system.

Environmental sustainability strategy

Societal expectations continue to evolve domestically and internationally in relation to climate change and environmental sustainability. Readiness to achieve more ambitious climate change targets and to meet increased sustainability expectations and reporting is a key reputational challenge for all organisations.

Airservices operates in the sky, and over land and water. Our revised strategy outlines our 6-year roadmap for respecting and protecting the environment through sustainable initiatives. Our approach to environmental sustainability covers 4 key areas or pillars, each with their own ambition, activities and targets which relate to 2 overarching drivers:

Driver 1
As a partner of the broader aviation ecosystem



Pillar 1

Aircraft emissions

Supporting the aviation industry's transition to net zero emissions by 2050.



Pillar 2

Aircraft noise

Support the aviation industry's efforts in minimising the impact of noise on communities.

Driver 2
As an organisation committed to environmental responsibility



Pillar 3

Ecological stewardship

Protecting the ecological sustainability of our operational environment by preserving biodiversity and preventing or minimising pollution.



Pillar 4

Sustainable resource management

Reducing our consumption of resources and improving our climate resilience as we work towards reducing our scope 1 and 2 emissions by at least 43% below baseline levels by 2030 and reaching net zero scope 1 and 2 by 2050.

These drivers are underpinned by our fifth strategy pillar



Pillar 5

Communication

Demonstrating our commitment to our people, community and stakeholders through open and transparent communication and performance reporting.

The Airservices Environmental Sustainability Strategy 2024–2030 outlines the programs and initiatives we are implementing to achieve our objectives and targets.

Pillar	Programs and initiatives
Pillar 1 **Aircraft Emissions**	• OneSKY Program • Air Traffic Flow Management • User Preferred Routes • Airport Collaborative Decision Making • Air Traffic Management Digital Twin
Pillar 2 **Aircraft Noise**	• Flightpath Design • Aircraft Noise Monitoring and Impact Transparency • Noise Abatement Plans and Initiatives • Preferred Runway Use • Community Engagement Standard
Pillar 3 **Ecological Stewardship**	• Biodiversity Protection • Effective, Efficient Environment Management Systems • Legacy PFAS Management
Pillar 4 **Sustainable Resource Management**	• Energy Efficiency and Renewable Energy • Water Efficiency • Waste Reduction and Circular Economy • Sustainable Procurement • Vehicles and Fleet • Technology Innovation • Climate Adaptation
Pillar 5 **Communication**	• Regional Partnerships • Employee Awareness, Participation, Support • Reporting / Promoting • Stakeholder Engagement • Demonstrating Good Practice and Improvement

Environmental performance

Our activities and services interact with the environment in complex ways, with potential impacts on ecosystems, communities, natural and physical resources, and cultural and heritage values. We recognise that effective environmental stewardship is critical to maintaining community trust, meeting regulatory obligations and delivering long-term value.

Our EMS provides the enterprise-wide framework to proactively identify, manage and where practicable, mitigate these impacts. It establishes clear objectives, performance metrics and accountabilities, and is underpinned by robust monitoring, assurance and governance processes. Through regular audits, performance reviews, environmental monitoring and data-driven insights, we continually assess the effectiveness of our controls and identify opportunities to strengthen environmental outcomes.

The EMS is integrated with our corporate risk management and operational planning processes, ensuring environmental considerations are embedded in decision-making at all levels. Conformance with the EMS enables us to meet our regulatory and policy obligations, demonstrate disciplined management of environmental risks, and support a culture of continuous improvement across the organisation.

We manage our operational processes in line with the following strategic priorities:

- **Regulatory integrity:** maintaining full compliance with applicable environmental legislation, approvals and standards.
- **Impact prevention:** preventing, minimising and, where practicable, eliminating environmental harm across our operations.
- **Risk optimisation:** managing environmental risks to reduce the likelihood and consequence of adverse environmental outcomes, supported by consistent and transparent risk assessment methodologies.
- **Value creation:** delivering positive environmental outcomes, including improved resource efficiency, reduced emissions, enhanced climate resilience and protection of biodiversity and heritage values.
- **Performance alignment:** achieving our Corporate Plan objectives while meeting the requirements and commitments established under the EMS.

Through this structured and forward-looking approach, we are strengthening our resilience to emerging environmental and climate-related risks, responding to increasing stakeholder expectations, and supporting the transition to a more sustainable aviation system.



Effectiveness of managing environmental impacts

Table 21 presents key environmental impacts, specific control measures and methods to ensure impacts are minimised. Table 22 details aspects of our performance that are specifically measured to provide insight into the effectiveness of our management.

Table 21: Key potential environmental impacts and associated EMS control measures and assurance mechanisms

Theme	Activity impact	Measures taken to minimise environmental impacts	Ongoing assurance
Community, and social amenity	Aircraft noise and emissions impacts from flightpath changes	**Aircraft noise** All flightpath change projects are assessed through a structured decision-making process that balance safety, operational efficiency, environmental considerations and community impacts, where practicable. Application of the National Operating Standard for Environmental Management of Changes to Aircraft Operations, which requires: • environmental impact and risk assessment of proposed changes • seeking the Commonwealth Environment Minister's advice under the EPBC Act for changes deemed to trigger potential 'significant impact' • assessment of community noticeability and proportional community engagement on all proposed changes. Application of flightpath design principles, to support balanced decision-making. Application of our Community Engagement Standard (CES), which supports earlier and more consistent engagement with communities affected by proposed airspace and flightpath changes. Ongoing implementation of a community-by-design approach to minimise aircraft noise impacts where safe and practicable. Provision of a Noise Complaints and Information Service (NCIS), including investigation of complaints, response to enquiries and identification of emerging noise issues and improvement opportunities. Publication of noise abatement procedures (NAP) adherence reporting for 10 major Australian airports to improve transparency regarding aircraft operations and noise management outcomes. Post Implementation Reviews (PIR) undertaken to assess the effectiveness of implemented changes and identify opportunities to further reduce community impacts. **Aircraft emissions** • Continued implementation of air traffic management initiatives that improve operational efficiency and reduce aircraft fuel burn and associated emissions, including User-Preferred Routes (UPR) and predictable sequencing. • Collaboration with industry to identify opportunities to reduce emissions through more efficient use of Australian airspace.	Assurance activities conducted this year including external reviews/audits: • ISO 14001 surveillance and certification audits. • Internal review of above-ground change screening to verify conformance with the Changes to Aircraft Operations Standard. • Independent oversight and review activities, including consideration of matters raised by the Aircraft Noise Ombudsman. • Development of a Post Implementation Review procedure to define a clear process for these reviews and for delivery of their recommendations. • Review of the Community Engagement Standard implementation to identify lessons learned and opportunities for continuous improvement. • Technical endorsement of Australian Noise Exposure Forecast (ANEF) prepared by airports to support appropriate land-use planning around airports. • NAP Quarterly Insights Reporting to track how well aircraft adhere to designated flightpaths at key airports across different seasons.

Theme	Activity impact	Measures taken to minimise environmental impacts	Ongoing assurance
Ecosystems, biodiversity and heritage	Impacts from on-ground changes – including construction projects	Application of Environmental Management of Changes to On-Ground Activities standard, which requires: • environmental impact and risk assessment of proposed changes • identification and management of regulatory approval and permitting requirements • implementation of project-specific controls, including construction environmental management plans where required. Our EMS provides a structured approach to identifying, assessing and managing environmental risks across all stages of the project and asset lifecycles, including planning, design, construction, operation and decommissioning activities. This ensures that environmental considerations are incorporated into project planning and decision-making, with controls implemented to minimise impact to biodiversity, heritage values, land, water and other environmental receptors. Through defined governance arrangements, monitoring, assurance and continual improvement processes, projects are delivered in a sustainable manner and in accordance with environmental regulations and recognised good practices.	A range of internal and external assurance activities were conducted to verify environmental performance and compliance with regulatory and organisational requirements, including: **Internal assurance** • Site-based environmental risk assurance to verify implementation and effectiveness of environmental management plan commitments and operational controls. • Periodic review of environmental risks, compliance obligations, incidents and corrective actions to identify emerging issues and opportunities for continual improvement. **External audits** • ISO 14001 audit. • Regulatory and tenancy audits, as required.
	Legacy contamination from the historic use of fire fighting foams containing PFAS	Continued implementation of the enterprise Per- and Poly-fluoroalkyl Substances (PFAS) Program Management Plan, including: • preliminary, targeted and detailed site investigations of our lease areas and environments to confirm the presence and determine the nature (depth, lateral extent) of PFAS contamination, and understand the behaviour (movement) of PFAS mass by developing conceptual site models – with most of these investigations now complete • PFAS-related risk assessments • identifying and implementing management actions to contain PFAS mass in situ, reducing efflux from our lease areas • identifying and implementing remedial actions to remove PFAS mass from source or otherwise treat it in situ (e.g. chemical binding) • engaging with Commonwealth, state and territory regulatory departments and agencies on our approach to and progress in PFAS management • engaging with our stakeholders to inform on our activities, hear their concerns and respond to these • the continuation of Airservices longitudinal PFAS exposure study being implemented by the University of Queensland. Progressive development and implementation of airport-specific PFAS management plans including airport-specific stakeholder engagement and consultation plans, and management and remediation action plans where warranted.	Regular review of PFAS-related Enterprise Risk and Control Actions. Regular updates and oversight by the PFAS Program Board. Independent Assessor review of key program milestones to ensure consistency with national guidelines. National pollution monitoring program was successfully delivered with trade waste and environmental sampling completed at all required sites.

Theme	Activity impact	Measures taken to minimise environmental impacts	Ongoing assurance
Ecosystems, biodiversity and heritage	Impacts from on-ground operational activities	• Environmental compliance obligations across all sites have now been integrated into our Integrated Risk Management (IRM) system. This provides a more streamlined, transparent and auditable approach to managing compliance, enabling improved tracking, monitoring and reporting. The system strengthens the linkage between environmental obligations, risks, controls and actions, improving visibility, accountability and assurance over site-level environmental compliance and risk management. • We progressed the restructure of Operational Environmental Management Plans (OEMP), introducing a National OEMP supported by site-specific Environmental Management Plans (EMP). This approach improves consistency across the organisation while ensuring local environmental risks, regulatory requirements and operational activities are appropriately managed. • The new National OEMP was developed and published during the year, supported by consultation with major airport locations. Three site-specific EMPs were completed, with development of plans for the remaining major airports continuing. • Application of the EMS was strengthened through implementation of the Environment and Sustainability Performance Requirements and Controls for Airservices Infrastructure standard, supporting consistent identification, assessment and management of environmental risks across the infrastructure lifecycle, including operational activities. • We continued to implement measures to identify, protect and manage heritage values across our operational footprint, including progression of the heritage management plans and civil aviation radar study. • Compliance with requirements under the Deed of Agreement – Agreement for the emission of Dark Smoke during ARFF training activities continued to be monitored at relevant airports, with notification and reporting obligations undertaken in accordance with the agreement.	A number of internal and third-party assurances were conducted to verify our environmental performance and compliance with regulatory requirements, which include: **Internal assurance** • Site-based environmental inspections and control verification activities were undertaken across ARFF, ATM and EVT, providing assurance that environmental controls remained effective and were operating as intended. • Environmental performance, incidents, hazards and compliance issues were routinely monitored and reviewed, with corrective actions implemented where required to address root causes and prevent recurrence. • Environmental obligations, risks, controls and actions were monitored through the Integrated Risk Management (IRM) system, improving visibility of compliance status and the effectiveness of risk controls across operational sites. • Targeted environmental assurance activities were undertaken at environmentally sensitive and higher-risk sites to verify conformance with environmental management requirements and identify opportunities for continuous improvement. • Monitoring and management arrangements for emerging environmental risks, including the declared pest species – Ants (*Solenopsis invicta*) in south-east Queensland, were reviewed and strengthened to improve early detection, reporting and response. • Oversight of contractor environmental performance was undertaken through routine monitoring and review activities to verify conformance with environmental requirements and obligations. **Site-based environmental risk assurances** • National Pollution Monitoring Program was successfully delivered, including trade waste and environmental sampling completed at required sites. Results were consistent with historical trends and no significant new contamination sources were identified. **External audits** • ISO 14001 surveillance audit. • Airport tenancy audits undertaken at multiple operational locations.

Theme	Activity impact	Measures taken to minimise environmental impacts	Ongoing assurance
Natural Resources	Our activities require the use of natural resources which in turn creates risks and opportunities for our business	• Exercised an option within our existing Large Market Electricity contract to purchase certified Green Power. • Ongoing monitoring of resource usage (energy, water use, waste generation) to identify potential opportunities to reduce environmental footprint. Current opportunities being explored relate to energy procurement and the improved capture and reuse of ARFF training water.	• External reviews of our emissions reporting to ensure completeness of data and assurance of our reporting. • Risks and opportunities relating to resource use are publicly disclosed in our Commonwealth Climate Disclosure.

Table 22: Environmental Performance Indicators for 2025–26

Theme	Performance measure	Indicator	Result
Community and Social Amenity	Complainants	Number of residents who have contacted the NCIS for the 10 major airports	1,620 (decrease of 35% complainants against 2024–25 complainants)
	Emissions	Total potential reduction of aircraft emissions facilitated by flightpath changes (cubic tonnes)	42,752 tonnes CO_2e saved from UPR and predictable sequencing trials
Ecosystems, Biodiversity	Occurrences	Number of major environmental occurrences	The only environmental occurrence involved the overflow of kerosene-contaminated wastewater to a 65 square metre area surrounding the training ground holding tank at Adelaide. The incident was reported and managed in accordance with established environmental incident response procedures, with an internal occurrence investigation underway to determine contributing factors and identify any improvement opportunities.
	Biodiversity risk management	Number of environmentally sensitive sites inspected and assured	Targeted inspections were undertaken at environmentally sensitive sites to identify biodiversity risks and verify the effectiveness of environmental controls. During 2025–26, site inspections were completed at remote and operational locations, including inspections related to red imported fire ant management in south-east Queensland. Fire ants were identified at one remote site and two airport complexes and were subsequently treated, with improvements implemented to strengthen reporting and response processes. Six airport sites and two environmentally significant remote sites were environmentally assured during 2025–26.
Heritage	Compliance with EPBC Heritage obligations	Development and implementation of the Heritage Strategy with continual review	Heritage Management Plans for six Air Traffic Control Towers were assessed as compliant with relevant EPBC Act requirements by the Minister's delegate. Progress was also made on the civil aviation radar heritage study, supporting ongoing identification and management of Airservices' heritage values.

Theme	Performance measure	Indicator	Result
Natural Resources	Energy	Scope 1 and Scope 2	In 2025–26 our scope 1 (4,250.98 tCO_2e) and scope 2 (22,548.35 tCO_2e) emissions were 26,799.33 tCO_2e.
	Waste	Amount of waste going to landfills (tonnes) Amount of waste going to recycling facilities	Our total waste footprint is 4,234.77 tonnes, of which, 279.64 tonnes was recycled and diverted from landfill. This total includes 3,369 Tonnes of Wastewater that was collected from our ARFF training facilities for processing, accounting for 79.5% of our total waste footprint.

Emissions reporting/climate-related metrics

As part of the Net Zero in Government Operations Strategy, and the reporting requirements under section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*, as a corporate Commonwealth entity, Airservices is required to report on operational greenhouse gas emissions.

The greenhouse gas emissions inventory and electricity greenhouse gas emissions tables below present greenhouse gas emissions over the 2025–26 financial year. The greenhouse gas emissions reported are calculated on the basis of carbon dioxide equivalent (CO_2e) emissions. Greenhouse gas emissions have been calculated in line with the Australian Public Service Emissions Reporting Framework, consistent with the whole of Australian Government approach outlined in the Net Zero Government Operations Strategy, and the Commonwealth Climate Disclosure requirements.

Table 23: Airservices 2025–26 greenhouse gas emissions inventory — location-based method

Emission Source	Scope 1 tCO_2e	Scope 2 tCO_2e	Scope 3 tCO_2e	Total tCO_2e
Electricity (location-based method)	n/a	22548.35	2603.67	**25152.02**
Natural gas	159.21	n/a	36.93	**196.14**
Solid waste	0	n/a	876.85	**876.85**
Refrigerants	217.78	n/a	n/a	**217.78**
Fleet and other vehicles	1096.27	n/a	269.47	**1365.74**
Domestic commercial flights	n/a	n/a	1386.51	**1386.51**
Domestic hire car[1]	n/a	n/a	133.86	**133.86**
Domestic travel accommodation	n/a	n/a	432.66	**432.66**
Other energy	2777.72	n/a	773.73	**3551.45**
Total tCO_2e	**4250.98**	**22548.35**	**6513.68**	**33313.01**

Note: The table above presents emissions related to electricity usage using the location-based accounting method.
CO_2e = Carbon dioxide equivalent.
1 The Australian Capital Territory is currently the only state with a jurisdictional renewable power percentage (JRPP).

Table 24: 2025–26 Electricity greenhouse gas emissions

Emission Source	Scope 2 tCO_2e	Scope 3 tCO_2e	Total tCO_2e	Electricity kWh
Location-based electricity emissions	22548.35	2603.67	25152.01	34938259.04
Market-based electricity emissions	19892.45	2701.45	22593.89	24558573.93
Total renewable electricity[1]	n/a	n/a	n/a	10379685.12
Renewable Power Percentage[2]	n/a	n/a	n/a	6040824.99
Jurisdictional Renewable Power Percentage[3]	n/a	n/a	n/a	935182.13
GreenPower	n/a	n/a	n/a	3403678
Large-scale generation certificates	n/a	n/a	n/a	0

Note: The table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods. CO_2e = Carbon dioxide equivalent. Electricity usage is measured in kilowatt hours (kWh).

1 Excludes behind-the-meter solar other than generation used to create large-scale generation certificates (LGCs).

2 The renewable power percentage (RPP) accounts for the portion of electricity used, from the grid, that falls within the Renewable Energy Target (RET).

3 The Australian Capital Territory is currently the only state with a jurisdictional renewable power percentage (JRPP).

Environmentally sustainable development

We are aligned to the National Strategy for Environmentally Sustainable Development (ESD) through the environmental protection measures encompassed within our Environment Management System (EMS).

The ESD principles are embedded into our operational activities to ensure these are undertaken in an environmentally sustainable way through meeting the requirements of the EMS, which is underpinned by our Environmental Policy and Corporate Plan.

Our approach to environmental sustainability considers environmental, social and economic impacts together, recognising the need to manage risks carefully today while protecting outcomes for future generations. Our approach is guided by ESD principles, including integrating environmental, social and economic factors, protecting biodiversity, and taking a precautionary approach where impacts are uncertain.

In practice, this means being transparent about trade-offs, particularly where operational decisions may affect communities differently. We are continuing to improve how we assess cumulative impacts and use data and evidence to support balanced, well-informed decisions.

ESD alignment and contribution

Key improvements for 2025–26, which accord with ESD principles under the EPBC Act, are described in Table 25.

Table 25: Key ESD aligned activities in 2025–26

Environmentally Sustainable Development Principles	Activities in accordance with ESD Principles
Integration principle: decision-making processes should effectively integrate both long and short-term economic, environmental, social and equitable considerations.	Airspace and flightpath changes involve balancing safety and operational efficiency with environmental protection and the impacts of aircraft noise on communities, where practicable. Our approach integrates these considerations into a single decision-making process, supported by environmental assessments, operational analysis and structured community engagement. This approach supports clearer understanding of the environmental and community impacts of our activities, and how these are considered and managed through decision-making and ongoing review. During 2025–26, we focused on embedding and consistently applying the Community Engagement Standard (CES) across all new flightpath and airspace changes. This has included earlier engagement with communities as options are developed, clearer presentation of potential impacts, and improved transparency on how feedback informs decisions. For example, engagement activities undertaken in Hobart and on the Sunshine Coast demonstrated earlier engagement and clearer articulation of trade-offs associated with proposed changes, while pre-implementation engagement for Western Sydney International Airport focused on building community awareness of expected operational impacts ahead of commencement, and identifying opportunities to reduce impacts where practicable. We also continued to strengthen alignment between environmental assessment and community engagement through implementation of the revised National Operating Standard for Environmental Management of Changes to Aircraft Operations. This has supported more coordinated consideration of environmental and community impacts, including improved visibility of cumulative impacts and site-specific sensitivities in high-activity environments such as Brisbane. Updates to the three critical National Operating Standards have strengthened organisational capability in several key areas. Enhancements to the Occurrence Management standard have improved the consistency and timeliness of reporting, enabling more informed, and data-driven decision-making while strengthening risk identification and mitigation practices. Revisions to the On-Ground Change Management standard have clarified governance arrangements, ensuring operational changes are assessed systematically, risks are considered before implementation, and accountability is clearly defined. Updates to the Environment and Sustainability Performance Requirements and Controls for Airservices Infrastructure have also embedded sustainability considerations into planning and operational decision-making, reducing environmental risks and ensuring compliance with regulatory and corporate obligations. Collectively, these updates have improved decision making, enhanced risk management, strengthened compliance, and supporting more sustainable and resilient operations across our national footprint.

Environmentally Sustainable Development Principles	Activities in accordance with ESD Principles
Precautionary principle: if there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation.	As a provider of critical national infrastructure, we recognise that our responsibilities extend beyond immediate operational outcomes. Where there is uncertainty or potential for serious or irreversible environmental harm, we apply a precautionary approach, taking actions based on available evidence and risk assessment processes rather than waiting for complete scientific certainty. The Airservices EMS requires the identification, assessment and management of environmental risks across our activities and operations. Where impacts are uncertain, we apply a precautionary approach, using available evidence and risk assessment processes to inform decisions and avoid or minimise potential environmental harm. Our efforts to uphold the precautionary principle during the reporting period include: • applying an Environmental Management System (EMS)-based approach that integrates environmental risk assessment, compliance obligations and continual improvement into operational and strategic decision-making • assessment of climate-related risks across our national asset base, to better understand potential future impacts and inform long-term adaptation and resilience planning • continuing to implement operational initiatives such as User Preferred Routes (UPR), which improve flight efficiency and reduce aviation emissions where practicable • undertaking environmental impact and environmental risk assessments for projects and operational changes to identify potential impacts early and inform appropriate mitigation measures before implementation • progressing the transition from site-based Operational Environmental Management Plans (OEMP) to a National OEMP supported by site-specific Environmental Management Plans, improving consistency while ensuring local environmental risks and regulatory requirements continue to be addressed • strengthening environmental governance and compliance assurance through integration of environmental obligations into the Integrated Risk Management (IRM) system, improving visibility of environmental risks, controls and corrective actions.
Intergenerational principle: the present generation should ensure that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations.	Our Environmental Sustainability Strategy reflects a commitment to supporting long-term environmental outcomes, recognising the need to manage current impacts while reducing future environmental and financial risk. We are focused on improving environmental performance and strengthening resilience across our operations, including reducing emissions, managing resource use and addressing legacy environmental risks. Our target to reduce scope 1 and 2 emissions by 43 per cent by 2030, and achieve net zero by 2050, supports a long-term transition to more sustainable operations. Managing legacy contamination remains a key priority, with ongoing investigation, management and remediation activities aimed at reducing environmental risk and limiting long-term liabilities. During the period, this included the commencement of remediation at the former fire training ground at Rockhampton and the Public Works Committee approval for remedial works at Canberra. We also continue to support longer-term emissions reduction through operational improvements and infrastructure investments. For example, new infrastructure at Western Sydney International Airport has been designed to incorporate more efficient and lower-emissions technologies, while continued progress in digital aerodrome services is reducing the physical infrastructure required to deliver air traffic management over time. Together, these activities demonstrate how current decisions are contributing to reduced environmental impacts, improved resilience and more sustainable outcomes for future generations.

Environmentally Sustainable Development Principles	Activities in accordance with ESD Principles
Biodiversity principle: the conservation of biological diversity and environmental integrity should be a fundamental consideration in decision making.	The protection of biodiversity values is embedded within our EMS, with controls integrated into environmental risk assessment and management across our activities including flightpath changes and on-ground operations. This is supported by updates to the Environmental Performance Requirements and Controls for Airservices Infrastructure standard, which strengthens how environmental risks, including biodiversity impacts, are consistently identified, assessed and managed across our operations. During 2025–26, targeted site inspections were undertaken at sensitive locations to better understand the site-specific environmental risks and identify where additional protection measures may be required. This included inspections of remote and operational sites in environmentally sensitive areas to support improved risk prioritisation and management. These activities support a proactive, risk-based approach to protecting biodiversity, enabling earlier identification of risks and more effective implementation of controls to minimise environmental impacts. This approach also supports improved understanding of cumulative environmental pressures across our sites and informs prioritisation of future biodiversity risk management activities.

Noise complaints and information service

The total number of residents who contacted the Noise Complaints and Information Service (NCIS) in financial year 2025–26 was 2,766. This was a 27% reduction on the previous year during which 3,818 people made contact (Australia-wide).

The total number of contacts the NCIS received in financial year 2025–26 was 82,626. This was a significant increase compared to financial year 2024–25, during which 44,723 contacts were received (84% increase Australia wide).

The 10 most regular complainants accounted for 88% of total complaints, with one person making 75% of all complaints.

At major airports, the most frequently raised issues related to the concentration and frequency of aircraft movements within established flightpath corridors. Complainants commonly reported concerns regarding perceived low-altitude operations, reductions in respite, night-time aircraft noise causing sleep disturbance, and perceptions that flightpath locations or aircraft operating patterns had changed. Weather conditions, runway configurations and other operational requirements continued to influence aircraft operations and were regularly associated with increased community concerns.

During 2025–26, most major airports experienced a reduction in the number of residents making complaints; the total number across the 10 major airports decreased from 2,481 in 2024–25 to 1,620 in 2025–26, a reduction of 35%. The largest reductions were recorded at Perth Airport, where complainant numbers fell from 425 to 187; Brisbane Airport, which decreased from 1,067 to 595; and Sydney Airport, which decreased from 581 to 503. Smaller reductions were also recorded across Adelaide, Gold Coast, Hobart and Darwin.

Brisbane Airport remained the highest complainant location in 2025–26. While complainant numbers reduced significantly compared to the previous year, community feedback continued to focus on the concentration of aircraft operations over particular communities, the use of established flightpath corridors and the impact of night-time operations. During the year, increased use of SODPROPS, when weather and operational conditions permitted, continued to reduce aircraft operations over residential areas during weekend daytime and weekday evening periods.

As in previous years, periods of community consultation on aircraft noise and flightpath initiatives were associated with increased community interest and contact with the NCIS. This was particularly evident during consultation activities related to WSI airport and the Noise Action Plan for Brisbane. Similar patterns have been observed across Australia during periods of community consultation on aircraft operations and proposed flightpath changes.

Table 26: Number of residents who contacted the NCIS for the 10 major airports

Airport	2022-23	2023-24	2024-25	2025-26
Adelaide	198	137	97	**48**
Brisbane	1,462	1,690	1067	**595**
Cairns	27	28	27	**29**
Canberra	17	20	13	**16**
Darwin	7	2	5	**4**
Gold Coast	60	55	63	**35**
Hobart	52	31	34	**17**
Melbourne	285	172	169	**186**
Perth	258	329	425	**187**
Sydney	576	838	581	**503**
Total	**2,942**	**3,302**	**2,481**	**1,620**





07
Appendices

Appendix A

Ministerial expectations

Responsible Minister

The Hon Catherine King MP was the current responsible Minister for the 2025–26 financial year.

The responsible minister regularly issues a Statement of Expectations (SOE) as a notice of strategic direction to the Airservices Board according to section 17 of the *Air Services Act 1995*. In addition to the SOE, the Minister can issue directions which inform the performance of our functions. These – together with the Board's Statement of Intent – are provided within this section.

Ministerial directions

The Minister issued one direction under the *Air Services Act 1995* during the reporting period. Below are the 6 ministerial directions which remain current.

Year	Date of issue	Subject
1996	29 May	Handling of aircraft noise complaints at Sydney and other federal airports
1997	30 July	Progressive implementation of Sydney Long Term Operating Plan
1999	3 May	Responsibilities in relation to the environmental effects of aircraft
2004	31 August	Provision of approach radar services at specific airports
2024	16 September	Use of simultaneous opposite direction parallel runway operations at Brisbane airport
2026	11 May	WSI–Reciprocal Runway Operations and Environmental Monitoring Program

Implementation of WSI airport Reciprocal Runway Operations (RRO)

On 11 May 2025, the Minister for Infrastructure, Transport, Regional Development and Local Government, the Hon Catherine King MP, issued a Ministerial Direction to Airservices Australia to prioritise Reciprocal Runway Operations (RRO) as the default operating mode at night at WSI airport, including the use of a specific Noise Abatement Procedure (RRO-NAP) when safe to do so.

The direction was to ensure that Airservices prioritised work which would enable the greater use of RRO at WSI during night-time hours (11pm to 5:30am). Increasing the use of RRO would assist in improving noise outcomes for communities in Western Sydney and the Blue Mountains by directing aircraft away from the most densely populated areas.

Under RRO, aircraft take off from Runway 23 in a south-westerly direction and land on Runway 05 arriving from the south-west. This directs flights away the heavily populated areas to the north-east of the airport, to achieve the lowest possible impact on surrounding communities.

A community engagement program was subsequently undertaken by Airservices Australia between July and September 2025, covering proposed flightpaths and Noise Abatement Procedures for WSI, including the RRO-NAP.

The new WSI airspace design and flightpaths were implemented on 9 July 2026 across the Sydney Basin, integrating WSI with existing operations at Sydney Kingsford Smith and Bankstown airports. Freight operations commenced on 26 July 2026, with Qantas Freight beginning regular services the following evening. Commercial passenger services are scheduled to commence on 25 October 2026.

RRO departures and arrivals are to be utilised whenever possible between 11pm and 5:30am when traffic demand and weather conditions permit. The Ministerial Direction reporting requirements are expected to apply from the commencement of commercial passenger operations on 25 October 2026.

When RRO and the associated RRO-NAP are in use, the number of aircraft overflying Wallacia, the populated areas of Western Sydney, and the Blue Mountains is materially reduced, delivering lower noise impacts on these communities during night-time hours.

Australian Aviation White Paper activities

The Government has requested Airservices to deliver the following initiatives under the Aviation White Paper published in August 2024.

Initiative	Description	Progress update
Initiative 33	**Improve transparency about aircraft noise impacts.** Airservices Australia will examine its Noise and Flight Path Monitoring System (NFPMS) and include additional information in the NFPMS on aircraft movements and noise impacts. Airservices Australia will also publish a quarterly report on non-compliance with noise abatement procedures.	Airservices continues to advance its Noise and Flight Path Monitoring System (NFPMS) capabilities, with monthly Noise Abatement Procedure (NAP) reporting established for 10 airports, covering runway end usage, most common aircraft types and preferred runway operations. These reports are publicly available on the Aircraft in Your Neighbourhood portal at **aircraftnoise.airservicesaustralia.com**. Contract negotiations with the preferred supplier for transitioning to the new NFPMS are being finalised, with the new contract expected to commence in September 2026. In 2025–26, Airservices developed consolidated NAP adherence reporting across nine major airports, excluding Sydney. The first two quarterly reports, covering summer and autumn 2025–26, established a baseline for assessing how effectively noise abatement procedures are being applied under varying seasonal conditions. NAPs vary significantly across airports and as a result, the reports present meaningful context on airport-specific aircraft adherence for arrivals, departures and specific procedural tracks across different operating periods.
Initiative 35	**Appoint a new Airservices executive for noise and environment**, to lead our work on noise minimisation, including engagement with affected communities, and ensure this work is integrated with the operational decisions of air traffic controllers.	Airservices created a new Chief Risk, Noise & Environment Officer role in 2024–25, consistent with the Aviation White Paper recommendation. See our business structure in the 'governance and accountability' section.
Initiative 37	**Improve engagement with communities affected by changes to airspace and flightpaths**, and ensuring Airservices applies best-practice consultation in line with the Community Engagement Standard (CES).	Airservices continued to improve engagement with communities on airspace and flightpath changes during 2025–26 by applying the CES across multiple engagement activities as demonstrated in the key activity update on 'community engagement' section of the Annual Performance Statement. As part of continuous improvement, the CES has been reviewed, and the Board has approved stakeholder and community engagement on the proposed changes to occur in 2026–27.
Initiative 48	Commitment to **implementing our Flight Information Management System (FIMS)** from 2025.	FIMS has progressed from system build into testing and assurance activities, with an initial group of industry application developers successfully connected to the platform and participating in testing and integration activities. The planned go-live date has been updated to the second half of 2026 to address integration challenges and allow for additional assurance activities to support the safe and reliable operation of the system.

Our statement of intent 1 November 2025 to 30 June 2027

As part of the development of this annual report, Airservices has undertaken a review of the Minister's Statement of Expectations and our Statement of Intent, to validate that we continue to act in accordance with our Minister's directions.

1. Overview

Statement of expectations	Statement of intent
This instrument is the Statement of Expectations for Airservices Australia for the period 1 November 2025 to 30 June 2027. This Statement of Expectations (SoE) applies from 1 November 2025 until 30 June 2027, and replaces the SoE issued on 30 June 2023. This SoE serves as a notice to Airservices Australia (Airservices) under section 17 of the *Air Services Act 1995* (the Act) and sets out my expectations for Airservices' appropriate strategic direction and the manner in which Airservices should perform its functions.	The Airservices Australia Board's Statement of Intent responds to each element of the Statement of Expectations and states Airservices commitment to meeting the Minister's expectations. Airservices **connects people with their world safely** by providing safe, secure, efficient, and environmentally responsible services that are valued by the aviation industry and community on behalf of our owner, the Australian Government. In accordance with the Act, the safety of air navigation is our most important consideration.



2. Governance

Statement of expectations	Statement of intent	Summary of actions taken
(a) I expect the Board and Chief Executive Officer (CEO) of Airservices to ensure Airservices has the necessary resources and capabilities in place: • to effectively manage Airservices' strategic direction, risks, corporate planning in accordance with section 21 of the Act, and • to provide Air Traffic Services and Aviation Rescue Fire Fighting Services to the service level articulated in this SoE. (b) I expect the CEO to be responsible for managing the operations of Airservices, its organisational capacity and the exercise of its functions in accordance with section 35 of the Act. (c) I expect the Board of Airservices to notify me and the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (the Department) of any significant decisions or issues as soon as practicable. (d) I expect Airservices to keep me and the Department informed of Airservices' activities, and provide quarterly progress reports against the Corporate Plan, this SoE and reasonable additional reporting requested by me or the Department, including financial and performance metrics. (e) I expect Airservices to monitor its progress towards strengthening its organisational capability and culture, engage in continuous improvement, and report on progress on these issues and relevant initiatives in its quarterly progress reports to me. (f) I expect the Board of Airservices to invite a member of the department's Senior Executive or a nominated Department official, to an annual strategic meeting to discuss Airservices' performance.	The Board and CEO will ensure that its annual Corporate Plan positions the organisation to have the necessary resources and capabilities to provide safe, secure, efficient and environmentally responsible services that are valued by the aviation industry and community. We will focus on the provision of services in line with the service levels articulated in the SoE, customers' needs and Australia's international obligations. We will monitor performance and report transparently on our achievement of those outcomes. Airservices is actively investing to ensure we continue to deliver world-best practice Air Traffic Services (ATS) and Aviation Rescue and Fire Fighting (ARFF) services. We prioritise our capital investments to realise the greatest enhancements practicable with available funding. We will notify our Minister and the Department of any significant decisions or issues as soon as practicable, in accordance with the SoE and any additional explanatory statements. We will monitor and report on the effective delivery of our Corporate Plan ensuring the Department and Minister are informed of our actions in fulfilling this SoE, consulted on material risks, events, decisions or issues, and provided quarterly progress reports against the corporate plan, an annual report, and reasonable additional reporting as requested. We actively participate in international forums including International Civil Aviation Organization (ICAO) and work closely with the Department and Civil Aviation Safety Authority (CASA) to ensure that Australia continues to influence the future of aviation in line with government policies. We will monitor and report on our progress towards strengthening our organisational capability and culture, engage in continuous improvement and report on relevant initiatives in our quarterly reports to the minister. We will invite a member of the department's Senior Executive or a nominated Department official, to an annual strategic meeting to discuss Airservices' performance.	Airservices have continued to focus on building operational capabilities through our transformation program, to improve resilience to disruptions and enable long-term aviation growth, ensuring the delivery of world-best practice Air Traffic Services (ATS) and Aviation Rescue and Fire Fighting (ARFF) services. Updates on key activity can be found in the Annual Performance Statement. In 2025–26, Airservices focused on delivering the culture improvement program to support progress towards our desired culture. Airservices strengthened workforce capability and resilience to ensure there is adequate air traffic controller and fire fighters to support reliable service delivery. See updates in the 'culture and health of our people' section and case study on 'Strengthening service delivery and workforce resilience' in the Annual Performance Statement. Airservices notified the Minister of any significant decisions or issues as soon as practicable throughout the year, and provided updates on strategic discussions after Board meetings to the Minister. Airservices actively participated in international forums during 2025–26 to ensure that Australia continues to influence the future of aviation in line with government policies. See the 'cooperation' section in the Annual Performance Statement for details. Airservices provided 3 quarterly reports to the Minister on the progress of our performance against the Corporate Plan in addition to this annual report during 2025–26.

3. Strategic direction and manner of performance

Statement of expectations	Statement of intent	Summary of actions taken
I expect Airservices to: (g) operate as a world-best-practice provider of Air Traffic Services and Aviation Rescue Fire Fighting Services delivered in a safe, efficient and effective manner; (h) perform its functions and manage its finances in an efficient, economic and ethical manner, in accordance with the Act, the *Public Governance, Performance and Accountability Act 2013,* best practice principles and guidelines, other applicable legislation and relevant accounting standards, and appropriately managing, documenting and disclosing any conflicts of interest held by Directors; (i) comply with this SoE and all Ministerial Directions issued under the Act, and for Airservices to demonstrate it is on track to return to financial stability and pay a dividend to Government as agreed by Government; (j) arrange and pay for independent biennial reviews to assess Airservices' capital structure; and (k) function in conformity with Australia's international obligations, including the requirements of the International Civil Aviation Organization (ICAO) and obligations under the Chicago Convention.	Airservices prioritises safe, efficient, and effective world-best practice Air Traffic Services and Aviation Rescue and Fire Fighting (ARFF) services. We will ensure that we provide a service that meets our customers' needs and is consistent with Australia's international obligations, including through active participation in international forums including ICAO. When performing our functions, we adhere to all relevant legislation including the *Air Services Act 1995* and the PGPA Act. We will manage our finances in an efficient, economic and ethical manner. Airservices will comply with the SoE and all Ministerial Directions issued under the *Air Services Act 1995*. If we are unable to comply with this SoE, Airservices will notify our Minister and the Department of this significant issue in accordance with section 2(c) of this SoE. We demonstrate in this corporate plan our pathway to financial stability and to pay a dividend to Government. Airservices will arrange and pay for independent biennial reviews to assess Airservices' capital structure, which will be provided to the Department in calendar year 2026.	Airservices' purpose to connect people with their world safely is achieved through the delivery of world best practice in Air Traffic Services and Aviation Rescue and Fire Fighting (ARFF) services in a safe, efficient, and effective manner. In 2025–26, Airservices delivered improved outcomes across safety and service delivery, while progressing significant transformation and capability-building programs that support our long-term strategic objectives. Updates can be found in the Annual Performance Statement. Airservices continue to perform its functions and adhere to all relevant legislation including the *Air Services Act 1995* and the PGPA Act. We will manage our finances in an efficient, economic and ethical manner.

4. Service level

Statement of expectations	Statement of intent	Summary of actions taken
I expect Airservices to: (a) resolve Safety Findings issued by the Civil Aviation Safety Authority (CASA), including self-reported deficiencies, and satisfy all directions and conditions placed on authorisations, in accordance with the Civil Aviation Safety Regulation 1998 and within a time period acceptable to CASA; (b) provide Air Traffic Services commensurate with the airspace classification as determined by CASA, during the baseline hours of service determined by CASA unless there is an unforeseeable contingency; (c) ensure it has in place sufficient capacity and capability to: • provide Air Traffic Services minimising the use of demand management practices due to staff availability or competency, unless specified by regulations or legislation; and • support implementation of safe and efficient noise minimisation measures. (d) provide Aviation Rescue Fire Fighting Services to the category listed on the CASA-issued ARFFS Provider Certificate; in accordance with the provisions of Part 139H (Aerodrome rescue and fire fighting services) of the Civil Aviation Safety Regulations 1998 and other relevant legislation, unless there is an unforeseeable contingency; (e) ensure it has in place sufficient, competent staff resources to provide rescue and fire fighting services without a reduction of category due to staff availability or competency, unless this reduction is required in the delivery of services specified by applicable legislation; and (f) implement long-term strategies to maintain continuity of service, ensuring Air Traffic Services and Aviation Rescue Fire Fighting Services are delivered in accordance with the expectations outlined at 4 (b), (c), (d) and (e), and communicate these strategies to stakeholders in a frank and timely manner. (g) Should Airservices be unable to meet the Expectations under sections 4a), 4b), 4c), 4d), 4e) and 4f), Airservices should communicate these clearly and transparently to CASA, including its plans for remediation, and include a report on these issues in its quarterly progress reports to the Minister.	Airservices Australia will resolve Safety Findings issued by the Civil Aviation Safety Authority (CASA), including self-reported deficiencies, within a time period acceptable to CASA. Airservices will provide air traffic services (ATS) commensurate with the airspace classification as determined by CASA, during the baseline hours of services determined by CASA unless there is an unforeseeable contingency. Airservices is committed to ensuring we have sufficient capacity and capability to: • provide air traffic services without the regular use of demand management practices due to staff availability or competency, unless specified by regulations or legislation; and • support the implementation of safe and efficient noise minimisation measures. Airservices will provide ARFF Services to the category listed on the CASA-issued ARFFS Provider Certificate and in accordance with the provisions of Part 139H (Aerodrome rescue and fire fighting services) of the Civil Aviation Safety Regulations (CASRs) and other relevant regulations and legislation, unless there is an unforeseeable contingency. Airservices is committed to providing safe, secure, efficient, and environmentally responsible ARFF services through our skilled and experienced workforce without the reduction of category due to staff availability or competency, unless required in the delivery of services specified by regulations or legislation. Airservices is committed to implementing long-term strategies to maintain continuity of service. In doing so, Airservices' workforce management plan will ensure the deployment of sufficient and competent resources for the provision of services. Airservices will communicate these strategies through our regular industry roundtables. Airservices will communicate clearly and transparently if we are unable to meet the Expectations under sections 4(a-f), including our plans for remediation. We will communicate this through a quarterly report to CASA and report on these issues in our quarterly progress report to the minister.	Airservices continued to work closely with CASA to resolve Safety Findings as required. Airservices delivered safe and efficient services in both ATS and ARFF during the year, as demonstrated in our strong performance outlined in the 'service efficiency' section in the Annual Performance Statement. In 2025–26, Airservices made substantial progress on strengthening workforce resilience across both air traffic controllers and fire fighters. See case study on 'strengthening service delivery and workforce resilience' under 'service efficiency' section and update on 'workforce planning' in the Annual Performance Statement for details. Airservices introduced Noise Abatement Procedures (NAP) Quarterly Insights Reporting and delivered its commitment on improving noise and flightpath monitoring during 2025–26. See 'noise abatement' section in the Annual Performance Statement for details. Airservices provided monthly service level and safety reports to CASA throughout 2025–26 and have commenced including this reporting in the quarterly updates to the Minister. See the 'cooperation' section in the Annual Performance Statement for details.

5. Key initiatives

Statement of expectations	Statement of intent	Summary of actions taken
I expect Airservices to: (a) work with the Department of Defence (Defence) to progress the implementation of the OneSKY Australia Program and the Civil Military Air Traffic Management System, including by: • advising the Department on the progress of the project, including early identification of risks to delivery, reporting on achievement of program milestones and otherwise supporting reporting to Government; and • providing information as requested by me or the department.	The OneSKY Program remains the cornerstone of our commitment to deliver world-class air traffic management services into the future. Airservices will continue to work closely with the Department of Defence (Defence) to deliver a harmonised civil military air traffic management system for Australia. Airservices, in consultation with the Department and Defence, will provide comprehensive reporting on the progress of OneSKY to the Aviation Policy Group, quarterly reports to the Minister and other government reporting processes which will include early identification of risks to delivery and achievement of program milestones.	Airservices have continued to work with the Department of Defence (Defence) to progress the implementation of the OneSKY Australia Program and the Civil Military Air Traffic Management System (CMATS). During 2025–26 Airservices have achieved all planned milestones to progress the development of CMATS. Key updates are provided in 'OneSKY' under the 'capital investment' section of the Annual Performance Statement. Airservices provided progress updates on OneSKY through regular reporting to the Aviation Policy Group and the Minister in 2025–26.
(b) continue to work closely with the Department and CASA on implementing and supporting the development of the Government's approach to address Aviation Rescue Fire Fighting Services issues, consistent with relevant regulations and policies articulated by the Government;	Airservices will continue to work with the Department and CASA to implement the government's ARFFS policy. We support the planned shift from the current regulatory framework to a more outcomes-based approach. Airservices will ensure ARFFS are 'fit for the future' and positioned to leverage new technology to enhance service delivery. We will invest in a program of work focused on our people, facilities, vehicles, equipment and training, as a part of our broader prioritised investment portfolio.	Airservices continued to work with CASA during the 2025–26 year on the review of 139H and policy proposal for the proposed Part 176 regulation. We made significant progress in modernising ARFF services, facilities and environmental management programs during the year and will continue to advance projects to leverage new technology to improve safe service outcomes.
(c) work with the Department and CASA to: • develop and implement services to support emerging aviation technologies (including Remotely Piloted Aircraft Systems and Advanced Air Mobility) consistent with relevant regulations and policies articulated by the Government; • provide technical advice on emerging aviation technologies to support policy and regulatory development by the Government; • promote the integration of the above into Australian airspace; and • support the development and implementation of policy on a potential Automatic Dependent Surveillance-Broadcast (ADS-B) mandate, as articulated in the 2024 Aviation White Paper.	Airservices will continue to work with the Department and CASA to: • support of emerging aviation technologies (including Remotely Piloted Aircraft Systems and Advanced Air Mobility) consistent with relevant regulations and policies articulated by the Government; • provide technical advice on emerging aviation technologies to support policy and regulatory development by the government, through the Drones Inter-Departmental Committee; • promote and ensure the safe integration of emerging technologies into Australian airspace; • support the development and implementation of policy on a potential Automatic Dependent Surveillance-Broadcast (ADS-B) mandate, as articulated in the 2024 Aviation White Paper.	Airservices continued to work closely with the Department, CASA and Defence to safely integrate and facilitate Remotely Piloted Aircraft Systems (RPAS) in Australian airspace throughout 2025–26 as demonstrated in the updates on 'uncrewed services' under the 'capital investment' section of the Annual Performance Statement.

Statement of expectations	Statement of intent	Summary of actions taken
(d) operationalise and iteratively develop a Flight Information Management System (FIMS), consistent with the policy objectives articulated by the Government, including those concerning Uncrewed Aircraft System Traffic Management (UTM).	Airservices will continue the operationalisation and iterative development and implementation of a FIMS to ensure the safe integration of RPAS in Australian airspace. The ongoing engagement with government agencies and key stakeholders through multiple forums will ensure the FIMS will deliver a capability for Australia that is consistent with the government's policy objectives and decisions on Uncrewed Aircraft System Traffic Management (UTM).	Airservices continued to advance the integration of Uncrewed Aircraft Systems (UAS) into Australian airspace and have progressed the development of FIMS in consultation with stakeholders during 2025–26. Updates on 'uncrewed services' can be found under the 'capital investment' section of the Annual Performance Statement.
(e) work with the Department and CASA on Airspace Management Modernisation, consistent with the Australian Airspace Policy Statement, including by: • regularly reviewing instrument flight procedures to ensure suitability and relevance; • enhancing the safety and efficiency of Australian controlled airspace, including at major regional airports; • applying sufficient resources to support the opening of the Western Sydney International (Nancy-Bird Walton) Airport in 2026 and operations thereafter, including but not limited to: air traffic control; rescue and fire fighting services; navigational aids; and airspace planning, design, implementation and post-implementation review; and • facilitating trials of UTM in volumes of airspace delivering FIMS services in defined airspace volumes.	We will regularly review our instrument flight procedures and continue the transition to performance-based navigation (PBN) as the primary means of navigation in line with the global aviation industry and in consultation with government agencies, the community and other stakeholders. Airservices airspace modernisation, will enhance the safety and efficiency of Australian airspace, including at major regional airports and to increase access to airspace for the aviation industry, through national standardisation and leveraging increased surveillance to enhance service provision. Airservices will deliver essential infrastructure and services, and airspace planning, design and implementation activities, to support the opening of Western Sydney International Airport in 2026, and will conduct a post implementation review post opening. Airservices will facilitate trials of UTM using FIMS in volumes of airspace in defined airspace volumes.	Airservices continued to work closely with the Department and CASA to review instrument flight procedures and progress the transition to PBN in line with the Australian Airspace Policy Statement. In 2025–26 Airservices have introduced controlled airspace at Ballina Byron Gateway airport and advanced planning for capacity expansions at Melbourne and Perth airports to support future aviation growth and increased connectivity. See 'increasing airspace accessibility' section in the Annual Performance Statement for details. Airservices have successfully delivered the services and infrastructure needed to support the opening of the Western Sydney International Airport as demonstrated in the 'Western Sydney International (WSI) airport' under the 'capital investment' section of the Annual Performance Statement.
(f) commence development, including the completion of strategic planning documentation and support costings, to implement enhanced drone detection at civil controlled airports, proportionate to the complexity of each airport.	Airservices will commence development, including the completion of strategic planning documentation and support costings, to implement enhanced drone detection at civil controlled airports, proportionate to the complexity of each airport.	Airservices will commence development and the implementation of enhanced drone detection at civil controlled airports through the integration of Uncrewed Aircraft Systems (UAS) and FIMS development.

Statement of expectations	Statement of intent	Summary of actions taken
(g) advance the Government's environmental objectives by: • minimising the impact of aircraft operations on communities where practicable; • ensuring timely completion and implementation of noise minimisation measures and noise sharing programs; • applying sufficient resources to the Airservices Noise Complaints and Information Service, so that noise-affected communities can access needed information; • applying sufficient resources to the Aircraft Noise Ombuds function and supporting the transition to an independent structure; and • continuing the commitment to the Sydney Airport Long Term Operating Plan as required by the Ministerial Direction dated 30 July 1997 (Federal Register of Legislation reference: F2009B00158).	In designing airspace and flightpaths, Airservices seeks to minimise the impact of aircraft noise on communities as far as practicable. We engage with communities when we make changes that will impact them. We are committed to ensuring timely completion and implementation of noise minimisation measures and noise sharing programs as agreed with communities and government. Airservices Noise Complaints and Information Service will continue to be resourced to provide quality information and manage noise complaints to a high standard. Airservices will continue to support the role and independence of the Aircraft Noise Ombudsman (ANO) and implement all agreed recommendations. The 1997 ministerial direction relating to the Sydney Long Term Operating Plan will continue to guide the operation of Sydney Airport.	Airservices delivered a broad program of community and industry engagements to support airspace changes, flightpath design, noise management initiatives and airport planning projects across Australia throughout 2025–26. Updates can be found in 'community engagement' under 'key activities' section of the Annual Performance Statement. Airservices continued to ensure noise complaints are managed to a high standard throughout 2025–26. Key update is provided in the 'noise complaints and information service' section.

Statement of expectations	Statement of intent	Summary of actions taken
(h) work with the Department, other Government agencies and industry to identify, manage and, where appropriate, remediate per- and poly-fluoroalkyl substances (PFAS) contamination arising from Airservices' operations on Airservices-impacted sites, in line with the Government expectations on this issue, including by: • advising the Department on risks of liability and damages arising from PFAS contamination at impacted sites, for both the Government and for Airservices, in: – Airservices' quarterly progress reports to the Minister; – reports to the Minister on significant matters considered at Airservices' Board meetings; and – as requested by the Department. • providing the Department with regular updates on: – investigations by Airservices of PFAS contamination; – Airservices' current management of PFAS; and – future management options and remediation costs, outcomes and methodologies. • working with the Department collaboratively on PFAS policy and implementation activities.	Airservices will continue to implement a risk-based national PFAS management program, including site investigations, containment and monitoring as appropriate. Airservices will work closely with the Department, government agencies and industry on issues related to PFAS in line with Government expectations, and actively participate in Commonwealth forums and committees. Airservices will provide regular advice on PFAS risks and liability, provide updates on investigations and management, and remediation actions, options and cost through its quarterly reports to the Minister. Additionally, Airservices will provide reports to the Minister on significant matters considered at Airservices' Board meetings in alignment with 2(c) and as requested by the Department. Airservices will continue work with the Department collaboratively on PFAS policy and implementation activities.	Airservices continued to implement the PFAS Program Management Plan, progressing site investigations and PFAS remediation activities during 2025–26. See section on 'environmental performance' for details.
(i) work with the Department, and other Government agencies as appropriate, in providing assistance and advice in relation to the Government's Asia Pacific aviation capacity and capability building initiatives.	Airservices will work with the Department, and other government agencies as appropriate, in providing assistance and advice in relation to the Government's Asia Pacific aviation capacity and capability building initiatives. Airservices is continuing to proactively strengthen relationships within the Asia Pacific region by enhancing our capacity and capability initiatives to support closer cooperation and economic growth.	Airservices have maintained active and strategic partnerships with industry stakeholders throughout 2025–26 to strengthen relationships within the Asia Pacific region. Key updates on engagement activities can be found in the 'international' section of the Annual Performance Statement.

6. Stakeholder Engagement

Statement of expectations	Statement of intent	Summary of actions taken
I expect Airservices to: (a) undertake effective and productive engagement with the community, industry and international air navigation agencies and forums, based on mutual understanding and respect; (b) communicate clearly and regularly with the Department, CASA, industry and the community on the development and implementation of significant changes to air navigation and Aviation Rescue Fire Fighting Services; (c) keep stakeholders informed about Air Traffic Services disruptions and actions being taken to address the causes of disruption, including through transparent and regular reporting and frank and timely communication; (d) proactively provide information, assistance and advice to Government agencies for policy formulation, implementation activities and regulation purposes; (e) contribute to the coordinated approach to airport planning and management of aircraft noise, including appropriate participation in planning coordination forums, community aviation consultation groups, and the National Airports Safeguarding Advisory Group; (f) work closely with the Department and other Government agencies, including the Australian Transport Safety Bureau, CASA and Defence to deliver integrated and comprehensive advice to the Government, the aviation industry and the community; and (g) undertake and publish biennial reviews into the implementation of Airservices Community Engagement Standard, supporting implementation of the 2024 Aviation White Paper.	Airservices will engage with industry on its service delivery, strategic planning, pricing and other key initiatives via direct engagement with customers and stakeholders, engagement with industry and international air navigation agencies and participation in established industry forums. Airservices will engage with the community when we make changes that will impact them. Airservices has established mechanisms to share information with CASA in relation to the performance of its regulatory functions. Airservices is committed to keeping stakeholders informed about Air Traffic Service disruptions and actions being taken to address the causes of disruption, including through transparent and regular reporting and frank and timely communication. Airservices is committed to providing key service performance results publicly through our website. Airservices will keep the Department and Minister informed through regular reporting including quarterly progress reports and annual reporting and respond to requests for assistance and advice from government agencies. Airservices is committed to ongoing participation in the National Aviation Safeguarding Advisory Group and engaging via airport-led planning and management of aircraft noise planning coordination and consultation forums and technical noise working groups. Airservices will continue to work closely with the Department and other agencies to deliver integrated and comprehensive advice to the government and other stakeholders on emerging issues affecting aviation regulation and policy including airspace management and protection, UAS and UTM, ARFF services and aviation infrastructure planning and implementation. Airservices will undertake and publish biennial reviews into the implementation of Airservices Community Engagement Standard, supporting the implementation of the 2024 Aviation White Paper.	Airservices continually review its activities and investment program to ensure our outcomes align to the needs of our customers, the industry and the Government. During the 2025–26 year, Airservices has prioritised engagement with key stakeholders including the department, CASA, airlines, airports and community groups. Key updates can be found in the 'cooperation' section in the Annual Performance Statement.

Appendix B

Airservices remuneration report 2025–26

2025–26 Remuneration report

The purpose of this section is to summarise the:

- remuneration for Board members
- performance outcomes and remuneration of the Executive
- remuneration for other senior leadership roles and other highly paid staff who were remunerated over $265,000.

Board members and Executive

Board members

We are governed by a Board that consists of a Chair and five non-executive members and the CEO. The Board, other than the CEO, is appointed by the Minister. The CEO is appointed by the Board.

The Board is responsible for determining the corporate objectives, strategies and policies, and ensuring that we perform our functions in a proper, efficient and effective manner.

Table 27: Board members*

Name	Position	Term
Anne Brown	Board Chair	Current
Nicolle Connelly	Board Member	Current
Melvin Hupfeld	Board Member	Current
Lawrence Turner	Board Member	Current
Susan Ferrier	Board Member	Current
Douglas Bain	Board Member	Current
Rob Sharp	Chief Executive Officer	Current

There have been two vacant Board Member roles during 2025–26.

Table 28: Executive

The Executive is accountable for leading, planning and managing Airservices' operations, activities and performance in achieving Airservices' purpose and objectives.

Name	Position[1]	Term
Craig Webster	Chief Financial Officer	Current
Mark Hind	Chief Technology & Enablement Officer	Current
Dominic Gyngell	General Counsel & Board Secretariat	Current
Paul Stoddart	Chief Customer and External Relations Officer	Current
Thomas Hunter	Acting Chief Customer and External Relations Officer	Part year—22 December 2025 to 1 February 2026
Danielle Mesa	Chief People and Culture Officer	Current
Vivienne King	Chief Operating Officer	Current
Cameron Wright	Acting Chief Operating Officer	Part year—28 July to 19 September 2025
Michelle Petersen	Chief Aerodromes Officer	Current
Travers Mayvis	Acting Chief Aerodromes Officer	Part year—25 July to 6 September 2025 and 22 September 2025 to 7 April 2026
Rochelle Reynolds	Chief Airspace & Network Officer	Current
Peter Curran	Deputy Chief Executive Officer	Current
Jacqui O'Dea	Chief Risk, Noise & Environment Officer	Current

1 Position reflects position title at the end of the financial year or at employment cessation date.

Remuneration strategy and settings

Executive remuneration

Each Executive role is independently evaluated to determine internal and external relativities of the position's level of work value, size and complexity, accountability, and expertise and judgement required to be successful.

The position is benchmarked against a comparator group for Airservices comprising a blend of industry and sector-relevant private and public sector organisations. The remuneration is subsequently set using a combination of individual position benchmarking and the 50th percentile of the Mercer Australian Total Remuneration Survey (TRS).

The TRS comprises comprehensive data from over 1,200 organisations with over 430,000 data points across multiple industries, sectors and job families to provide an overall representation of the market. Other factors considered include the Remuneration Tribunal data and guidance.

As part of our commitment to robust governance, remuneration settings for the CEO and Executive Team are independently reviewed on a biennial basis. The FY25–26 review was conducted by Korn Ferry, benchmarking the CEO and Executive Team against industry, Government Business Enterprise (GBE), and Korn Ferry pay peer groups. This review is supplementary to, and does not replace, the Mercer-based methodology used to set Total Fixed Remuneration.

In September 2021, all performance bonus or Short-Term Incentive (STI) plans were removed in entirety for all eligible employees.

Executive remuneration is made up of Total Fixed Remuneration only.

The operating model changes implemented in 2024–2025, including the new ELT structure, remained in place throughout 2025–2026. The Executive Leadership Team (ELT) continues to comprise 10 executive reporting to the CEO. During the year, three individuals acted in ELT roles at various points. This represents a reduction in acting arrangements compared to 2024–25, when the introduction of the new operating model resulted in multiple departures and acting arrangements resulting in a higher number of Senior Management and Executive Staff being disclosed. As a result, the number of individuals disclosed in this year's report has decreased relative to the prior year.

Total fixed remuneration

Total fixed remuneration includes cash salary, employer superannuation contributions and any salary sacrifice component. It is reviewed annually against the remuneration benchmarking data and corporate performance, with a focus on maintaining a commercially responsible position.

Remuneration Governance

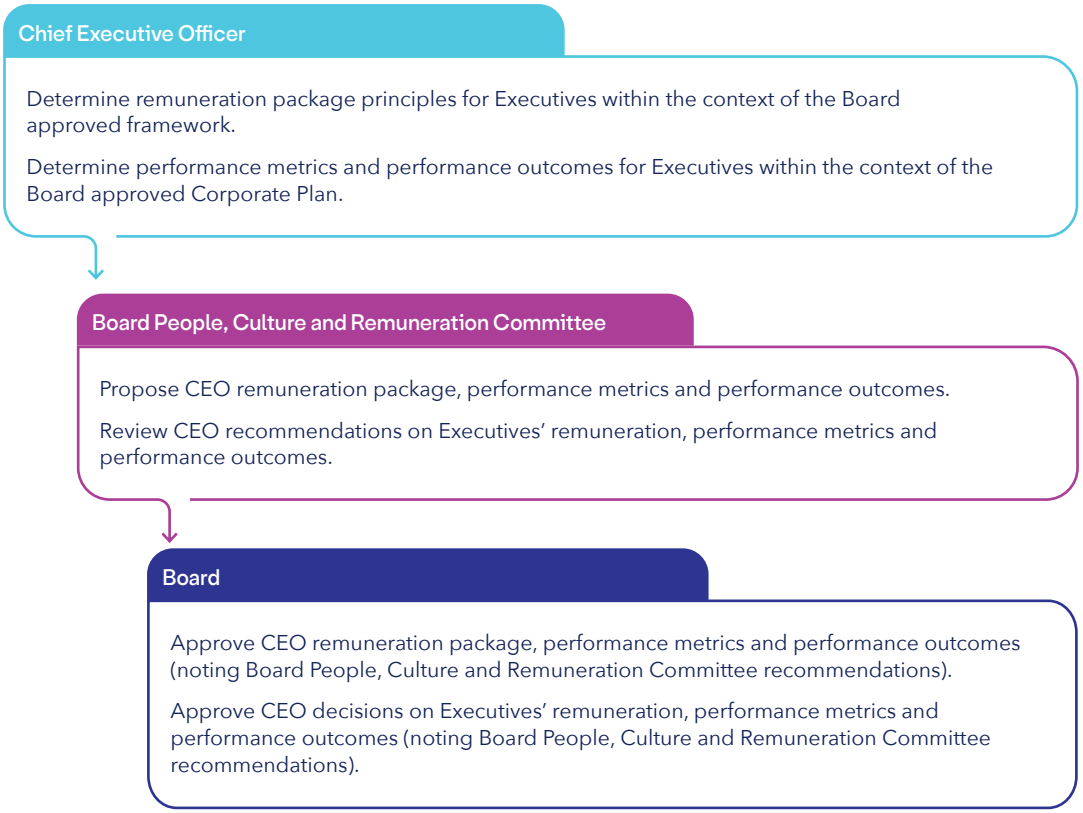
A key objective of the Board People, Culture and Remuneration Committee is to review matters relating to the remuneration and performance of the CEO and Executive.

The Committee comprises at least three non-executive Board members, with one appointed as the Chair. In addition, the Board Chair and CEO are ex-officio members of the Committee. Susan Ferrier has remained Committee Chair throughout 2025–26, with non-executive Board members Anne Brown and Nicolle Connelly also continuing in their committee roles.

All executive appointments, exits, and contract variations during the reporting period were subject to appropriate oversight by the Board and were conducted in accordance with Airservices' internal governance processes and all relevant legislative requirements.

Remuneration Governance Framework

The CEO approves performance assessments and remuneration outcomes for other leadership and highly paid staff, as recommended by Airservices managers.



Annual fees and allowances for Board members

Annual fees and allowances for our Chair, Deputy Chair and Board members are determined by the Commonwealth Remuneration Tribunal. In setting remuneration, the Tribunal considers a range of matters including workload and value of the office, fees in the private sector, and wage and other economic indices.

Board member remuneration

The following table outlines the remuneration earned and accrued by Board members throughout 2025–26.

Table 29: Board remuneration

		Short-term Benefits		Post-employment benefits		Other long-term benefits			
Name	**Position title**	**Base Salary**	**Bonuses[1]**	**Other benefits & allowances[2]**	**Super-annuation contributions**	**Long service leave**	**Other long-term benefits**	**Termination Benefits**	**Total Remuneration**
Anne Brown	Board Chair	$188,259	–	$3,799	$22,591	–	–	–	**$214,649**
Nicolle Connelly	Board Member	$94,145	–	$5,946	$11,297	–	–	–	**$111,388**
Melvin Hupfeld	Board Member	$94,145		$4,418	$11,297	–	–	–	**$109,860**
Susan Ferrier	Board Member	$94,145	–	$2,569	$11,297	–	–	–	**$108,011**
Lawrence Turner	Board Member	$94,145	–	$2,003	$11,297	–	–	–	**$107,445**
Douglas Bain	Board Member	$94,145	–	$3,141	$11,297	–	–	–	**$108,582**
Total		**$658,982**	**-**	**$21,875**	**$79,077**	**-**	**-**	**-**	**$759,935**

1 Bonuses may include sign-on, retention or one-off performance-based payments in addition to regular salary. No Board members received a bonus payment.

2 Includes Board Committee membership and travel allowances.

Executive remuneration

The following table outlines the remuneration earned and accrued by Executive members throughout 2025–26.

Table 30: Executive remuneration

		Short-term Benefits		Post-employment benefits		Other long-term benefits			
Name	**Position title**	**Base Salary[1]**	**Bonuses[2]**	**Other benefits & allowances**	**Super-annuation contributions**	**Long service leave**	**Other long-term benefits**	**Termination Benefits**	**Total Remuneration**
Robert Sharp	Chief Executive Officer	$1,091,983	–	$204,327[3]	$31,510	$18,248	–	–	**$1,346,068**
Peter Curran	Deputy Chief Executive Officer	$692,869	–	$517	$31,592	$16,867	–	–	**$741,845**
Jacqueline O'Dea	Chief Risk, Noise & Environment Officer	$621,355	–	$279	$33,237	$10,869	–	–	**$665,739**
Dominic Gyngell	General Counsel and Board Secretariat	$494,425	–	$313	$31,510	$8,712	–	–	**$534,960**
Danielle Mesa	Chief People & Culture Officer	$501,333	–	$141	$31,510	$9,903	–	–	**$542,887**
Vivienne King	Chief Operating Officer	$545,316	–	–	$31,510	$10,099	–	–	**$586,925**
Cameron Wright	A/g Chief Operating Officer	$44,268	–	–	$3,462	$3,062	–	–	**$50,792**
Michelle Petersen	Chief Aerodromes Officer	$472,846	–	–	$31,510	$11,999	–	–	**$516,355**
Travers Mayvis	A/g Chief Aerodromes Officer	$241,120	–	$218	$20,192	$4,952	–	–	**$266,482**
Rochelle Reynolds	Chief Airspace & Network Officer	$489,784	–	–	$31,510	$9,284	–	–	**$530,578**
Paul Stoddart	Chief Customer & Ext Relations Officer	$455,045	–	–	$31,510	$12,197	–	–	**$498,752**
Thomas Hunter	A/g Chief Customer & Ext Relations Officer	$25,611	–	–	$3,633	$472	–	–	**$29,716**
Craig Webster	Chief Financial Officer	$479,261	–	–	$31,510	$8,626	–	–	**$519,396**
Mark Hind	Chief Technology Enablement Officer	$468,193	–	$22	$31,510	$12,828	–	–	**$512,553**
Total		**$6,623,409**	**–**	**$205,817**	**$375,706**	**$138,118**	**–**	**–**	**$7,343,048**

1 Base Salary includes movement in annual leave provision in accordance with RMG 138 Commonwealth entities' executive remuneration guide for annual reports.

2 Bonuses may include sign-on, retention or one-off performance-based payments in addition to regular salary. No Executive received a bonus payment.

3 Value of travel benefits for fulfilling CEO responsibilities outside Mr Sharp's state of residence.

Other senior leadership roles remuneration

The following table outlines the average remuneration earned and accrued by other senior leaders in 2025–26. Reporting bands and employee disclosure numbers remained largely unchanged. Average remuneration increased year over year, reflecting salary growth and shifts in workforce composition.

Table 31: Other Senior leaders' remuneration[1]

		Short-term benefits			Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
Total remuneration bands	Number of senior executives	Average base salary[2]	Average bonuses[3]	Average other benefits & allowances[4]	Average super-annuation contributions	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration
$0 – $220,000	81	$129,644	$123	$151	$14,684	$987	–	$9,569	**$155,159**
$220,001 – $245,000	32	$198,227	$74	$190	$25,098	$2,345	–	$5,919	**$231,853**
$245,001 – $270,000	30	$222,354	$74	$65	$22,891	($1,678)	–	$12,930	**$256,637**
$270,001 – $295,000	27	$249,694	$225	$1,047	$25,295	$4,016	–	–	**$280,277**
$295,001 – $320,000	16	$273,775	–	$80	$29,425	$5,682	–	–	**$308,961**
$320,001 – $345,000	12	$301,326	–	$427	$27,567	$2,917	–	–	**$332,238**
$345,001 – $370,000	7	$310,399	–	$58	$26,071	($1,050)	–	$19,715	**$355,193**
$370,001 – $395,000	4	$344,249	–	$92	$27,533	$8,710	–	–	**$380,584**
$395,001 – $420,000	4	$331,617	–	$49	$20,768	$2,764	–	$51,615	**$406,814**
$420,001 – $445,000	0	–	–	–	–	–	–	–	**-**
$445,001 – $470,000	1	$395,355	–	–	$29,999	$24,708	–	–	**$450,062**
$470,001 – $495,000	1	$121,256	–	–	$7,700	–	–	$347,511	**$476,467**
$495,001 – $520,000	0	–	–	–	–	–	–	–	**-**
$520,001 – $545,000	1	$233,286	–	–	$7,650	–	–	$286,105	**$527,041**
Total	**216**	**$3,111,182**	**$496**	**$2,159**	**$264,681**	**$49,401**	**-**	**$733,364**	**$4,161,286**

1 Individuals who form part of the Senior Leadership Team, including new hires and leavers during the year.

2 Base Salary includes annual leave paid and reflects the adjustment for change in accrued annual leave. A market remuneration increase was applied in 2025-26 recognising increasing CPI, WPI figures and the recommendation from the Remuneration Tribunal.

3 Bonuses relate to lump-sum payments in lieu of salary progression made to five former Corporate EA employees, as per business rules for Corporate EA employees, who were appointed to senior management positions during the reporting year.

4 Includes fly in fly out, living away from home and home purchase/sale allowances to eligible employees.

Other highly paid staff remuneration

The following table outlines the average remuneration earned and accrued by other highly paid staff in 2025–26. The increase in reporting bands and headcount reflects a combination of one-off payments and ongoing remuneration growth, including relocation and retention payments for Sydney Terminal Control Unit employees, access to early retirement benefits, higher leave utilisation, salary progression under the ATC Enterprise Agreement 2024–27, annual remuneration increases (including overtime and allowances) and higher superannuation contributions.

Table 32: Other highly paid staff remuneration

			Short-term benefits		Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
Total remuneration bands	Number of other highly paid staff[1]	Average base salary[2]	Average bonuses[3]	Average other benefits & allowances[4]	Average super-annuation contributions	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration
$265,000 – $270,000	26	$232,154	–	$3,887	$25,369	($817)	–	$7,096	**$267,688**
$270,001 – $295,000	193	$250,268	–	$5,659	$28,192	($2,891)	–	–	**$281,229**
$295,001 – $320,000	145	$270,032	$1,206	$5,979	$29,209	($190)	–	$1,666	**$307,903**
$320,001 – $345,000	157	$290,128	$1,103	$8,059	$30,009	$1,618	–	–	**$330,917**
$345,001 – $370,000	125	$313,632	–	$6,328	$31,533	$5,602	–	–	**$357,094**
$370,001 – $395,000	69	$335,893	–	$8,261	$31,401	$6,038	–	$327	**$381,921**
$395,001 – $420,000	37	$361,455	–	$8,865	$32,876	$4,384	–	–	**$407,580**
$420,001 – $445,000	25	$382,111	–	$7,697	$35,208	$7,755	–	–	**$432,771**
$445,001 – $470,000	11	$375,434	–	$12,053	$34,099	$7,569	–	$27,275	**$456,431**
$470,001 – $495,000	8	$397,757	–	$6,815	$32,469	$1,237	–	$40,661	**$478,938**
$495,001 – $520,000	6	$458,824	–	$5,391	$36,713	$6,535	–	–	**$507,464**
$520,001 – $545,000	4	$444,992	$47,429	$4,154	$29,943	$9,678	–	–	**$536,196**
$545,001 – $570,000	6	$426,634	$80,561	$8,979	$35,390	$1,945	–	–	**$553,509**
$570,001 – $595,000	0	–	–	–	–	–	–	–	**-**
$595,001 – $620,000	1	$259,865	$329,218	$2,300	$16,103	($8,047)	–	–	**$599,438**
$620,001 – $645,000	3	$543,323	$71,990	$3,378	$31,503	($21,225)	–	–	**$628,969**
$645,001 – $670,000	1	$298,246	$312,199	$2,600	$9,430	$24,140	–	–	**$646,614**
$670,001 – $695,000	1	$652,824	–	$2,986	$43,720	($23,818)	–	–	**$675,713**
$695,001 – $720,000	2	$370,781	$288,752	$1,319	$39,763	$8,530	–	–	**$709,145**

$720,001 – $745,000	0	–	–	–	–	–	–	–	**-**
$745,001 – $770,000	1	$509,280	$179,970	$2,600	$42,692	$10,943	–	–	**$745,485**
$770,001 – $795,000	5	$435,666	$323,717	$3,318	$23,600	$1,006	–	–	**$787,307**
$795,001 – $820,000	0	–	–	–	–	–	–	–	**-**
$820,001 – $845,000	0	–	–	–	–	–	–	–	**-**
$845,001 – $870,000	0	–	–	–	–	–	–	–	**-**
$870,001 – $895,000	0	–	–	–	–	–	–	–	**-**
$895,001 – $920,000	0	–	–	–	–	–	–	–	**-**
$920,001 – $945,000	0	–	–	–	–	–	–	–	**-**
$945,001 – $970,000	0	–	–	–	–	–	–	–	**-**
$970,001 – $995,000	1	$575,116	$361,151	$2,600	$25,934	$26,200	–	–	**$991,001**
$995,001 – $1,020,000	1	$345,326	–	–	$10,059	–	–	$657,400	**$1,012,786**
$1,020,001 – $1,045,000	0	–	–	–	–	–	–	–	**-**
$1,045,001 – $1,070,000	0	–	–	–	–	–	–	–	**-**
$1,070,001 – $1,095,000	0	–	–	–	–	–	–	–	**-**
$1,095,001 – $1,120,000	0	–	–	–	–	–	–	–	**-**
$1,120,001 – $1,145,000	0	–	–	–	–	–	–	–	**-**
$1,145,001 – $1,170,000	0	–	–	–	–	–	–	–	**-**
$1,170,001 – $1,195,000	0	–	–	–	–	–	–	–	**-**
$1,195,001 – $1,220,000	0	–	–	–	–	–	–	–	**-**
$1,220,001 – $1,245,000	0	–	–	–	–	–	–	–	**-**
$1,245,001 – $1,270,000	1	$958,651	$292,629	$5,520	$3,974	($3,718)	–	–	**$1,257,056**
Total	**829**	**$9,488,392**	**$2,289,925**	**$118,748**	**$659,189**	**$62,474**	**-**	**$734,425**	**$13,353,155**

1 Includes 803 staff employed under the Air Traffic Control and Supporting Air Traffic Services Enterprise Agreement (ATC EA), 13 staff employed under the Aviation Rescue and Fire Fighting Enterprise Agreement (ARFF EA), 10 staff employed under the Airservices Enterprise Agreement (Corporate EA) and 3 employed on individual contracts.

2 Base salary includes annual leave paid and reflects adjustment for change in accrued annual leave and early retirement benefit payments. Increases to base salary ranged from 3.0% to 4.0%, dependent on the industrial instrument the staff member was employed under.

3 Bonuses include payments made to 36 ATC EA employees per their Sydney Tower Control Unit agreement (Training incentive) as well as lump-sum payments made to Corporate EA employees for their Work Performance and ARFF EA promotion bonus payments to employees who successfully completed Public Safety (Firefighting Management) diplomas.

4 Includes fly in fly out, living away from home and home purchase/sale allowances to eligible employees.


Aeronautical Information Services
airservices

Appendix C

Commonwealth climate disclosure

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Executive summary

Airservices Australia plays a critical role in enabling the safe, secure and efficient operation of Australia's aviation network. As the provider of air navigation services and Aviation Rescue Fire Fighting services across one of the world's largest managed airspaces, Airservices recognises that climate change presents both a strategic challenge and an operational imperative. The increasing frequency, intensity and geographic spread of climate hazards have the potential to affect aviation infrastructure, operational continuity, workforce availability and the broader aviation ecosystem.

The Commonwealth Climate Disclosure is the Government's policy for Commonwealth entities and Commonwealth companies to publicly report on their exposure to climate risks and opportunities, as well as their actions to manage them, delivering transparent and consistent climate disclosures to the Australian public. The Commonwealth Climate Disclosure Requirements align with the Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosure Standard with specific tailoring for the Commonwealth public sector. This disclosure has been assured through an independent limited assurance process.

This Climate Disclosure outlines how Airservices Australia (Airservices) identifies, assesses and manages climate-related risks and opportunities as part of its existing governance, risk management and strategic planning processes. It has been prepared in accordance with the Commonwealth Climate Disclosure Requirements Year 2 Reporting Provisions and reflects Airservices' commitment to maintaining safe aviation operations while supporting Australia's transition to a low-emissions and climate-resilient future.

Throughout FY2025–26, Airservices continued to embed climate considerations into organisational decision making through its enterprise risk management framework, infrastructure planning processes and operational management systems. Climate change is managed as a dedicated risk category and is subject to oversight by the Airservices Board, supported by the Board Audit and Risk Committee and Board Sustainability Committee. Management accountability is assigned to the Chief Risk, Noise and Environment Officer, ensuring climate-related risks and opportunities are regularly assessed, monitored and reported through established governance arrangements.

A key focus during the reporting period was strengthening alignment with the Australian Government's Climate Risk and Opportunity Management Program (CROMP). Airservices undertook a comprehensive review of its climate risk assessment methodologies, including the application of CROMP climate scenarios and the Commonwealth Climate Risk Digital Tool. This work incorporated internal stakeholder engagement, geospatial assessments of critical infrastructure, operational experience from recent climate hazard events and consideration of the National Climate Risk Assessment. As a result, Airservices refined its climate risk profile and strengthened its understanding of physical climate risks, transition risks and climate-related opportunities across its operations and asset portfolio.

The assessment identified fourteen material physical climate risks, three transition risks and six climate-related opportunities. The most significant physical risks relate to bushfires, severe storms, tropical cyclones, flooding and widespread weather-related disruptions that may affect communication and navigation systems, service delivery, workforce access and service continuity. These risks are particularly important given Airservices' geographically dispersed infrastructure network and responsibility for maintaining critical aviation services across Australia and surrounding regions. While climate-related events increasingly influence operational conditions, Airservices' assessment confirmed that existing resilience measures, system redundancy, contingency arrangements and business continuity processes continue to support the reliable delivery of essential services.

Several climate hazard events occurred during the reporting period, including bushfire impacts near critical infrastructure in Victoria and North Queensland, and Tropical Cyclone Narelle across northern and western Australia. These events tested organisational preparedness and response capabilities but did not result in material disruption to Airservices' statutory functions or public policy obligations. The management of these events reinforced the importance of resilient communications networks, asset redundancy, meteorological intelligence and coordinated crisis management arrangements across the aviation sector.

Alongside climate risks, Airservices continues to identify opportunities that support both operational resilience and emissions reduction. Major initiatives include expanding User Preferred Routes and other air traffic management improvements to reduce aircraft emissions, increasing renewable electricity procurement, transitioning operational fleets to lower-emission technologies, strengthening communications resilience through the Enterprise Network Modernisation Program and integrating climate considerations across the Environmental Management System. Enhanced collaboration with airports, airlines, government agencies and industry stakeholders is also strengthening the aviation sector's collective capacity to prepare for and respond to climate-related impacts.

Airservices' climate approach is supported by three long-term targets established under the Environmental Sustainability Strategy 2024–2030. These include reducing aviation emissions within Australia's Flight Information Regions by 145,000 tCO_2e per annum by 2030, reducing organisational Scope 1 and Scope 2 emissions by 43 per cent by 2030 from the established baseline, and achieving net zero operational emissions by 2050. These targets align climate action with operational efficiency, infrastructure resilience and broader national decarbonisation objectives.

Performance during FY2025–26 demonstrates continued progress against these commitments. User Preferred Routes generated the potential for airlines to avoid more than 42,700 tCO_2e emissions during the reporting period, while renewable electricity procurement and operational efficiencies contributed to a significant reduction in organisational emissions. Market-based Scope 1 and Scope 2 emissions decreased to 24,143 tCO_2e, placing Airservices on track to achieve its 2030 emissions reduction objective. The commencement of GreenPower procurement arrangements during the reporting period represented an important milestone in reducing emissions associated with electricity consumption, which remains the organisation's largest emissions source.

Looking ahead, Airservices expects climate change to increase the complexity associated with delivering its statutory functions, particularly as climate hazards become more cascading, compounding and concurrent. However, Airservices does not anticipate any change to its core public policy role or legislative responsibilities. Through continued investment in resilient infrastructure, enhanced operational capability, emissions reduction initiatives and robust governance arrangements, Airservices remains committed to ensuring the long-term safety, continuity and sustainability of Australia's aviation system. This disclosure demonstrates how climate-related risks and opportunities are being managed today to support the ongoing delivery of essential aviation services and strengthen resilience for future generations.

Foreword

This Climate Disclosure is presented as part of the Airservices Australia Annual Report for the financial year ended 30 June 2026. The disclosure relates to the same reporting period as, and should be read together with, Airservices Australia's FY2025–26 financial statements included in the Annual Report. It has been prepared in accordance with the *Commonwealth Climate Disclosure Requirements – Year 2 Reporting Provisions* and provides information on the climate-related matters that may affect Airservices' operations, strategy, risk management and performance. This disclosure has been assured through an independent limited assurance process.

Governance

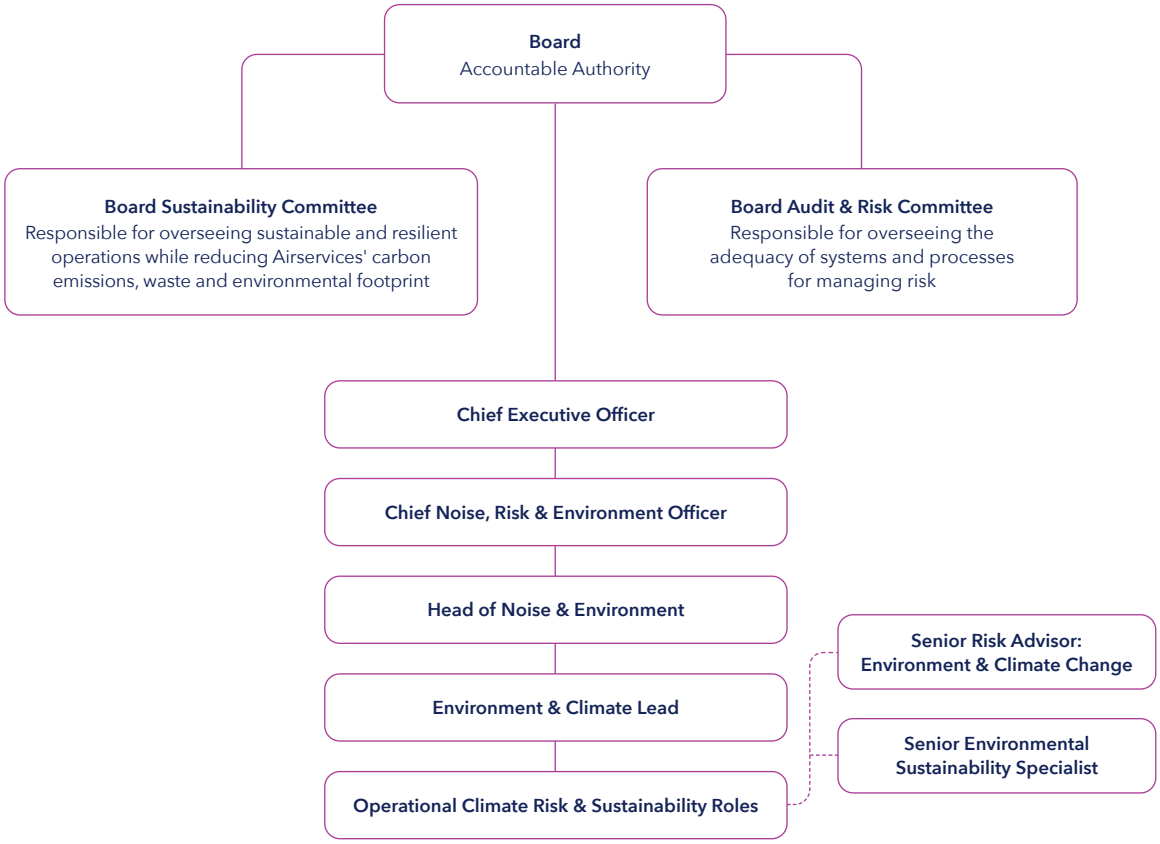
Airservices Australia's (Airservices) approach to Climate Change risk and opportunity management is based on its existing Risk and Compliance Framework, aligned with the ISO 31000:2018 Risk Management – Guidelines. Climate Change risk has been embedded within Airservices' risk structure, and is defined as follows:

> "Increasing frequency and spread of Climate Hazards (more intense and climate hazard events, as defined in the National Climate Risk Assessment) may impact our infrastructure, people safety and emergency response readiness, and disrupt aviation services, increasing operational complexity in maintaining continuity."

Oversight by the accountable authority

The roles and responsibilities delegated from the Airservices Board (accountable authority) and executive levels, down to the operational level are detailed in Figure 1.

Figure 1: Airservices Australia Accountable Authority Organisational Chart



The Airservices Board, as its governing body, is responsible for setting objectives, strategies and policies, and ensuring the organisation performs its functions in a proper, efficient and effective manner. The Board also has a duty to establish and maintain systems relating to risk and control. Airservices' Board members (other than its Chief Executive Officer (CEO)) are appointed by the Minister for Infrastructure, Transport, Regional Development and Local Government, in line with Section 22(2) of the *Air Services Act 1995*. This is also outlined in section 5.2 of the Board Charter.

The Board Audit and Risk Committee (BARC) supports the Board by overseeing financial and performance reporting, risk management and internal controls. It helps the Board meet its obligations by reviewing the effectiveness of systems for monitoring compliance with laws and reviewing whether management has in place an appropriate risk management framework, **BARC Charter**. The Board is further supported by the Board Sustainability Committee (BSUS), which oversees Airservices strategy for managing environment and community impacts, compliance with environmental obligations, community engagement and implementation of the Aircraft Noise Ombudsman recommendations.

Both Committees meet at least four times a year and comprise a minimum of three non-executive Board members, plus the Board Chair and the CEO. These committees are also attended by Airservices Executive officers.

The Environment and Climate team support the identification, assessment and monitoring of climate-related risks and opportunities. Climate-related information is escalated through management reporting arrangements to the Chief Risk, Noise and Environment Officer as the accountable risk owner. Significant climate-related risks, emerging issues, performance against targets and material events are reported through executive, BSUS and BARC governance processes to support Board oversight and decision-making.

Airservices' Risk Appetite Statement (RAS) is set by the Board and articulates the degree of risk Airservices is prepared to accept in the pursuit of its strategic objectives as set out in the Corporate Plan. The RAS has been structured around Airservices' risk taxonomy, which is comprised of defined risk categories that group similar types of risks together. These risk categories align with Airservices' core business activities and strategic priorities. Airservices' Risk appetite varies across different risk categories, which includes "Noise, Environment and Climate Change". Airservices' RAS sets out its commitment to understanding the impacts of climate change on the organisation and notes that it proactively takes a balanced approach to addressing this.

Additionally, each risk category is supported by risk appetite metrics, which provide thresholds or boundaries to be considered in decision making and give an indication of where Airservices is operating relative to its risk appetite. Airservices has identified metrics to assist in tracking performance against its appetite in this risk category, one of which measures the effectiveness of controls for assets with high or extreme vulnerability to physical climate risk. In addition to the RAS, various risks related to climate change are captured in Airservices risk registers and are subject to regular monitoring. These risks are regularly assessed in light of changes in operating environment and emerging risks and opportunities.

Airservices' Risk and Compliance Policy and Standard meet the requirements of section 16 of the *Public Governance, Performance and Accountability Act 2013* and are aligned to ISO 31000:2018 Risk Management—Guidelines and the Commonwealth Risk Management Policy. Additionally, its Risk Management Standard is aligned with the Airspace and Air Traffic Management Risk Management Policy Statement, which confirms the adoption of a common approach to risk management in relation to the assessment of airspace and air traffic management. Airservices' Board and CEO are responsible for ensuring that its risk framework is embedded in its aligned policies and plans, including the Corporate Plan.

Management responsibilities to support oversight by the accountable authority

The Board's role, as detailed in the **Board Charter**, includes ensuring that Airservices maintains an appropriate system of oversight for risk, compliance and internal control. The BARC supports this role by reviewing these systems which manage risk, compliance and internal control. This includes endorsing the RAS and reviewing the Risk and Compliance Framework. Oversight of Airservices' Climate change risk is a responsibility of the BSUS in accordance with 3.1(i) of the **Board Sustainability Committee Charter**. The Board retains ultimate responsibility for oversight of climate-related risks and opportunities through its responsibility for risk management, internal control and risk appetite. Consistent with the Airservices Risk Management Standard, climate change is managed as a dedicated enterprise risk category, with accountability delegated through management to the Chief Risk, Noise and Environment Officer as the accountable risk owner. The Chief Risk, Noise and Environment Officer is responsible for the identification, assessment, monitoring and reporting of climate-related risks and opportunities and for escalating material matters through executive, BSUS, BARC and Board governance processes, ensuring effective Board oversight of climate-related risk management.

To ensure the Board and Executive remain informed of climate-related risks, opportunities, target performance and material climate-related events, climate related reporting is incorporated into monthly Performance Oversight Meeting reporting to the Executive and regular BSUS reporting. The BSUS meets (except where the Board determines otherwise) not less than four times each year. It is briefed annually on climate risk. The BARC regularly reviews the enterprise risk profile, the emerging risks and the business risk themes. Both the BSUS and BARC are sub-committees of the Board, with Board members and members of the Airservices executive attending meetings. Minutes and resolutions of BSUS and BARC meetings are shared with the full Board.

Climate-related risks and opportunities are considered as part of Airservices' governance, investment planning and decision-making processes. Relevant climate-related considerations, including physical climate risks, resilience outcomes, emissions impacts and regulatory obligations, are assessed alongside financial, operational and strategic factors and escalated through management, BSUS, BARC and Board governance processes where appropriate. During FY2025–26, climate-related considerations informed initiatives including the Enterprise Network Modernisation Program, integration of climate-related requirements into Airservices' Environmental Management System and National Operating Standards and renewable electricity procurement.

The **Environmental Sustainability Strategy 2024–2030** targets were approved by the Board in December 2024, in line with a recommendation from the BSUS. The strategy established two key climate-related targets:

1. Reduction of 145,000 tonnes of carbon dioxide equivalent (tCO_2e) emissions per annum within the Australian Flight Information Regions by 2030; and
2. Achieve a reduction in scope 1 and 2 emissions of 43 per cent by 2030, which equates to 16,863 tCO_2e on Airservices' baseline of 29,585 tCO_2e.

The Executive Leadership Team is responsible for managing the governance processes, controls, and procedures for climate-related risks and opportunities. Strategic direction for climate resilience is outlined in the Environmental Sustainability Strategy Pillar 4 – "Sustainable Resource Management". Specific procedural controls relating to climate resilience are in development but are currently addressed through Airservices' Environmental Management System under National Operating Standard (NOS) (AA-NOS-ENV-0004) *Environment and Sustainability Performance Requirements and Controls for Airservices Infrastructure.*

This NOS describes mandatory environmental performance requirements and controls for developing and managing Airservices' infrastructure. It is designed to assist the business to meet its environmental legal compliance obligations and minimise potential environmental risks and impacts. It assists Airservices to deliver positive environmental outcomes by:

1) embedding 'environment by design' principles in infrastructure development;
2) driving an asset lifecycle approach to environmental management to achieve positive environment and sustainability outcomes;
3) prescribing a standardised set of management controls for protecting key environmental values including land, soils, water, waste, heritage, and biodiversity; and
4) acting as an organisational environmental management 'code of practice' for infrastructure development and management.

Examples of controls in place to reduce the impacts of climate hazards on Airservices' assets and personnel are:

- the Enterprise Network Modernisation Program (ENMP), where multiple communications paths have been established using Low Earth Orbit (LEO) and Geostationary (GEO) Satellites, and ruggedised communications equipment to mitigate against storms, bushfires and heatwaves;
- embedding of Bureau of Meteorology (BoM) meteorologists co-located within the National Operations Management Centre enabling Meteorological Collaborative Decision Making (METCDM), integrating forecast weather conditions into operational decision-making; and
- the Aviation Rescue Fire Fighting (ARFF) Heat Stress Management Procedure, which offers further guidance and controls for its teams, addressing environmental risk factors associated with heat waves.

Skills and competencies

The Board and Executive determine whether appropriate skills and competencies are available to oversee climate-related risks and opportunities through established workforce planning, governance and performance management processes. This includes reviewing the qualifications, professional experience and demonstrated capability of personnel with climate-related responsibilities, consideration of emerging regulatory and reporting requirements, and assessment of the skills required to deliver Airservices' climate-related strategy, risk management and disclosure obligations.

Capability is monitored through annual Work Performance Agreements, recruitment processes, succession planning and periodic reviews of organisational capability requirements. Where skill gaps or emerging capability needs are identified, Airservices develops internal capability through targeted training, professional development and completion of climate-related learning modules, including Australian Public Service Academy resources. Airservices also supplements internal capability through the engagement of external specialists, advisers and assurance providers to provide technical expertise in climate risk assessment, scenario analysis, emissions accounting, Commonwealth Climate Disclosure requirements and independent assurance.

Collectively, these processes enable Airservices to assess whether sufficient skills and competencies exist, or will be developed, to effectively oversee and respond to climate-related risks and opportunities.

Australian Government's Climate Risk and Opportunity Management Program

Airservices incorporated the Australian Government's Approach to Climate Risk and Opportunity Management Program (CROMP) in the Public Sector 2024–2026, into its existing Risk Management Framework during the reporting period.

The Climate Risk Digital Tool (the Tool), is an Australian government application developed by the Department of Climate Change, Energy, the Environment and Water (DCCEEW), developed to guide users through undertaking a climate risk and opportunity assessment in accordance with CROMP. Airservices used the Tool to assess known climate risks against associated climate scenarios to review and update Airservices' climate risk and opportunity assessment. This included alignment of scenario analysis and time horizons with CROMP guidance, review of risks against the National Climate Risk Assessment, and identification of material physical, transition and opportunity categories relevant to Airservices.

The Climate Risk Digital Tool was also used to map climate-related risks (physical and transition) and opportunities across Airservices' operations and assets, informed by the findings of the Airservices' Climate Change Enterprise Deep Dive and associated business impact assessments, geospatial analysis of critical infrastructure and observations from recent climate hazard events. Existing climate assessments were reviewed and updated using these inputs together with the Commonwealth's National Climate Risk Assessment (NCRA) key finding that:

> "no Australian community will be immune from climate risks that will be cascading, compounding and concurrent."

These findings are consistent with Airservices' operational experience of climate hazard events across Australia and informed the refinement of Airservices' climate risk profile, risk assessment and associated opportunities. The resulting risks and opportunities were then assessed and managed through Airservices' existing enterprise risk management framework, governance processes and reporting arrangements. This approach enabled alignment with the Commonwealth's climate risk management methodology while leveraging established organisational risk management processes and controls.

Strategy

Approach and alignment with Australian Government's Approach to Climate Risk and Opportunity Management in the Public Sector 2024–2026

Through Airservices' climate change risk assessment, material climate-related physical risks, transition risks and climate-related opportunities have been identified and categorised. These include policy-related risks and opportunities arising from changes in government policy, regulation, technology, market conditions and stakeholder expectations. In future years, Airservices' disclosure will expand in line with the progressive implementation schedule in the Commonwealth Climate Disclosure Requirements.

During FY2025–26, Airservices undertook a review of its existing climate risk and opportunity assessment to incorporate the findings of the Climate Change Risk Deep Dive, observed impacts from recent climate hazard events and guidance released through the Commonwealth CROMP. This review resulted in updates to the enterprise climate risk definition, refinement of risk assessment and opportunities, alignment with the NCRA, and adoption of CROMP-aligned scenarios and assessment horizons.

Climate change risk has been embedded within Airservices risk structure, and is defined as follows:

> "Increasing frequency and spread of Climate Hazards (more intense and climate hazard events, as defined in the National Climate Risk Assessment) may impact our infrastructure, people safety and emergency response readiness, and disrupt aviation services, increasing operational complexity in maintaining continuity."

The Climate Change Enterprise Deep Dive prompted a review of existing climate risk assessments to ensure alignment with the revised enterprise risk definition, the National Climate Risk Assessment and observed impacts from recent climate hazard events.

Airservices reviewed and updated its climate-related risk assessment during the reporting period using a range of operational, asset, climate and business resilience inputs. The assessment considered climate risks across Airservices' geographically dispersed asset portfolio and aviation operations, drawing on stakeholder engagement, climate scenario analysis, geospatial asset assessments, operational data, legislative review and lessons from recent climate hazard events. This work has strengthened Airservices' understanding of climate-related risks and informs ongoing resilience planning, risk management and decision-making. This review refined Airservices' climate risk context, aligned risk nomenclature with the National Climate Risk Assessment, improved understanding of climate-related vulnerabilities across assets and operations, and supported further development of controls, treatments and climate-related opportunities.

Key assumptions used in Airservices analysis of climate risk relate to frequency of events and the impact of cascading, compounding and concurrent impacts upon its business. With staff, assets and facilities based across the Australian Continent and into the Pacific and Indian ocean regions, the frequency of events such as tropical cyclones and bushfires was aggregated for Airservices' likelihood assessment. Furthermore, a variety of significant weather systems such as severe storm fronts, monsoonal activity and strong winds has the ability to impact and restrict aviation operations and as such these events have been grouped and assessed as severe weather events.

Consequence assessments considered the existing controls in place, such as back-up diesel generation to support mains power and regional overlapping communications coverage. This approach incorporates the effectiveness of existing controls when assessing climate-related consequences and residual risk.

Climate scenario analysis

During FY2025–26, Airservices undertook climate scenario analysis using CROMP and the Climate Risk Digital Tool.

The assessment considered the three climate scenarios available within the tool across short-term (2030), medium-term (2050) and long-term (2090) assessment horizons. These scenarios represent lower, medium and higher emissions with associated temperature outcomes as defined within the CROMP methodology. Details of the scenarios and assessment horizons applied as part of the analysis are outlined in Table 33 and Table 34.

Collectively, the scenarios encompass a range of plausible climate futures, from those broadly aligned with the objectives of the *Climate Change Act 2022* through the higher-emissions future exceeding 2.5°C of warming over the longer term.

The three CROMP climate scenarios replaced the Representative Concentration Pathway (RCP) and Shared Socioeconomic Pathway (SSP) scenarios previously used by Airservices, providing a consistent basis for climate risk assessment across the Australian Government. Scenario analysis considered the potential impacts of climate change on critical infrastructure, operational continuity, workforce availability, aviation service delivery, climate-related transition risks and future adaptation opportunities across Airservices' operational and asset portfolio. Key assumptions considered within the analysis included future climate policy settings, technological development, energy system transition, aviation demand, regional climate variability, infrastructure resilience, and the potential for cascading, compounding and concurrent climate impacts. The outputs of the scenario analysis informed the review and refinement of Airservices' climate-related risks and opportunities, assessment horizons, risk prioritisation and strategic planning activities undertaken during FY2025–26.

The results of this assessment identified 14 physical risks, three transition risks and six climate-related opportunities relevant to Airservices' operations, assets and service delivery obligations.

Table 33: Climate scenario analysis

Climate scenario	Description	Indicative climate outcomes	Relevance to Airservices
CROMP Low Emission	Represents a future in which global mitigation efforts are effective and emissions decline rapidly. Climate policy, technological innovation and emissions reduction activities are implemented successfully.	Global warming is limited to approximately 1.5°C above pre-industrial levels. Although physical climate impacts continue to occur, the severity and frequency of some climate hazards are moderated relative to higher-emission futures.	Used to assess climate-related risks and opportunities under a lower-emissions future consistent with Australia's climate objectives and transition pathways.
CROMP Medium Emission	Represents a future in which emissions reductions occur progressively through existing policy settings and commitments. Physical climate impacts continue to increase and moderate adaptation measures are required.	Global warming is generally projected to be within the range of approximately 2°C – 3°C above pre-industrial levels over the long term. Climate hazards become more frequent and severe than those experienced today.	Used to assess operational, asset and workforce impacts under a moderate climate change future and to inform medium-term adaptation planning.
CROMP High Emission	Represents a future where emissions remain elevated and global mitigation efforts are limited. Significant adaptation measures are required to manage increasingly severe physical climate impacts.	Global warming exceeds 2.5°C and may exceed 4°C above pre-industrial levels over the long term. Climate hazards become increasingly severe, frequent and concurrent.	Used to assess exposure to higher-emissions climate futures and identify vulnerabilities associated with long-lived assets, operational continuity and climate resilience.

Table 34: Assessment horizons

Horizon	Period	Basis for assessment
Short-term	To 2030	Aligns with Airservices' current strategic planning horizon, Environmental Sustainability Strategy targets and climate-related commitments.
Medium-term	To 2050	Reflects long-term infrastructure planning, asset lifecycle considerations, adaptation requirements and industry transition pathways.
Long-term	To 2090	Aligns with the Commonwealth CROMP and Climate Risk Digital Tool. Supports assessment of long-lived infrastructure, chronic climate risks and climate outcomes that may emerge or intensify over extended timeframes.

Application of scenario analysis

The three CROMP climate scenarios were assessed across the short-term (2030), medium-term (2050) and long-term (2090) horizons using the Climate Risk Digital Tool. The assessment considered physical and transition climate-related impact on Airservices' operations, workforce, assets, infrastructure and service delivery obligations.

Scenario analysis informed risk identification, horizon attribution, risk prioritisation, climate adaptation planning and the refinement of climate-related opportunities. Outputs from the assessment were incorporated into Airservices' enterprise risk management framework and considered alongside operational experience, business impact assessments, geospatial analysis and the findings from the Climate Change Risk Deep Dive.

Material climate-related risks and opportunities disclosed in this report were identified through Airservices' risk assessment process and consideration of the Department of Finance Materiality Guidance for Commonwealth Climate Disclosures. In determining materiality for disclosure purposes, Airservices considered the potential impacts of climate-related risks and opportunities on its operations, service delivery, assets, workforce, strategic objectives and regulatory obligations across the short-term (2030), medium-term (2050) and long-term (2090) assessment horizons.

Risk significance was informed by Airservices' Risk Management Framework, including consideration of consequence, likelihood and the effectiveness of existing controls. Material climate-related risks and opportunities are those assessed as having the potential to significantly impact Airservices' ability to deliver its objectives, maintain operational continuity, meet regulatory obligations or respond to stakeholder expectations.

Strategy and decision making

Climate-related risks and opportunities are integrated into Airservices' strategic planning, operational decision-making, infrastructure investment and asset management processes through the Environmental Management System (EMS) National Operation Standards (NOS). The NOS sets the minimum environmental and sustainability performance requirements and controls for developing, operating, maintaining and decommissioning Airservices infrastructure. The outcomes of climate risk assessments, scenario analysis and enterprise risk reviews are used to inform the EMS as a whole and broader decisions regarding service delivery, infrastructure resilience, emissions reduction initiatives and future capital investment. Airservices has identified that climate change may affect its operational model through increased frequency and severity of climate hazards, changing operational conditions and evolving stakeholder expectations. To address these impacts, Airservices is continuing to strengthen infrastructure resilience, enhance weather and climate intelligence integration into operational decision-making, improve communications resilience through the Enterprise Network Modernisation Program, and incorporate climate considerations into business continuity and crisis management arrangements.

Public policy delivery

Airservices does not anticipate a fundamental change to its public policy objectives or statutory functions as a result of climate change; however, climate-related risks may increase the operational complexity associated with delivering these functions. Climate-related considerations are therefore incorporated into planning and decision-making to support continued delivery of aviation safety, air navigation, ARFF and broader government aviation policy objectives. The opportunities identified within this Disclosure, including emissions reduction initiatives, resilient communications infrastructure and collaboration across the aviation sector, are expected to further support the effective delivery of these public policy outcomes.

A full list of Public Policy commitments is included as Appendix A Ministerial Expectations, these have been considered as part of our climate risk and opportunity assessment and have been referenced as follows:

- AAPS: Australian Airspace Policy Statement (AAPS) 2026. Interlinked with Automatic Dependent Surveillance-Broadcast, Australian Future Airspace Framework and Uncrewed Aircraft System Traffic Management
- ADS-B: Automatic Dependent Surveillance-Broadcast (ADS-B) mandate
- AFAF: Australian Future Airspace Framework
- APG: **Aviation Policy Group | Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts**
- ARFF: Aviation Rescue and Fire Fighting (ARFF)
- ATS: Air Traffic Services
- Capacity Building: Aviation capacity and capability building initiatives
- Noise/LTOP: Noise Abatement Procedures and Sydney Airport Long Term Operating Plan (LTOP)
- PFAS: Per- and poly-fluoroalkyl substances
- UTM: Uncrewed Aircraft System Traffic Management
- OneSKY: OneSKY Australia Program and the Civil Military Air Traffic Management System

Transition planning and emissions reduction pathway

Airservices does not maintain a standalone transition plan. Instead, Airservices' Environmental Sustainability Strategy 2024–2030 provides the organisation's strategic framework for responding to climate-related risks and opportunities, reducing operational emissions and supporting climate resilience. The Strategy establishes climate-related targets, identifies priority initiatives and guides investment and operational decision-making relevant to climate adaptation and emissions reduction. Our three climate-related targets focus on our ability to support aviation reduce emissions and our own efforts to reduce emissions as follows:

- Reduce (aircraft) emissions within the Australian Flight Information Regions (FIR) by 145,000 tCO_2e per annum by 2030 through air traffic management initiatives and operational efficiencies:
  - This target applies to all aircraft operating within the two FIRs Airservices directly controls.
- Reduce Scope 1 and Scope 2 emissions by 43 per cent by 2030 from a baseline of 29,585 tCO_2e to 16,863 tCO_2e; and
- Achieve net zero for Airservices' operations by 2050:
  - These targets apply to assets and facilities owned and operated by Airservices Australia located in Australian States and Territories.

Key initiatives supporting achievement of these targets include increased use of User Preferred Routes and other air traffic management improvements, deployment of low-emission and hybrid vehicle technologies, procurement of renewable electricity, integration of climate requirements within the Environmental Management System, and infrastructure upgrades that improve resilience and operational efficiency. Airservices also established an interim Corporate Plan target to reduce emissions to 28,000 tCO_2e by 30 June 2026 to support progress towards its 2030 emissions reduction objective.

Asset lifecycle and capital investment decisions

Through the EMS and asset sustainment programs, Airservices incorporates climate-related considerations into infrastructure and capital planning processes to support long-term operational resilience and asset performance. Future investment decisions will continue to consider exposure to physical climate risks, opportunities to improve resilience, emissions reduction outcomes and whole-of-life asset performance. Examples during FY2025–26 included continued implementation of the Enterprise Network Modernisation Program, delivery of Oshkosh Striker Volterra Ultra-Large Fire Vehicles, renewable electricity procurement through GreenPower arrangements and the integration of climate-related requirements into the Environmental Management System and National Operating Standards.

Climate-related risk and opportunity identification

Climate-related risks and opportunities were assessed across short-term (2030), medium-term (2050) and long-term (2090) horizons. Most physical climate risks identified by Airservices already exist and have the potential to impact operations, assets and service delivery across all assessment periods. As such, many risks have been assessed as relevant across all three horizons, with differentiation occurring through changes in severity, frequency and operational consequences rather than emergence at a particular point in time.

While many identified climate risks are relevant across all assessment horizons, certain climate hazards exhibit differing characteristics over time. Acute weather-related risks such as bushfires, cyclones and operational disruptions are currently observed and remain relevant across all horizons, whereas chronic risks, including sea-level rise and long-term infrastructure exposure at coastal and low-lying locations, become increasingly significant in the medium and long-term. Horizon attribution was therefore informed by both current operational experience and projected future climate conditions.

This revised assessment identified 14 Physical risks, three Transition Risks and six Opportunities.

Physical risks from climate hazards can result in significant impacts to assets and service delivery due to damaged and/or unserviceable assets leading to prolonged degraded service provision to clients.

Airservices' assessment found the physical impacts of climate change pose a risk to its staff, assets and facilities nationally. This risk relates to bushfires, cyclones, heatwaves and extreme rainfall directly or indirectly associated with more extreme El Niño-Southern Oscillation (ENSO) events. With many Australian airports located on the coastal plains, sea level rise was also identified as a risk.

The assessment also found increased vulnerability to the compounding and/or concurrent impacts of physical climate change risks. For example, a climate hazard event could cause multiple assets to fail in a single region or across the country, with this impact potentially compounded by being unable to get staff quickly and safely to the relevant location to restore service. Climate hazard events can also occur concurrently, for example severe Tropical Cyclone Yasi impacted North Queensland in January 2011 while Brisbane was still recovering from the South-East Queensland floods.

Transition risks facing Airservices arise from changes in the aviation ecosystem as efforts are made to decarbonise the economy, resulting in changes to the policy and legal environment, technology, market trends and reputation which may lead to higher costs and/or reduced revenue.

Regulatory changes may require greater investment in low-emission technologies, stricter climate disclosures and sustainability reporting, increasing operational costs and legal exposure. With industry forecasts continuing to predict continued growth in domestic air travel and a rising demand for Uncrewed Aircraft Systems, it is anticipated that these transition risks will materialise through regulatory changes requiring greater investment in low-emission technologies, stricter climate disclosures and sustainability reporting, increasing operational costs and legal exposure. To adapt to and mitigate these transition risks, infrastructure upgrades and workforce adaptation will be required to adapt to technological shifts and operational changes such as automation, Artificial Intelligence (AI) and Sustainable Aviation Fuel. Reputational risks stem from service disruptions, unmet sustainability expectations, and climate-related workforce challenges, all of which could impact Airservices' public image and operational continuity.

Opportunities: As part of recent reviews of climate risk and Post Activity Reviews (PAR), Airservices has identified a number of climate related opportunities.

Six opportunities were identified to support Airservices' transition to a lower-emissions, more climate-resilient aviation system. Emissions reduction opportunities include increasing the uptake of User Preferred Routes and other air traffic management initiatives to reduce emissions across the Australian Flight Information Region, transitioning the vehicle fleet to hybrid and low-emission alternatives, and procuring renewable energy to address Airservices' largest source of emissions.

In parallel, embedding climate change considerations within the Environmental Management System will ensure climate risks and opportunities are consistently incorporated into operational and project decision-making. Resilience and adaptation outcomes will be strengthened through expanded use of Low Earth Orbit and Geostationary Orbit satellite communications to improve connectivity during climate hazard or infrastructure disruptions, and through enhanced collaboration with industry stakeholders to build a shared understanding of climate-related impacts, supporting more informed decision-making and reducing disruption across the broader aviation network.

Opportunities were assessed according to the period over which benefits are expected to be realised. As a result, some opportunities are attributed to fewer assessment horizons where their implementation or benefit realisation is linked to specific programs, investments and strategic initiatives.

Assessment of reporting period impacts

Reference to "no material impacts recorded during the reporting period" reflect Airservices' assessment of operational, safety, environmental, service delivery and regulatory impacts using available operational performance information, incident reporting, business continuity records, risk assessments and other relevant management information.

Table 35: Climate risks and opportunities and their Operational and Public Policy effects

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Risk 1 – Physical			
Climate Hazard Event (bushfire) impacting a High Criticality System – Radar **Time horizon:** short (2030), medium (2050), long (2090) **Concentration:** Typically rural or remote ridgelines nationwide **Risk type:** Physical	**Operational model:** A bushfire event occurred during the reporting period (Tabletop Radar (Townsville) in October 2025) and was managed through established operational controls and contingency arrangements. No material or sustained disruption to radar operations was recorded. **Public policy delivery:** No material impacts to public policy delivery or regulatory compliance were recorded.	**Operational model:** Bushfire events are increasing in frequency and intensity and may impact radar assets, reducing surveillance capacity and operational efficiency. Under higher emission scenarios, increasing hazard intensity may result in broader or simultaneous impacts across multiple assets or installations over time. While redundancy (Automatic Dependent Surveillance – Broadcast (ADS-B), overlapping coverage and procedural controls) maintains safe operations; loss of radar capability reduces surveillance effectiveness and air traffic management (ATM) efficiency. **Public policy delivery:** No material change to public policy delivery is expected; however, climate-related impacts may increase operational complexity in maintaining required service levels and performance expectations. Impacted policies: Air Traffic Services (ATS), ADS-B Mandate, OneSKY, Australian Airspace Policy Statement (AAPS), Australian Future Airspace Framework (AFAF) and aviation service delivery obligations. Policy impact: Degraded surveillance capability may reduce operational efficiency and increase complexity in maintaining surveillance-based service delivery. Existing controls and contingency arrangements are expected to support continued compliance with policy and regulatory requirements.	**Actions undertaken:** • No action was required as there was no physical damage to the asset. • Existing operational controls focus on ensuring and redundancy through ADS-B and overlapping radar coverage. • Ensuring contingency arrangements (i.e. portable generators) are available to restoring power when primary supply is lost. **Planned actions:** • Ongoing review of climate risk and infrastructure resilience, including bushfire protection. • Integration of climate considerations into asset planning, operational procedures and decision-making. • Continuous improvement of forecasting, monitoring and response capability.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Risk 2 – Physical			
Climate Hazard Event (storm or cyclone) may result in damage or loss to High Criticality System – Radar capability, reducing surveillance coverage within affected sectors **Time horizon:** short (2030), medium (2050), long (2090) **Concentration:** Typically rural or remote ridgelines nationwide **Risk type:** Physical	**Operational model:** Severe storm and tropical cyclone activity has occurred across Northern Australia with no material disruption to radar operations during the reporting period. **Public policy delivery:** No material impacts recorded during the reporting period.	**Operational model:** Storm or cyclone event may damage a radar installation resulting in temporary loss or degradation of surveillance coverage in a sector. While overall cyclone frequency may vary, increasing intensity may increase the potential for asset damage and service disruption. Under future scenarios, impact may affect multiple assets or extend recovery timeframe. **Public policy delivery:** Public policy delivery is expected to continue through redundancy and contingency arrangements; however, climate-related impacts may increase operational complexity in maintaining required service levels and performance expectations. Impacted policies: ATS, ADS-B Mandate, OneSKY, AAPS, AFAF. Policy impact: Temporary loss or degradation of surveillance capability may impact operational performance within affected sector. Existing controls and redundancy are expected to support continued compliance with required surveillance coverage and service delivery obligations.	**Actions undertaken:** • Implementation of relevant infrastructure standards and lightning protection. • Preventative maintenance and resilience planning. **Planned actions:** • Ongoing review of infrastructure resilience and cyclone preparedness measures. • Integration of climate considerations into asset planning and renewal programs.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Risk 3 – Physical			
Climate Hazard Event (bushfire) impacting a High Criticality System – Communications Facility **Time horizon:** short (2030), medium (2050), long (2090) **Concentration:** Nationwide in urban, rural and remote settings **Risk type:** Physical	**Operational model:** The Longwood Bushfires (Jan-2026) in Victoria resulted in the disruption of power to the Mount Wombat facility. During the incident, the site briefly lost mains power. With support from the Country Fire Authority, Airservices' Field Services team reached the remote location and deployed temporary generation to keep operations running, maintaining the critical communications link between Melbourne and Dederang, including very high frequency (VHF) and ADS-B coverage for the Monaro and Alpine sectors. **Public policy delivery:** No material impacts recorded during the reporting period.	**Operational model:** Bushfire events may result in loss or degradation of communications infrastructure, impacting the ability to maintain effective communication with aircraft and coordinated ATM operations. Increasing bushfire intensity may result in broader or simultaneous impacts across multiple communication assets in future scenarios. **Public policy delivery:** No material change to public policy delivery is expected; however, climate-related impacts may increase operational complexity in maintaining required service levels and performance expectations. Impacted policies: ATS, OneSKY, Aviation Policy Group (APG), National Coordination Mechanism (NCM), Australian Government Crisis Management Framework (AGCMF), Aviation safety and communication services requirements. Policy impact: Loss or degradation of communications capability may impact coordination and service efficiency within affected airspace. Existing redundancy, contingency arrangements and procedural controls are expected to support continued compliance within communication and service delivery requirements.	**Actions undertaken:** • Established redundancy including overlapping communication coverage and backup power systems. • Emergency response, field deployment capability and resilience planning. **Planned actions:** • Ongoing review of bushfire resilience and asset protection measures. • Incorporation of climate risk into infrastructure planning and operational procedures.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Risk 4 – Physical			
Climate Hazard Event (storm or cyclone) impacting a High Criticality System – Communications Facility **Time horizon:** short (2030), medium (2050), long (2090) **Concentration:** Nationwide in urban, rural and remote settings **Risk type:** Physical	**Operational model:** Tropical Cyclone Narelle (March 2026) traversed much of Northern Australia before travelling south adjacent to the Western Australian coastline. Airservices infrastructure was impacted at Learmonth Airport in Western Australia, resulting in damage to Airservices infrastructure included the Non-Directional Beacon (NDB), VHF Omnidirectional Range (VOR) beacon. The closure of Learmonth Airport and the Royal Australian Air Force (RAAF) Base in Learmonth following the event limited access to the site for several days. Communications capability in the region was maintained through established operational procedures and contingency arrangements. **Public policy delivery:** No material impacts were recorded during the reporting period.	**Operational model:** Storm or tropical cyclone events may result in physical damage to Communications Facility/ infrastructure, leading to partial or temporary loss or degradation of communications capability in affected areas. Under future scenarios, increasing hazard intensity may increase the likelihood of concurrent impacts across multiple assets. **Public policy delivery:** No material change to public policy delivery is expected; however, climate-related impacts may increase operational complexity in maintaining required service levels and performance expectations. Impacted policies: ATS, OneSKY, APG, NCM AGCMF, Aviation safety and communication services requirements. Policy impact: Damage to communications infrastructure may result in temporary reduction in service capability and coordination efficiency. Existing redundant systems and contingency arrangements are expected to support continued compliance with communication service delivery requirements.	**Actions undertaken:** • Existing infrastructure standards and protective design controls, subject to ongoing review and continuous improvement. • Redundant communications pathways and backup systems. **Planned actions:** • Continued assessment of infrastructure resilience to severe weather events. • Inclusion of climate consideration in asset lifecycle planning.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Risk 5 – Physical			
There is a risk of damage or impediment to ARFF fleet from increasing intensity and frequency of climate hazard events **Time horizon:** short (2030), medium (2050), long (2090) **Concentration:** East Coast of Australia **Risk type:** Physical	**Operational model:** No material impacts to ARFF fleet operations were recorded during the reporting period. **Public policy delivery:** No material impacts recorded during the reporting period.	**Operational model:** Climate hazard event results in damage or impediment to the ARFF fleet. Severe weather events, including flooding and storm conditions, may damage or impede access to ARFF fleet assets, reducing availability or response capability. Future increases in hazard intensity may lead to broader or regional impacts affecting multiple locations simultaneously. **Public policy delivery:** No material change to public policy delivery is expected as it will be maintained through operational contingencies. However, climate-related impacts may increase operational complexity in maintaining required service levels and performance expectations. Impacted policies: ARFF, ARFF Capability Uplift, APG, NCM AGCMF. Policy impact: Reduced availability or access to ARFF fleet assets may impact response capability under adverse conditions. Established operational contingencies and resource management arrangements are expected to support continued compliance with ARFF service delivery obligations.	**Actions undertaken:** • Operational contingencies and fleet management procedures. • Asset maintenance and inspection programs. **Planned actions:** • Continued assessment of fleet resilience to extreme weather. • Integration of climate considerations into fleet planning and asset replacement.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Risk 6 – Physical			
There is a risk that key personnel (air traffic controllers/ ARFFs) access to/ from facilities within the airport will be reduced or cut off due to climate hazards such as cyclones, flooding, severe storms, or bushfires resulting in Airservices unable to deliver key services to aviation **Time horizon:** short (2030), medium (2050), long (2090) **Concentration:** East Coast of Australia, Pilbara and Gascoyne Regions, Darwin, Melbourne, Perth **Risk type:** Physical	**Operational model:** Severe weather events occurred during the reporting period and were managed through established contingency arrangements and operational controls. While climate hazards continued to present a potential risk to workforce access, no material disruption to service delivery resulting from workforce access constraints was recorded during the reporting period. **Public policy delivery:** No material impact recorded during the reporting period. Opportunities in this space arose as part of a co-ordinated industry response. These opportunities relate to enhancing Airservices crisis management planning to • ensure consistency within and across organisations, • ongoing collaboration with the aviation sector, • clarity of roles and responsibilities • understanding of triggers and thresholds for reductions in operations will assist with enhancing a sectoral approach to disruptions.	**Operational model:** Climate hazards such as flooding, cyclones and bushfires may restrict access to operational facilities, limiting the ability of personnel to reach critical locations. Future increases in hazard intensity may increase the likelihood of access disruptions across multiple sites. **Public policy delivery:** No material change to public policy delivery is expected as service delivery will be maintained through contingency arrangements. However, climate-related impacts may increase operational complexity in maintaining required service levels and performance expectations. Impacted policies: ATM, ARFF, OneSKY, ENMP, Digital Aerodrome Services. Policy impact: Restricted site access to operational facilities may impact workforce availability and supporting activities required for maintenance and continuity of critical services. Operational contingencies and workforce management arrangements are expected to support continued compliance with service delivery requirements.	**Actions undertaken:** • Onsite accommodation and operational contingencies. • Infrastructure and access route management. • Stand up of the geographically dispersed Crisis Management Team. **Planned actions:** • Continued assessment of access risks across critical sites. • Integration of climate risk into infrastructure and operational planning. • Further collaboration with stakeholders on resilience.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Risk 7 – Physical			
There is a risk of damage to buildings and property from increasing intensity and frequency of climate events **Time horizon:** short (2030), medium (2050), long (2090) **Concentration:** Nationwide **Risk type:** Physical	**Operational model:** Satellite Ground Station: Learmonth (WA) was adversely impacted by Severe Tropical Cyclone Narelle. **Public policy delivery:** No material impact recorded during the reporting period.	**Operational model:** Climate hazards including storms, flooding and severe weather conditions may damage buildings and supporting infrastructure, requiring repairs and increasing maintenance demand. While impacts are generally localised, cumulative impacts across multiple events may increase operational and financial pressures over time. **Public policy delivery:** No material change to public policy delivery is expected as service delivery would be maintained through asset management processes. However, climate-related impacts may increase operational complexity in maintaining required service levels and performance expectations. Impacted policies: ATS, ARFF, OneSKY, PFAS Policy, Infrastructure and operational continuity obligations. Policy impact: Damage to buildings and supporting infrastructure may impact operational support functions and asset availability. Delays with recovery further exacerbates environmental management, WHS and safe operating environments. Asset management processes and contingency arrangements are expected to support continued compliance with service delivery and operational requirements.	**Actions undertaken:** • Design and construction in accordance with relevant building standards, codes of practice and internal asset and infrastructure design standards. • Asset maintenance and management programs, including climate adaptation and resilience planning. **Planned actions:** • Ongoing review of infrastructure and asset resilience and adaptation. • Integration of climate risk into capital planning and asset renewal.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Risk 8 – Physical			
There is a risk that the operational capability of Air Traffic Control Centres (Melbourne (MEL) and Brisbane (BNE)) is disrupted or lost due to increasing frequency and intensity of climate hazard events **Time horizon:** short (2030), medium (2050), long (2090) **Concentration:** Brisbane, Melbourne **Risk type:** Physical	**Operational model:** During the reporting period, Severe Tropical Cyclone Narelle and other climate hazard events were monitored and managed through established operational controls, crisis management, contingency arrangements and business continuity processes. Potential impacts to critical operational facilities were managed through contingency planning and operational controls, with no material disruption to the operational capability of the Melbourne or Brisbane Air Traffic Control Centres was recorded during the reporting period. **Public policy delivery:** No material impacts to public policy delivery were recorded during the reporting period.	**Operational model:** Operational capacity is lost due to damage to major facilities at MEL and BNE. Severe weather events may impact critical Air Traffic Control Centres (MEL and BNE), potentially reducing or disrupting operational capability. While contingency arrangements exist, disruption to these facilities may significantly affect the ability to efficiently deliver ATM services across the network. **Public policy delivery:** No material change to public policy delivery is expected; however, climate-related impacts may increase operational complexity in maintaining required service levels and performance expectations and may require coordinated response to sustain service delivery. Impacted policies: ATS, OneSKY, APG. Policy impact: Disruption to critical operational facilities may reduce service efficiency and increase complexity in air traffic management at a network level. Existing contingency arrangements and resilience measures are expected to support continued compliance with national air traffic service delivery requirements.	**Actions undertaken:** • Redundancy, contingency operations and crisis management processes. • Infrastructure designed to relevant standards. **Planned actions:** • Continued review of critical facility resilience. • Inclusion of climate scenarios in business continuity and recovery planning.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Risk 9 – Physical			
There is a risk of unsafe working conditions for staff due to exposure to climate hazards and/or related environmental conditions **Time horizon:** short (2030), medium (2050), long (2090) **Concentration:** Nationwide **Risk type:** Physical	**Operational model:** No material increase in climate-related incident rates was recorded during the reporting period. **Public policy delivery:** No material impacts to public policy delivery or regulatory compliance were recorded during reporting period. Airservices continues to meet its work health and safety obligations through established governance frameworks, procedures and monitoring processes.	**Operational model:** Climate hazards such as heat, storms and extreme environmental conditions may increase exposure risks affecting staff health and safety. This may include fatigue, heat stress and operational hazards associated with adverse environmental conditions, particularly during periods of sustained or intensified climate events. **Public policy delivery:** No material change to public policy delivery is expected as compliance is expected to be maintained through existing controls. However, climate-related impacts may increase operational complexity in maintaining required service levels and performance expectations. Impacted policies: ATS, ARFF, WHS Act 2011. Policy impact: Exposure to climate-related working conditions may increase risks to staff health and safety. Established work health and safety controls and governance frameworks are expected to support continued compliance with regulatory obligations.	**Actions undertaken:** • WHS procedures, training and risk management process delivered under WHS governance framework. • Monitoring of environmental conditions, including staff notification. **Planned actions:** • Ongoing review of WHS controls in the context of climate risks and staff wellbeing. • Enhancement of operational guidance for extreme conditions.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Risk 10 – Physical			
There is a risk that increasing intensity and frequency of climate hazards in Australian airspace will significantly impact on-time performance leading to changes in route demand, reducing aircraft movements in Australian Airspace and subsequent reduction in revenue opportunity. **Time horizon:** short (2030), medium (2050), long (2090) **Concentration:** Primarily Brisbane, Sydney and Melbourne although impacts could originate throughout the Flight Information Regions **Risk type:** Physical	**Operational model:** Severe weather events regularly impact airspace operations, resulting in delays, reduced capacity and flow restrictions, particularly at major airports. **Public policy delivery:** Impacts are managed within operational framework and have not resulted in material non-compliance in this reporting period.	**Operational model:** Severe weather events are expected to continue to impact airspace operations on a routine basis, resulting in reduced capacity, delays and changes to air traffic flow across the network. Increasing frequency and intensity of weather events may result in more persistent operational disruptions and increased complexity in managing airspace capacity and network performance. **Public policy delivery:** Public policy delivery is expected to be maintained; however, large-scale or concurrent disruption events may increase operational complexity and require coordinated response to sustain service delivery. Impacted policies: ATM, OneSKY. Policy impact: Ongoing weather-related disruption may reduce operational efficiency and increase complexity in maintaining network performance. Operational procedures and management frameworks are expected to support continued compliance with service delivery and performance requirements.	**Actions undertaken:** • Embedded meteorological support and operational planning tools. • Network flow management processes. **Planned actions:** • Enhancement of data integration and decision-support capability through OneSKY. • Integration of climate considerations into operational planning.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Risk 11 – Physical			
There is a risk of increasing disruption to fuel and other supplies to assets such as generators and fleet vehicles due to supply chain disruption from severe weather events **Time horizon:** short (2030), medium (2050), long (2090) **Concentration:** Nationwide **Risk type:** Physical	**Operational model:** Severe weather events, including bushfire and storm activity, have historically resulted in temporary disruption to access and logistics for remote or site-based infrastructure, including fuel supply and equipment maintenance/delivery. During the reporting period, such events were managed through existing operational controls, including multi-layered energy supply systems (e.g. backup diesel generation, solar and battery systems), inventory management of critical spares and established logistics arrangements. Resupply of diesel to the Mt Wombat facility was facilitated with support from the Victorian Country Fire Authority. These controls have limited the operational impact of supply disruptions, and no material or sustained disruption to service delivery was recorded. **Public policy delivery:** No material impacts recorded during the reporting period. Airservices continues to meet its service delivery obligations through the use of redundancy, contingency arrangements and established supply chain management processes.	**Operational model:** Severe weather events may disrupt supply chain for fuel, spares and other critical inputs required to support infrastructure, generators and operational assets. Under future climate scenarios, increasing frequency and intensity of climate hazard events may lead to more frequent or prolonged disruption to transport routes, supplier access and logistics operations, particularly in remote or regional locations. While disruptions may delay maintenance and resupply activities, existing redundancy and autonomy within the system is expected to continue limiting direct impacts to operational service delivery. **Public policy delivery:** Public policy delivery is expected to be maintained, with existing controls designed to manage temporary supply chain disruption. However, increased frequency or duration of disruption events may increase operational complexity in maintaining required service levels and performance expectations. Impacted policies: ATS, ARFF, ENMP, OneSKY, PFAS Policy, AAPS, infrastructure resilience expectations. Policy impact: Disruption to supply chains may impact the availability of supporting infrastructure and logistics required for ongoing operations. Existing redundancy, backup systems, inventory management and contingency arrangements are expected to support continued compliance with service delivery and operational requirements.	**Actions undertaken:** • Implementation of multi-layered energy supply systems, including diesel generation, solar and battery systems. • Inventory management and strategic stock holding of critical spares. • Established procurement, logistics and supplier management processes. **Planned actions:** • Ongoing review of supply chain resilience and critical dependencies. • Integration of climate risks into procurement, logistics and asset planning. • Continued enhancement of monitoring of contingency arrangement for remote and critical sites.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Risk 12 – Physical			
There is a risk that increasing frequency and intensity of climate hazard events leads to difficulty accessing remote assets **Time horizon:** short (2030), medium (2050), long (2090) **Concentration:** Rural and Remote sites **Risk type:** Physical	**Operational model:** Severe weather events, including bushfires and flooding, have impacted access to remote and regional infrastructure sites this reporting period limiting the ability to undertake maintenance or resupply activities in the short term. These impacts were mitigated through established operational controls including: • System redundancy, • Remote monitoring capability, • Autonomous critical infrastructure operating on diesel backup systems. These controls have limited the operational impact of access disruptions, and no material or sustained disruption to service delivery was recorded. **Public policy delivery:** No material impacts to public policy delivery or regulatory compliance were recorded during the reporting period. Airservices continues to meet its service delivery obligations through the use of redundancy, remote monitoring, and contingency arrangements that reduce reliance on immediate physical access.	**Operational model:** Climate hazards may restrict access to remote assets and infrastructure sites due to damage to transport routes, environmental conditions, or access constraints following severe weather events delaying maintenance and logistics activities. Under future climate scenarios, increasing frequency and intensity of events may lead to more frequent or prolonged access restrictions, particularly in remote or regional locations. While this may delay maintenance, inspection or resupply activities, the design of system to operate autonomously, supported by redundancy and backup power supply, is expected to continue limiting direct impacts to operational service delivery. **Public policy delivery:** No material change to public policy delivery is expected; however, climate-related impacts may increase operational complexity in maintaining required service levels and performance expectations. Impacted policies: ATS, ARFF, ADS-B, AAPS, infrastructure resilience expectations and operational continuity obligations. Policy impact: Restricted access to remote infrastructure may delay maintenance and support activities required for ongoing operations. System redundancy, remote monitoring and autonomous operation capability are expected to support continued compliance with service delivery and operational requirements.	**Actions undertaken:** • Autonomous system design and backup systems. **Planned actions:** • Continued monitoring of access risks and resilience capability.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Risk 13 – Physical			
There is a risk that weather forecasts and other Bureau of Meteorology intelligence is not effectively distributed, understood and/or acted upon. This may result in inadequate seasonal preparation, ineffective operational decision-making and reduced readiness for climate hazard events, leading to increased damage, prolonged disruptions, reduced operational capability and slower recovery **Time horizon:** short (2030), medium (2050), long (2090) **Concentration:** Nationwide **Risk type:** Physical	**Operational model:** During the reporting period, these systems supported operational planning and response to weather conditions, with no material impact to service delivery identified. While limitations in data resolution and long-term forecasting exist, current processes have provided sufficient capability to manage operational risk. **Public policy delivery:** No material impacts to public policy delivery or regulatory compliance recorded during the reporting period. Impacts are expected to be limited, with operational continuity maintained.	**Operational model:** Increasing climate variability and complexity may place greater reliance on accurate and timely weather and climate information for operational decision-making. Under future scenarios, limitations in forecasting resolution, uncertainty in long-term projections and challenges in integrating climate data into operational systems may increase the complexity of planning and response activities. While these limitations are not expected to prevent service delivery, they may reduce the effectiveness or timeliness of decision-making in certain conditions. **Public policy delivery:** No material change to public policy delivery is expected; however, increased reliance on weather and climate-related data may increase the importance and effective forecasting and decision-support capability in maintaining service performance. Impacted policies: ATS, OneSKY, AAPS, AFAF, Flight Information Management System. Policy impact: Limitations in forecasting or integration of weather and climate data may impact the effectiveness or timeliness of operational decision-making and safe implementation of future airspace systems. Establishing forecasting processes and decision-support systems are expected to support continued compliance with operational and service delivery requirements.	**Actions undertaken:** • Meteorological Collaborative Decision Making (METCDM) and operational forecasting processes. **Planned actions:** • Enhancement of data integration and decision-support capability through OneSKY. • Continued collaboration with external providers (e.g. Bureau of Meteorology, State Fire authorities).

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Risk 14 – Physical			
Severe weather in Australian Airspace results in major unplanned disruptions to the network **Time horizon:** short (2030), medium (2050), long (2090) **Concentration:** Nationwide **Risk type:** Physical	**Operational model:** Tropical Cyclone Narelle resulted in multi-location disruptions across the network, requiring coordinated operational responses. **Public policy delivery:** Impacts have been managed through existing operational controls.	**Operational model:** Severe weather events may result in widespread, concurrent service disruption across multiple locations, resulting in airport closures or reduced airspace capacity impacting the national network and increasing operational complexity. Future increases in hazard intensity may result in more frequent or prolonged system-wide disruption events. **Public policy delivery:** Public policy delivery is expected to be maintained; however, large-scale or concurrent disruption events may increase operational complexity and require coordinated response to sustain service delivery. Impacted policies: ATS, ARFF, OneSKY, AAPS, AFAF, Capacity Building. Policy impact: Widespread or concurrent disruption across multiple locations may reduce network efficiency and increase complexity and operational pressure in managing air traffic operations across the national aviation network. Network coordination processes and contingency arrangements are expected to support continued compliance with aviation service delivery requirements.	**Actions undertaken:** • Network coordination and crisis management processes. • Operational contingency planning and preparedness exercises. **Planned actions:** • Enhancement of network-scale monitoring and response through OneSKY.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Risk 15 – Transition			
There is a risk that Policy and regulatory shifts (Net Zero, climate disclosure) increase compliance and reporting obligations, requiring increased expenditure on mitigation/adaptation technologies resulting in higher operating costs (compliance effort) to avoid non-compliance with evolving climate-related regulations **Time horizon:** short (2030), medium (2050), long (2090) **Concentration:** Corporate offices **Risk type:** Transition	**Operational model:** Climate-related regulatory and policy requirements, including emissions targets and disclosure obligations, have been introduced and incorporated into Airservices' governance and reporting frameworks. These requirements have been managed through existing processes, with no material disruption to operational service delivery. **Public policy delivery:** Airservices has met its current climate-related reporting and compliance obligations during the reporting period.	**Operational model:** Climate-related policy and regulatory requirements are expected to continue evolving, including increasing requirements for emissions reduction, disclosure and climate risk management. Over time, this may result in increased governance, reporting and compliance effort, as well as potential capital and operational investment in mitigation and adaptation measures. **Public policy delivery:** Airservices is expected to continue to meet regulatory obligations; however, evolving requirements may increase the complexity and resource requirements associated with compliance. Impacted policies: All Public Policies including climate-related disclosure requirements, emissions reduction targets and broader government climate policy frameworks. Policy impact: Evolving policy and regulatory requirements may increase compliance, reporting and investment obligations which may affect cost and prioritisation relating to ongoing compliance with government requirements. Established governance processes and strategic planning frameworks are expected to support continued compliance with applicable regulatory and policy requirements.	**Actions undertaken:** • Climate reporting framework and governance processes. **Planned actions:** • Continued alignment with evolving regulatory frameworks. • Integration of climate considerations into strategic planning and investment processes.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Risk 16 – Transition			
Increasing stakeholder expectations regarding climate performance, service delivery, resilience and sustainability may result in increased scrutiny of organisational performance. Failure to meet these expectations may result in reduced stakeholder trust and public confidence **Time horizon:** short (2030), medium (2050), long (2090) **Concentration:** Corporate offices **Risk type:** Transition	**Operational model:** Stakeholder expectations regarding climate performance, service delivery and transparency continue to evolve, including expectations relating to emissions reductions and operational resilience. Airservices has managed these expectations through existing reporting, governance and engagement processes, with no material reputational impacts recorded during the reporting period. **Public policy delivery:** No material impacts recorded during the reporting period, with Airservices continuing to meet its service and reporting obligations.	**Operational model:** Climate hazards impact Airservices' ability to deliver on corporate financial and/or sustainability expectations and/or result in climate-related workforce challenges may result in a loss of employee, stakeholder and public confidence, and may increase scrutiny of organisational performance. Failure to meet increasing stakeholder expectations may result in reputational impacts. **Public policy delivery:** Public policy delivery is expected to be maintained; however, increased scrutiny may place greater emphasis on transparency, performance and accountability. Impacted policies: APG, ATS, ARFF, Noise Policy, Capacity Building, climate-related reporting requirements and corporate governance obligations. Policy impact: Increased stakeholder expectations and scrutiny may affect perceptions of organisational performance and delivery of commitments, including sustainability outcomes. Established governance, reporting and engagement processes are expected to support continued alignment with policy expectations and maintain stakeholder confidence.	**Actions undertaken:** • Performance reporting and stakeholder engagement. **Planned actions:** • Continued focus on transparency and climate-related disclosures. • Integration of climate considerations into corporate planning.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Risk 17 – Transition			
There is a risk that service disruptions from climate hazards impact the public perception of Airservices, resulting in increased scrutiny in public forums, negative media coverage and reputational damage **Time horizon:** short (2030), medium (2050), long (2090) **Concentration:** Corporate offices **Risk type:** Transition	**Operational model:** Weather-related operational disruptions have occurred during the reporting period and were managed through established operational procedures and communication processes. These events have not resulted in material reputational impacts during the reporting period. **Public policy delivery:** No material impacts recorded during the reporting period. It is noted that weather related impacts reducing the availability of Simultaneous Opposite Direction Parallel Runway Operations (SODPROPS) has been questioned during Senate Estimates hearings in 2026.	**Operational model:** Climate-related disruption events may increase in frequency or intensity, potentially resulting in more visible or prolonged service impacts. These events may lead to increased public and stakeholder scrutiny, particularly where operational responses are not well understood externally. This may result in reputational pressure when operational responses are appropriate (e.g. Senate Estimates). **Public policy delivery:** Public policy delivery is expected to be maintained; however, climate-related impacts may increase operational complexity in maintaining required service levels and performance expectations. Impacted policies: ATS, ARFF, Noise Policy. Policy impact: Climate-related service disruptions may increase public and stakeholder scrutiny, particularly during visible or prolonged events. Operational response frameworks and communication processes are expected to support continued delivery of services and maintain confidence in aviation operations.	**Actions undertaken:** • Public report and operational communication processes. • Transparency and disclosures in regulatory processes (e.g. Senate Estimates). **Planned actions:** • Further collaboration with stakeholders on Resilience.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Opportunity 1			
Through the increased uptake of User Preferred Routes (UPR) and other improved ATM initiatives, there will be a reduction of airspace emissions within the Australian Flight Information Region (FIR) **Time horizon:** short (2030), medium (2050)	**Operational model:** Trials have been implemented in previous years resulting in the broader uptake of UPRs, particularly from Singapore and the Middle East. **Public policy delivery:** During the reporting period, conflict in the Middle East has reduced the volume of Air Traffic from this region. This has resulted in a reduction of Avoided Emissions associated with long haul wide-body aircraft from this region.	**Operational model:** Through the improved ATM practices and the initiatives that will be further enhanced by OneSKY, Airservices is supporting the reduction of aircraft emissions within its FIR. **Public policy delivery:** Public policy delivery is expected to be maintained; however, climate-related impacts may increase operational complexity in maintaining required service levels and performance expectations. Impacted policies: ATS, ARFF, OneSKY. Policy impact: Public policy opportunities relate to maintaining trust and supporting alignment with policy objectives and industry outcomes. Improved air traffic management initiatives may support more efficient aircraft routing and reduced emissions within the Australian FIR. Operational systems and program delivery are expected to support alignment with aviation service delivery and emissions reduction objectives.	**Actions undertaken:** • User Preferred Routes Trial in Asia-Pacific was expanded in July 2025 and has since been operationalised. • Roll out of Airport Collaborative Decision Making platforms at Brisbane, Sydney, Melbourne and Perth. **Planned actions:** • Expansion of User Preferred Routes.
Opportunity 2			
The integration of hybrid and other low emission vehicles into Airservices' fleet will reduce reliance and use of fossil fuels whilst also reducing direct Scope 1 emissions **Time horizon:** short (2030)	**Operational model:** Procurement and trials of the Oshkosh Striker Volterra ULFV have been undertaken in advance of deployment to WSIA in Late 2026. **Public policy delivery:** This opportunity supports the ARFFS Capability Uplift whilst assisting Airservices with broader emissions commitments within its Environment and Sustainability Strategy 2024–2030.	**Operational model:** Further deployment of hybrid and other low emission vehicles directly supports Airservices in reducing its Scope 1 emissions associated with Diesel use in its vehicle Fleet. **Public policy delivery:** Globally, ARFF providers are looking at opportunities to reduce vehicle emissions associated with ULFVs which are recognised as hard to abate emissions. Impacted policies: ARFF, Environment and Sustainability Strategy 2024–2030 Policy impact: Adoption of hybrid and low-emission vehicle technology may reduce direct emissions associated with fleet operations. Fleet transition planning and operational integration of new ULFV technology are expected to support alignment with emissions reduction targets and ARFF service delivery requirements.	**Actions undertaken:** • Procurement and Delivery of Oshkosh Striker Volterra ULFV. **Planned actions:** • Deployment of ULFVs to WSIA.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Opportunity 3			
The procurement of renewable energy to reduce emissions will reduce Airservices' largest emissions source **Time horizon:** short (2030), medium (2050)	**Operational model:** A GreenPower contract has been signed with Airservices' Large Market Electricity (LME) supplier. This contract will secure 50% renewable energy for its LME sites for the remainder of the financial year ensuring its emissions remain below 28,000 tCO_2e in line with the Corporate Plan target. **Public policy delivery:** Airservices has taken steps towards reducing its largest source of Scope 2 emissions and progress towards its 43% emissions reduction target.	**Operational model:** As ~85% of Airservices emissions are from purchased electricity, procurement of renewable energy has been found to be an effective means to achieve its emissions targets whilst supporting further decarbonisation of the National electricity grid. **Public policy delivery:** Key Public policy opportunities relate to corporate governance and reputational outcomes. Impacted policies: Corporate governance obligations, Environment and Sustainability Strategy 2024–2030. Policy impact: Increased use of renewable energy may reduce Scope 2 emissions associated with electricity consumption. Energy procurement strategies and governance processes are expected to support alignment with emissions reduction targets and corporate climate commitments.	**Actions undertaken:** • Review of existing electricity contracts and suppliers to identify renewable options. • Amendments to existing LME Agreements to purchase 50% GreenPower. **Planned actions:** • Further exploration of Renewable energy opportunities associated with electricity procurement.
Opportunity 4			
The updating of the Airservices Environmental Management System (EMS) to include climate change considerations will ensure these requirements are factored in at a framework level for all operations and projects **Time horizon:** short (2030)	**Operational model:** Key changes have been made to the EMS to consider environmentally sustainable outcomes in Airservices' operations and on-ground changes. **Public policy delivery:** No material impacts recorded during the reporting period, with Airservices continuing to meet its service and reporting obligations.	**Operational model:** Airservices' EMS is a key framework for the organisation; it documents the way the organisation sets out to achieve. Compliance with its legal obligations and manage its organisational environmental performance. **Public policy delivery:** Airservices is required to report on its Environmental performance annually. Impacted policies: Corporate governance obligations, Environment and Sustainability Strategy 2024–2030. Policy impact: Integration of climate considerations into the Environmental Management System may support improved environmental performance and risk management across operations. Governance frameworks and operational processes are expected to support continued alignment with environmental and regulatory obligations.	**Actions undertaken:** • Revision of Aspects and Impacts registers to account for climate risk. • Revisions to National Operating Standards requiring broader consideration of sustainability objectives. **Planned actions:** • Climate change considerations included in Executive Accountability Statements.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Opportunity 5			
Expand the use of Low Earth Orbit (LEO) and Geostationary Orbit (GEO) satellite communications to strengthen communications resilience across critical facilities, particularly where terrestrial connectivity may be disrupted by climate hazard events or other outages **Time horizon:** short (2030), medium (2050)	**Operational model:** The expansion of the use of LEO and GEO is part of the Enterprise Network Modernisation Program (ENMP). This opportunity strengthens network resilience by maintaining multiple communications pathways, including terrestrial, Low Earth Orbit (LEO), Geostationary Orbit (GEO) satellite and microwave communications technologies, reducing reliance on any single communications method. **Public policy delivery:** No material impacts recorded during the reporting period, with Airservices continuing to meet its service and reporting obligations.	**Operational model:** The ENMP will upgrade the existing infrastructure to underpin long term strategic initiatives. **Public policy delivery:** ENMP will deliver a next-generation network designed for service expansion providing greater network bandwidth, security and resilience, enabling the introduction of new features and functionality, and a platform for future services. Impacted policies: AAPS, APG, ATS, ARFF, ADS-B, Uncrewed Aircraft System Traffic Management (UTM), OneSKY, Capacity Building. Policy impact: Expansion of satellite communications capability may enhance resilience of communications networks and support continuity of service during disruption events. Infrastructure upgrades and network programs are expected to support alignment with aviation service delivery and operational resilience requirements.	**Actions undertaken:** Core of the network has been established – Brisbane, Sydney, Melbourne, Perth, Adelaide Campus equipment rooms and Canberra (Hume and Fyshwick) data centres. **Planned actions:** Planning and design is nearing completion with staged roll-outs to all sites commencing in 2027 with completion forecast for 2029.

Material risks and opportunities	Current effects FY2025–26 reporting period	Anticipated effects Short-, medium-, and long-term time horizons	Strategy and decision making actions planned or undertaken to manage effects
Opportunity 6			
Strengthen collaboration with industry stakeholders to improve shared understanding of climate-related impacts across the aviation sector, enabling more informed decision-making and reducing disruption across the broader aviation network **Time horizon:** short (2030)	**Operational model:** On a daily basis, collaboration with stakeholders is being streamlined through Airport Collaborative Decision Making (A-CDM). A-CDM is new way of working to improve the efficiency of airport operations and air traffic predictability through real-time data sharing between all airport stakeholders via a single information platform. A-CDM is now live at Brisbane, Perth, Sydney and Melbourne Airports. During a climate hazard event, Airservices convenes regular industry briefings and roundtables to support a sector wide approach. These briefings provide a common situational awareness, share preparedness information and provide as much advance notice of potential service variations to enable planning by customers and stakeholders. Airservices Crisis Management Team works collaboratively with a large range of stakeholders including local government, state government, federal government departments, emergency services, airlines, airports and international air navigation service providers to effectively manage the crisis. **Public policy delivery:** Airservices response to Tropical Cyclone Narelle was effective and demonstrated the commitment of Airservices staff to achieving its objectives and commitments to the delivery of public policies when challenged by a climate hazard that impacted a broad cross section of the aviation ecosystem.	**Operational model:** Further engagement with aviation stakeholders in planned through existing resilience working groups. **Public policy delivery:** Broader engagement and collaboration with Stakeholders in the aviation ecosystem will be key to ensuring the impacts of climate hazards are managed during the event and to ensure the industry adequately adapts. Impacted policies: AAPS, APG, ATS, ARFF, ADS-B, UTM, OneSKY, Capacity Building. Policy impact: Enhanced collaboration across the aviation sector may improve shared understanding of climate-related impacts and support coordinated operational response. Engagement processes and existing governance arrangements are expected to support alignment with aviation policy objectives and service delivery outcomes.	**Actions undertaken:** • Roll out of A-CDM platforms at Brisbane, Sydney, Melbourne and Perth. • Collaboration across entities through Disaster Management and Crisis Management working Groups. **Planned actions:** • Further collaboration with a focus on climate resilience.

Risk management

Airservices discloses information to enable users of its annual report to understand the processes it uses to identify, assess, prioritise, manage and monitor climate-related risks and opportunities, and how those processes are integrated into and inform its overall risk management framework.

Processes for climate-related risks

Airservices applies an enterprise-wide risk management framework aligned with ISO 31000-2018 Risk Management Guideline and the Commonwealth Risk Management Policy to identify, assess, prioritise, manage and monitor risks, including those related to climate. These processes are formalised in the Risk Management Standard and are applied consistently across all risk categories, including the climate change risk category. Airservices' approach to risk and implementation of the Commonwealth Risk Management Policy is outlined in the 'Our governance' section of this report.

During the reporting period, Airservices reviewed and updated its climate-related risk assessment considering climate hazards across Airservices' geographically dispersed asset portfolio and aviation operations, drawing on stakeholder engagement, climate scenario analysis, geospatial asset assessments, operational data, legislative review and lessons from recent climate hazard events. This work has strengthened Airservices' understanding of climate-related risks and informs ongoing resilience planning, risk management and decision-making. The assessment was informed by:

- Business continuity management and crisis management planning and activation processes.
- Business Impact Analysis (BIA) interviews, workshops and broader stakeholder engagement across the organisation.
- Operational data, including air traffic management (ATM), ground delay, safety incident and emissions data.
- Bureau of Meteorology weather warnings and meteorological information.
- Facilities maintenance, asset condition data and geospatial analysis of Airservices' asset portfolio, including critical sites and infrastructure.
- Lessons from recent climate hazard events, including the Tabletop (Townsville Region) Radar bushfires (October 2025), Longwood bushfires (January 2026) and Tropical Cyclone Narelle (March 2026).
- Climate scenario analysis, including CROMP climate scenarios and guidance.
- National climate risk datasets and tools, including the National Climate Risk Assessment and Commonwealth Climate Risk Digital Tool.
- Review of climate and aviation legislation and regulatory obligations.
- Climate risk assessment activities and maintenance of a qualitative climate risk register covering potential impacts to assets and operations.

Meteorological intelligence is embedded into daily operations through BoM meteorologists co-located within the National Operations Management Centre. This enables Meteorological Collaborative Decision Making (METCDM), which integrates forecast weather conditions such as storms, convective activity and high winds into operational decision-making. Forecast conditions are translated into expected impacts on airport capacity, enabling coordinated adjustments to arrival and departure rates, improving resilience and reducing network disruption.

Airservices also incorporates analysis of isolated events and near misses (e.g. bushfires proximate to assets) to better understand potential exposure and uncertainty. These inputs support ongoing refinement of climate risk identification at both regional and national levels.

Assessment of nature, likelihood and magnitude

Airservices assesses the nature, likelihood and magnitude of climate-related risks using defined likelihood and consequence criteria set out in its Risk Management Standard. Quantitative and qualitative assessments are informed by:

- historical data on operational impacts of weather events across recent reporting periods;
- a detailed geospatial climate risk assessment conducted in 2024 of 1,353 critical assets with high criticality ratings (A or B), where failure could significantly affect the delivery of ATM and ARFF services; and
- analysis of observed climate hazard impacts and operational disruptions.

This approach reduces reliance on theoretical assumptions by incorporating observed data and business process information, enabling trend analysis and improved estimation of risk frequency and severity.

Prioritisation, management and monitoring of climate-related risks

"Noise, environment and climate change" is a risk category in Airservices' risk taxonomy, enabling climate-related risks to be systematically captured and monitored across the business risk registers. When risk exposure reaches certain levels or thresholds, these risks are escalated in accordance with the Risk Management Standard and targeted for appropriate mitigation.

Airservices' business risks are reviewed at least six-monthly. The Executive also reviews enterprise risks quarterly to assess the risk profile in light of any changes in the operating environment. Monitoring activities consider changes in risk exposure, emerging risks, and the effectiveness of existing controls.

Changes in risk management processes

During the reporting period, Airservices enhanced its climate risk management approach through:

- adoption of the Commonwealth Climate Risk and Opportunity Management Program (CROMP) methodology and supporting risk tool; and
- enhancement of existing geospatial risk assessments by incorporating observed climate hazard data derived from recent operational experience.

Previously, climate risk assessments relied primarily on geospatial modelling based on asset type, location and theoretical hazard likelihood. The integration of observed data has improved the accuracy, reliability and decision-usefulness of risk assessments.

Processes for climate-related opportunities

Airservices uses structured enterprise processes to identify, assess, prioritise, manage and monitor climate-related opportunities. These include:

- Enterprise Risk Deep Dive – Climate Change; and
- Crisis Management post activity reviews.

Airservices has identified key adaptation and mitigation opportunities:

- Opportunity 1: Through the increased uptake of User Preferred Routes (UPR) and other improved ATM initiatives, there will be a reduction of airspace emissions within the Australian Flight Information Region (FIR).
- Opportunity 2: The integration of hybrid and other low emission vehicles into Airservices' fleet will reduce reliance and use of fossil fuels whilst also reducing direct Scope 1 emissions.
- Opportunity 3: The procurement of renewable energy to reduce emissions will reduce Airservices' largest emissions source.
- Opportunity 4: The updating of the Airservices Environmental Management System (EMS) to include climate change considerations will ensure these requirements are factored in at a framework level for all operations and projects.
- Opportunity 5: Expand the use of Low Earth Orbit (LEO) and Geostationary Orbit (GEO) satellite communications to strengthen communications resilience across critical facilities, particularly where terrestrial connectivity may be disrupted by climate hazard events or other outages.
- Opportunity 6: Strengthen collaboration with industry stakeholders to improve shared understanding of climate-related impacts across the aviation sector, enabling more informed decision-making and reducing disruption across the broader aviation network.

These opportunities are assessed and prioritised using the same enterprise framework applied to other strategic risks and opportunities.

Integration with overall risk management

Processes for identifying, assessing, prioritising, managing and monitoring climate-related risks and opportunities are aligned to Airservices' enterprise-wide Risk Management Framework. Climate-related considerations are embedded within governance arrangements, risk oversight, operational planning and decision-making processes across the organisation. These internal processes were used alongside the Climate Risk Digital tool to complete climate scenario analysis over various time horizons.

Metrics and targets

Airservices acknowledges its role as a key player in the aviation ecosystem, it recognises the significant risks climate change poses to the environment, communities, and human health. Increased weather volatility affects various aspects of Airservices' operations, including scheduling, flight planning, connectivity, safety, and trajectory optimisation.

Airservices monitors climate-related performance through a combination of operational, emissions and strategic metrics that support the management of climate-related risks and opportunities and enable progress tracking against climate-related targets.

The organisation's climate-related metrics and targets are aligned with the objectives of the Environmental Sustainability Strategy 2024–2030 and support Airservices' response to climate-related risks and opportunities affecting Australia's aviation ecosystem. Climate-related performance is monitored through greenhouse gas emissions reporting, operational emissions reduction initiatives, and other indicators relevant to climate resilience and sustainability outcomes.

Climate-related metrics

To support understanding of Airservices' climate-related performance, Airservices monitors and reports a range of climate-related metrics that reflect the organisation's exposure to climate-related risks and opportunities and its progress towards climate-related objectives. Whilst Airservices has not opted into cross industry metrics, where relevant and practicable, Airservices has disclosed information aligned to the following cross-industry metric categories.

Climate-related transition risks: Airservices' exposure to climate-related transition risks primarily relates to its operational and service activities rather than individual physical assets. Its transition risks apply to the whole of the business.

Transition risks arise from evolving climate-related policy, regulatory, stakeholder and community expectations regarding emissions reduction, transparency, climate disclosures and climate resilience. Airservices' Air Traffic Flow Management services and corporate operations may be affected by increasing requirements associated with climate governance and reporting obligations.

Climate-related weather events may increase the frequency of operational interventions such as Ground Delay Programs and other air traffic management responses. These events have the potential to increase stakeholder scrutiny regarding operational efficiency, resilience and emissions performance. Climate-related disruptions may also generate reputational impacts through increased public attention on operational decision-making and service delivery performance.

While transition risks are not currently assessed as materially affecting the availability of operational assets, they have the potential to influence the management, governance, reporting and delivery of a substantial proportion of Airservices' operational and service activities across the short, medium and long term.

Climate-related physical risks: Airservices' 2024 Geospatial Climate Risk Assessment identified that all operational assets and facilities are exposed to some degree of physical climate risk. The extent of vulnerability varies across asset classes, locations and hazard types. Actual operational vulnerability is mitigated through the geographic distribution of infrastructure and the redundancy provided by overlapping communications, surveillance and navigation service coverage across the national network. These resilience characteristics reduce the likelihood of a single climate hazard resulting in widespread disruption to Airservices' service delivery.

Climate-related opportunities: Airservices continues to pursue climate-related opportunities through investment, operational improvement programs and strategic initiatives designed to reduce emissions and improve resilience.

Although Airservices has not yet quantified the proportion of assets or operations aligned to climate-related opportunities, these initiatives demonstrate the integration of climate considerations into investment, operational and business planning decisions.

Capital deployment: Airservices does not currently measure capital expenditure, financing or investment deployed specifically toward climate-related risks and opportunities. However, climate-related outcomes are considered within broader investment programs, asset replacement decisions and operational improvement initiatives.

Internal carbon pricing: Airservices does not utilise an internal carbon price in investment appraisal, business planning or operational decision-making processes.

Climate-related remuneration: Climate-related performance measures are not currently linked to executive or management remuneration arrangements.

Climate Action in Government Operations Emissions Reporting Framework

Airservices measures and reports greenhouse gas emissions in accordance with the Climate Action in Government Operations (CAIGO) Emissions Reporting Framework. Gross greenhouse gas emissions for the reporting period, comprising Scope 1, Scope 2 and applicable Scope 3 emissions, are presented below:

Table 36: Greenhouse gas emissions inventory report

Emissions source (display)	Scope 1	Scope 2	Scope 3	Total
Greenhouse gas emissions inventory				
Electricity (location-based approach)	n/a	22,548.35	2,603.67	**25,152.02**
Natural gas	159.21	n/a	36.93	**196.14**
Solid waste	0.00	n/a	876.85	**876.85**
Refrigerants	217.78	n/a	n/a	**217.78**
Fleet and other vehicles	1,096.27	n/a	269.47	**1,365.74**
Domestic commercial flights	n/a	n/a	1,386.51	**1,386.51**
Domestic hire car	n/a	n/a	133.86	**133.86**
Domestic travel accommodation	n/a	n/a	432.66	**432.66**
Other energy	2,777.72	n/a	773.73	**3,551.45**
Total	**4,250.98**	**22,548.35**	**6,513.68**	**33,313.01**

1 Scope 1, Scope 2, Scope 3 and Total emissions are presented as tonnes carbon dioxide equivalent (tCO_2e).
2 Electricity emissions are calculated using the location-based method.
3 Refrigerants are being phased and are an optional source in 2025–26 emissions reporting.
See the **Emissions Reporting Framework** for more details.

Emissions source	Scope 2	Scope 3	Total	Electricity (kWh)
Electricity greenhouse gas emissions				
Location-based electricity emissions	22,548.35	2,603.67	25,152.01	34,938,259.04
Market-based electricity emissions	19,892.45	2,701.45	22,593.89	24,558,573.93
Total renewable electricity	n/a	n/a	n/a	10,379,685.12
Renewable power percentage	n/a	n/a	n/a	6,040,824.99
Jurisdictional renewable power	n/a	n/a	n/a	935,182.13
GreenPower	n/a	n/a	n/a	3,403,678.00
Large-scale generation certificates	n/a	n/a	n/a	0.00

1 The table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods.
2 Scope 2, Scope 3 and Total emissions are presented as tonnes carbon dioxide equivalent (tCO_2e). Electricity data is reported in kilowatt hours (kWh).
3 Total renewable electricity excludes behind-the-meter solar other than generation used to create large-scale generation certificates (LGCs).
4 The renewable power percentage (RPP) accounts for the portion of electricity used, from the grid, that falls within the Renewable Energy Target (RET).
5 Jurisdictional Renewable Power refers to the Jurisdictional Renewable Power Percentage (JRPP). Currently, the Australian Capital Territory is the only jurisdiction with a JRPP.

Our emissions reduction targets cover the following greenhouse gases: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6), and nitrogen trifluoride (NF_3).

All reported emissions are in tonnes of carbon dioxide equivalent (tCO_2e) unless stated otherwise and relate solely to Airservices and no emissions have been aggregated with other entities. Greenhouse gas emissions have been calculated in accordance with the Climate Action in Government Operations Emissions Reporting Framework using activity-based data and applicable emissions factors.

Airservices discloses Scope 2 emissions on both a location-based and market-based basis. The location-based method reflects the emissions intensity of the electricity grids supplying energy to our operations, while the market-based method reflects emissions associated with our contracted electricity purchases and renewable energy arrangements. Reporting both metrics provides stakeholders with a transparent view of our operational electricity use and the impact of our renewable electricity procurement strategy. From 1 January 2026, Airservices commenced procurement of 50 per cent GreenPower certified electricity through its electricity supply arrangements. The agreement applies to 39 electricity accounts across the organisation and contributes to a reduction in market-based Scope 2 emissions.

Scope 3 emissions have been determined and reported in accordance with the Climate Action in Government Operations Emissions Reporting Framework. Relevant Scope 3 categories included within Airservices' reporting boundary have been itemised in Table 36.

Climate-related targets

Airservices has established climate-related targets through its Environmental Sustainability Strategy 2024–2030 and apply to Airservices' operations across Australia for the period from 2024 to 2030. As a Corporate Commonwealth Entity, Airservices is not required to adopt, and has not adopted, the Australian Public Service NetZero 2030 Target.

The primary climate-related performance targets are:

1. reduce aviation emissions by 145,000 tonnes CO_2e (tCO_2e) per annum within the Australian Flight Information Regions by 2030;
2. reduce Scope 1 and Scope 2 greenhouse gas emissions by 43 per cent by 2030:
   - Our baseline level is 29,585 tCO_2e, 43 per cent of our baseline equates to 12,722 tCO_2e
   - Our 2030 target will be 16,863 tCO_2e
   - It is noted our corporate plan target states a rounded version of this number as 16,500 tCO_2e;
3. achieve net zero for Airservices' operations by 2050.

The key objectives of these targets are intended to:

- support emissions reductions across the Australian aviation network;
- reduce greenhouse gas emissions associated with Airservices' operational activities;
- strengthen organisational climate resilience; and
- align Airservices with national and international climate objectives.

Performance against target 1 above is calculated as total emissions per annum able to be avoided by aircraft as a result of improved Air Traffic Management (ATM) initiatives. Airservices is targeting the increased implementation and uptake of initiatives such as UPRs and A-CDM to facilitate 145,000 tCO_2e p.a of avoided emissions in Australian FIR's by 2030.

Progress against target 2 above is measured against a baseline value of 29,585 tCO_2e calculated from the average emissions across FY2020–21, FY2021–22 and FY2022–23. This approach was adopted to reduce distortion resulting from aviation activity fluctuations during and immediately following the COVID-19 pandemic. This target will ultimately become target 3 as we work towards net zero for Airservices' operations by 2050.

Airservices' emissions targets have been informed by the *Climate Change Act 2022 (Cth)* and Australia's commitments under the Paris Agreement, including Australia's Nationally Determined Contribution. Targets are subject to periodic review, with the current target framework scheduled for review in 2030. Progress is monitored through a combination of operational and emissions indicators, including:

- modelled aircraft fuel savings achieved through operational initiatives such as User Preferred Routes and Predictable Sequencing;
- aircraft emissions reductions calculated using Eurocontrol Base of Aircraft Data fuel-use assumptions;
- conversion of fuel savings into estimated avoided emissions using an emissions factor of estimated amount of emissions released per kilogram of fuel burnt equating to 3.15kgs of Carbon Dioxide equivalent (kg CO_2e)[1]; and
- energy consumption and emissions data derived from invoiced electricity, fuel and gas consumption and reported in accordance with the Climate Action in Government Operations Emissions Reporting Framework. Emissions factors for these sources were adopted from the framework and are aligned with National Greenhouse Accounts Factors[2].

The methodology used to establish Airservices' emissions reduction targets was independently validated by a third party in October 2024 with no revisions to the target occurring since.

1 Source: **Eurocontrol Standard Inputs for Economic Analyses – Table 7.1**
2 Source: **Climate Action in Government Operations Emissions Reporting Framework – Appendix C**

Aviation emissions reduction target

User Preferred Routes generated the potential for airlines to avoid more than 42,752 tonnes of estimated CO_2 emissions during FY2025–26.

While emissions savings declined during the final quarter of the year due to reduced flight activity associated with disruptions to Middle East air traffic, adoption of User Preferred Routes continued to grow. More than half of international flights utilised User Preferred Routes during the year, demonstrating continued progress toward Airservices' 2030 aviation emissions reduction target.

Figure 2: CO_2 emissions savings by top routes

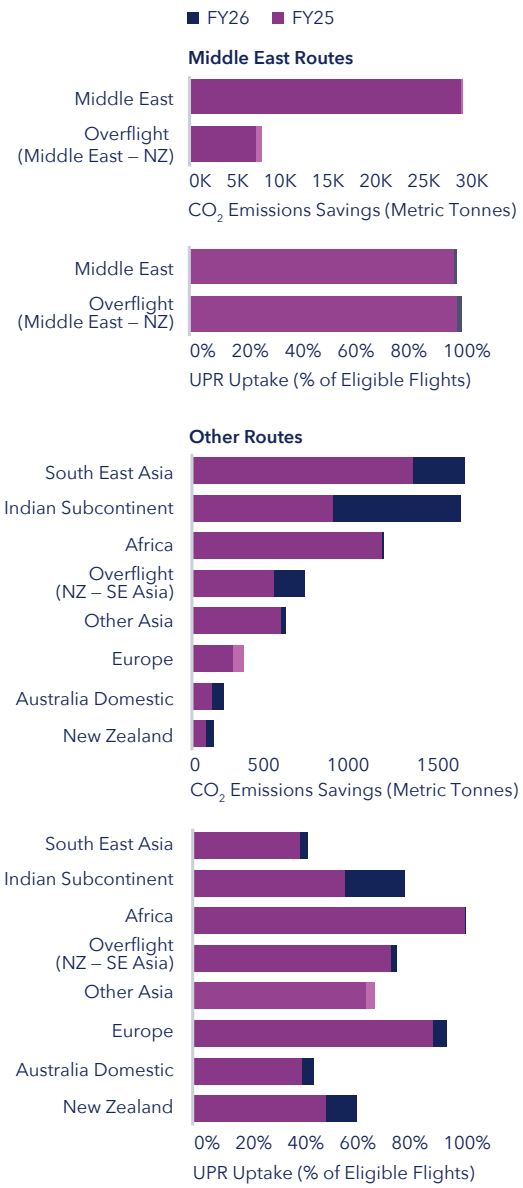
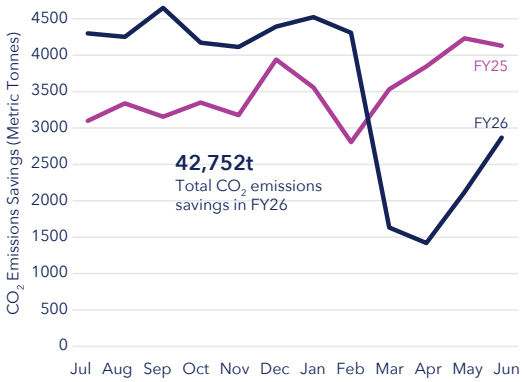


Figure 3: CO_2 emissions savings trend



Scope 1 and scope 2 emissions reduction target

Scope 1 results

Scope 1 emissions decreased by 2.2 per cent in FY2025–26, declining from 4,347 tCO_2e in FY2024–25 to 4,250.98 tCO_2e. The key changes relate to a decrease in diesel generation (other energy).

Scope 2 Location-Based results

Scope 2 emissions decreased by 5.6 per cent in FY2025–26, from 23,879 tCO_2e in FY2024–25 to 22,548.35 tCO_2e. This figure has been calculated using the CAIGO emissions reporting framework and tool as presented in Table 36.

Airservices location-based scope 2 emissions have reduced by 5.6 per cent (1,331 tCO_2e) in FY2025–26. This is due to a combination of reduced electricity consumption at Airservices locations including operations at Brisbane and Sydney Airports and changes in the National Electricity Market (NEM) emissions, in particular reduction in emissions factors in Queensland where 32 per cent of Airservices electricity consumption occurs.

Scope 2 Market-Based results

Scope 2 emissions decreased by 14.7 per cent in FY2025–26, falling from 23,306 tCO_2e in FY2024–25 to 19,892.45 tCO_2e. This figure has been calculated using the CAIGO emissions reporting framework and tool as presented in Table 36.

A significant contributor to the FY2025–26 result was the commencement of GreenPower procurement arrangements, which reduced market-based Scope 2 emissions and supported continued decarbonisation of operations. The GreenPower initiative was implemented in January 2026 and applied to our Large Market Electricity contract which accounts for ~46 per cent of our total electricity consumption. This initiative meant that 50 per cent of energy supplied at 39 locations was from renewable sources across the business and accounted for a scope 2 emissions reduction of ~2,757 tCO_2e for the reporting period.

Total emissions performance

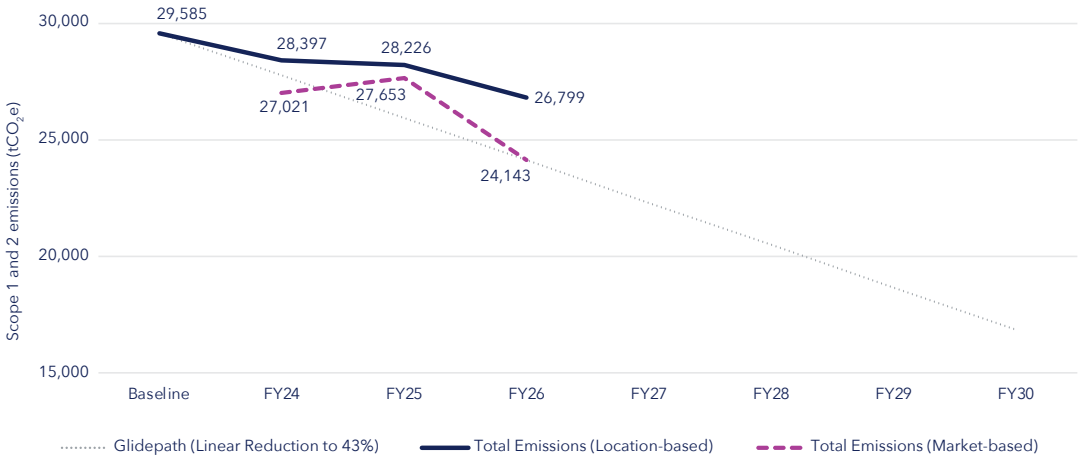
Airservices has historically reported a scope 1 and scope 2 total using the Location-based scope 2 methodology. Consistent with previous reporting, Airservices' total emissions using this methodology are 26,799 tCO_2e. This result surpasses Airservices' Corporate plan interim target of <28,000 tCO_2e in FY2025–26.

Airservices has not historically reported a scope 1 and scope 2 total using a Market-based scope 2 methodology as no market-based measures had been employed. With the implementation of market-based measures (GreenPower) this reporting period to reduce our emissions, Airservices is disclosing its total emissions using the Market-based methodology for this reporting period as 24,143 tCO_2e. This result puts Airservices on target to reach its 43 per cent reduction target by 2030 (16,863 tCO_2e).

The following greenhouse gas target characteristics apply to Airservices' emissions reduction targets:

- The aviation emissions reduction target was informed by detailed analysis and modelling of proposed benefits of improved ATM initiatives delivered by OneSKY. It was based on a 2019 (pre-COVID) model of Aircraft emissions within our FIR. This target is part of a sectoral decarbonisation approach for Aviation including the International Civil Aviation Organisation Assembly adoption of a global Long-Term Aspirational Goal for international aviation of net zero carbon emissions by 2050 in support of the United Nations Framework Convention on Climate Change Paris Agreement temperature goal.
- The 43 per cent reduction by 2030 and net zero by 2050 targets have been informed by the *Climate Change Act 2022* (Cth). It applies to Airservices' Scope 1 and Scope 2 emissions and is an absolute emissions reduction target. Reductions will be achieved through a basket of direct measures such as our Solar energy installations (in Brisbane, Melbourne, Proserpine and numerous remote locations), implementation of Hybrid Vehicles (Oshkosh Volterra Strykers) and market based means such as GreenPower electricity contracts.

Figure 4: Airservices' emissions performance



Appendix D

Compliance index

The annual report has been prepared in accordance with section 46 of the *Public, Governance, Performance and Accountability Act 2013* (PGPA) the Public, Governance, Performance and Accountability Rule 2014 and subsequent amendments, including the Public, Governance, Performance and Accountability Amendment (Annual Reporting) Rule 2019. These requirements were approved on behalf of Parliament by the Joint Committee of Public Accounts and Audit on 4 April 2019.

PGPA Rule reference	Part of report	Description	Requirement
17BE	**Contents of annual report**		
17BE(a)	Our purpose	Details of the legislation establishing the body	Mandatory
17BE(b)(i)	Our purpose	A summary of the objects and functions of the entity as set out in legislation	Mandatory
17BE(b)(ii)	Our purpose	The purposes of the entity as included in the entity's corporate plan for the reporting period	Mandatory
17BE(c)	Ministerial expectations	The names of the persons holding the position of responsible Minister or responsible Ministers during the reporting period, and the titles of those responsible Ministers	Mandatory
17BE(d)	Ministerial expectations	Directions given to the entity by the Minister under an Act or instrument during the reporting period	If applicable, mandatory
17BE(e)	Ministerial expectations	Any government policy order that applied in relation to the entity during the reporting period under section 22 of the Act	If applicable, mandatory
17BE(f)	Not applicable	Particulars of non-compliance with: (a) a direction given to the entity by the Minister under an Act or instrument during the reporting period; or (b) a government policy order that applied in relation to the entity during the reporting period under section 22 of the Act	If applicable, mandatory
17BE(g)	Annual performance statement	Annual performance statements in accordance with paragraph 39(1)(b) of the Act and section 16F of the rule	Mandatory
17BE(h), 17BE(i)	Not applicable, no reported issues to the minister	A statement of significant issues reported to the Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with finance law and action taken to remedy non-compliance	If applicable, mandatory
17BE(j)	Our Board	Information on the accountable authority, or each member of the accountable authority, of the entity during the reporting period	Mandatory
17BE(k)	Our business structure	Outline of the organisational structure of the entity (including any subsidiaries of the entity)	Mandatory
17BE(ka)	Equal Employment Opportunity Report	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) statistics on full-time employees; (b) statistics on part-time employees; (c) statistics on gender; (d) statistics on staff location	Mandatory

PGPA Rule reference	Part of report	Description	Requirement
17BE(l)	About us	Outline of the location (whether or not in Australia) of major activities or facilities of the entity	Mandatory
17BE(m)	Governance and accountability	Information relating to the main corporate governance practices used by the entity during the reporting period	Mandatory
17BE(n), 17BE(o)	Transactions with Related Parties	For transactions with a related Commonwealth entity or related company where the value of the transaction, or if there is more than one transaction, the aggregate of those transactions, is more than $10,000 (inclusive of GST): (a) the decision-making process undertaken by the accountable authority to approve the entity paying for a good or service from, or providing a grant to, the related Commonwealth entity or related company; and (b) the value of the transaction, or if there is more than one transaction, the number of transactions and the aggregate of value of the transactions	If applicable, mandatory
17BE(p)	Our performance – factors influencing performance	Any significant activities and changes that affected the operation or structure of the entity during the reporting period	If applicable, mandatory
17BE(q)	Not applicable, no judicial or administrative tribunal decisions of significant effect. See Transparency performance.	Particulars of judicial decisions or decisions of administrative tribunals that may have a significant effect on the operations of the entity	If applicable, mandatory
17BE(r)	Transparency performance	Particulars of any reports on the entity given by: (a) the Auditor-General (other than a report under section 43 of the Act); or (b) a Parliamentary Committee; or (c) the Commonwealth Ombudsman; or (d) the Office of the Australian Information Commissioner	If applicable, mandatory
17BE(s)	Not applicable, no subsidiaries	An explanation of information not obtained from a subsidiary of the entity and the effect of not having the information on the annual report	If applicable, mandatory
17BE(t)	Directors' and Officers' indemnities and insurance	Details of any indemnity that applied during the reporting period to the accountable authority, any member of the accountable authority or officer of the entity against a liability (including premiums paid, or agreed to be paid, for insurance against the authority, member or officer's liability for legal costs)	If applicable, mandatory
17BE(taa)	Board Committees	The following information about the audit committee for the entity: (a) a direct electronic address of the charter determining the functions of the audit committee; (b) the name of each member of the audit committee; (c) the qualifications, knowledge, skills or experience of each member of the audit committee; (d) information about each member's attendance at meetings of the audit committee; (e) the remuneration of each member of the audit committee	Mandatory
17BE(ta)	Remuneration Report 2025–26	Information about executive remuneration	Mandatory

Additional statutory requirements

Statutory reference	Part of report	Description
Environment Protection and Biodiversity Conservation Act 1999 (section 516A)	Environmental management and performance	Environmentally sustainable development and environmental performance update
Work Health and Safety Act 2011 (Schedule 2, Part 4)	Work health and safety performance	Health and safety outcomes achieved as a result of our initiatives
Equal Employment Opportunity Act (Commonwealth Authorities) Act 1987 (section 9)	Our equity and diversity approach	A program report with detailed analysis of the action taken to promote equal employment opportunities
Air Services Act 1995 (section 16)	Appendix A: Ministerial expectations	Ministerial directions that remain current
Air Services Act 1995 (section 17)	Our statement of intent 1 November 2025 to 30 June 2027	Notices given to Airservices under subsection (1) for the period
Air Services Act 1995 (section 18)	Not applicable, no directions issued regarding supplying a specified nominee with information	Supply of information to Minister's nominee
Air Services Act 1995 (section 51)	Not applicable, no adverse effects of non-commercial commitments	Adverse effect of non-commercial commitments
Modern Slavery Act 2018	Not applicable, Airservices reports on the risks and actions in our modern slavery statement	Risks of modern slavery in our operations and supply chains and actions to address those risks
Workplace Gender Equality Act 2012	Our Equity and Diversity Approach and our report to the Workplace Gender Equality Agency	Report containing gender equality indicators
Electoral Act 1918 (section 311A(1))	Not applicable, Airservices is not a Commonwealth Department or an Agency under the Public Service Act	Details of the amounts paid to advertising, marketing, polling, direct mail and media organisations



Appendix E

Glossary and acronyms list

Acronym	Glossary term	Definition
A2E	Ability to Execute	A suite of programs designed to build individual capabilities to drive and sustain transformational change at scale.
ACCC	Australian Competition and Consumer Commission	The national regulator responsible for enforcing competition, fair trading and consumer protection laws in Australia.
A-CDM	Airport Collaborative Decision-Making	A new way of working to improve the efficiency of airport operations and air traffic predictability through real-time data sharing between all airport stakeholders via a single information platform.
ANO	Aircraft Noise Ombudsman	The role of the ANO is to conduct independent administrative reviews of Airservices' and Defence's management of aircraft noise-related activities.
ANS	Air Navigation Service	Services that support the safe, orderly and efficient movement of aircraft, including air traffic management, communication, navigation and surveillance services.
ANSP	Air Navigation Service Provider	An organisation that provides the service of managing the aircraft in flight or on the manoeuvering area of an airport and which is the legitimate holder of that responsibility.
ARFF	Aviation Rescue Fire Fighting	A specialised emergency service providing rescue and fire fighting operations during aircraft emergencies, ensuring safety for passengers, crew, and airport infrastructure.
ATC	Air traffic control	A service provided by trained professionals that manages and directs aircraft in the air and on the ground to ensure safe and efficient movement of air traffic.
ATFM	Air traffic flow management	A service provided by Airservices Australia aimed at achieving a balance between forecast air traffic capacity and actual air traffic demand.
ATM	Air traffic management	The dynamic, integrated management of air traffic and airspace including air traffic services, airspace management and air traffic flow management – safely, economically and efficiently – through the provision of facilities and seamless services in collaboration with all parties and involving airborne and ground-based functions.
ATS	Air traffic services	Services provided to support the safe and efficient flow of air traffic, including air traffic control, flight information and alerting services.
ATSB	Australian Transport Safety Bureau	Australia's national transport safety investigator, responsible for independent investigation of aviation, marine and rail transport accidents and incidents.
CANSO	Civil Air Navigation Services Organisation	The global association representing air navigation service providers and the aviation industry.
CASA	Civil Aviation Safety Authority	Australia's aviation safety regulator responsible for civil aviation safety oversight and regulation.
CEO	Chief Executive Officer	The most senior executive responsible for management of the organisation.
CES	Community Engagement Standard	Provide a clearly defined process for engaging with the public on flightpath and airspace changes of various scope, scale and complexity.

Acronym	Glossary term	Definition
CMATS	Civil Military Air Traffic Management System	CMATS replaces the separate systems currently used by both civilian and military operations and will enable Airservices to maintain safety, while also making operations run more smoothly.
DAS	Digital Aerodrome Service	DAS is a system that uses cameras and sensors to replace traditional physical air traffic control towers, enabling remote air traffic management using a visual reproduction system.
DFAT	Department of Foreign Affairs and Trade	Australian Commonwealth Department, see **dfat.gov.au/about-us**
DPN	Draft Price Notification	A draft proposal submitted for regulatory review outlining proposed prices or charges for services.
EBITDA	Earnings before interest, tax, depreciation and amortisation	A financial performance measure used to evaluate operating profitability before financing, accounting and tax effects.
EIS	Environmental impact statement	A document assessing the potential environmental effects of a proposed project or development.
ENMP	Enterprise Network Modernisation Program	ENMP will provide greater network bandwidth, security, and resilience, enabling the introduction of new features and functionality, and a platform for future services.
ESG	Environment, social and governance	A framework used to assess an organisation's environmental, social responsibility and governance performance.
ESUP	Enterprise Security Uplift Program	A strategic initiative to position us to meet evolving national security expectations in response to heightened security threats, evolving government obligations to deliver safe and secure services for the aviation industry, and the management of data as security classified information.
EVT	Emergency Vehicle Technician	A specialist responsible for maintaining and repairing emergency response vehicles and associated equipment.
FIFO	Fly-In Fly-Out	A workforce arrangement where employees travel to a work site for a rostered period and then return home.
FIMS	Flight Information Management System	FIMS will form the basis of an enhanced air traffic system that will enable Airservices to share flight information between air traffic control, traditional aircraft, and new airspace users – ensuring crewed and uncrewed flights can operate safely together in Australian airspace.
FUA	Flexible use of airspace	An airspace management concept where airspace is not permanently designated as either civil or military, but rather used flexibly on a day-to-day basis based on user needs.
GEAP	Gender Equality Action Plan	Airservices' plan to increase gender equality, including improving representation of women in operational roles and embedding gender equality into workplace culture.
IATA	International Air Transport Association	The trade association for the world's airlines, see **iata.org/en/about**
ICAO	International Civil Aviation Organization	A United Nations agency, see **icao.int/about-icao**
ITSAP	Indonesian Transport Safety Assistance Package	A bilateral aviation safety cooperation program that supports capability building, training and knowledge sharing between Australian and Indonesian aviation organisations.
KPI	Key performance indicator	A measurable value used to assess progress towards strategic or operational objectives.
LEAP	Leadership Excellence Acceleration Program	Airservices leadership development program designed to strengthen leadership capability, accountability and trust through structured development and capability assessment.



Acronym	Glossary term	Definition
LTIFR	Lost time injury frequency rate	Lost Time Injury Frequency Rate the number of lost time injuries (LTIs) per 1,000,000 hours worked within a given reporting period and includes all work-related injuries that have resulted in one or more days/shifts' work absence.
LTOP	Long-Term Operating Plan	The framework governing runway use, noise sharing and community respite arrangements at Sydney Airport.
LTPA	Long-Term Pricing Agreement	An agreement that provides certainty of aviation service charges and supporting investment over a multi-year period.
MoU	Memorandum of Understanding	A formal, non-binding agreement outlining the intentions and responsibilities of parties working together.
NAMO	National Airspace Management Office	A collaborative civil and joint-military capability providing a Flexible Use of Airspace (FUA) management service to Australian airspace users.
NAP	Noise abatement procedure	An operational procedure designed to minimise aircraft noise impacts on surrounding communities.
NCIS	Noise Complaints and Information Service	A service that receives, investigates and responds to community enquiries and complaints regarding aircraft noise.
NFPM	Noise Flight Path Monitoring System	Airservices' system for monitoring and reporting aircraft noise and flight path information for communities, industry and government stakeholders.
NPAT	Net profit after tax	The profit remaining after all expenses, interest and taxes have been deducted from revenue.
NSPL	NiuSky Pacific Limited	The air navigation service provider for Fiji and parts of the South Pacific region.
OEMP	Operational environment management plan	A plan that outlines how operational environmental impacts will be identified, managed and monitored.
OP	Organisational Performance	The measurement and evaluation of an organisation's effectiveness in achieving its objectives.
PBN	Performance-based navigation	PBN is an international standard for aircraft navigation that relies on aircraft performance and onboard systems rather than solely on traditional ground-based navigation aids.
PCC	Pricing Consultative Committee	A stakeholder forum established to discuss pricing proposals, service levels and related matters.
PFAS	Per- and poly-fluoroalkyl substances	A group of synthetic chemicals commonly used in industrial applications and fire fighting foams.
PGPA	Public Governance, Performance and Accountability	The Australian legislative framework governing the use and management of public resources.
PNG	Papua New Guinea	An independent country located north of Australia.
POC	Project of concern	A project identified as having significant performance, schedule, cost or governance issues requiring enhanced oversight.
PRIP	Psychosocial Risk Improvement Program	An enterprise initiative designed to strengthen the identification, assessment and management of psychosocial hazards in the workplace.
PWC	Parliamentary Standing Committee on Public Works	A parliamentary committee that reviews and reports on significant Australian Government public infrastructure projects before construction proceeds.

Acronym	Glossary term	Definition
RAAF	Royal Australian Air Force	The air and space capability branch of the Australian Defence Force responsible for military aviation operations.
RPAS	Remotely Piloted Aircraft Systems	A set of configurable elements consisting of a remotely-piloted aircraft, its associated remote pilot station(s), the required command and control links and any other system elements as may be required, at any point during flight operation (as defined by ICAO).
RPT	Regular public transport	Scheduled passenger air services that operate to published timetables and are available for public booking.
SASO	Significant Attributable Safety Occurrence	A safety occurrence attributable to Airservices operations that meets established significance thresholds and is monitored as a key safety performance indicator.
SMS	Safety Management System	Airservices' framework for identifying hazards, managing safety risks, monitoring performance and driving continuous safety improvement.
SODPROPS	Simultaneous Opposite Direction Parallel Runway Operations	A runway operating method that permits aircraft movements on parallel runways in opposite directions under approved conditions.
SOE	Statement of Expectations	A document issued by the responsible Minister outlining the Government's strategic expectations for Airservices.
TOBT	Target Off-Block Time	The agreed time at which an aircraft is expected to leave its parking position and commence taxiing.
UAS	Uncrewed Aircraft System	An unmanned aircraft and the equipment to control it remotely.
UPR	User preferred route	A flight planning approach that allows operators to select the most efficient route available while meeting air traffic and airspace requirements.
USS	UAS service suppliers	An organisation that provides information and coordination services to support safe uncrewed aircraft operations.
UTM	UAS traffic management	The system used to coordinate and manage uncrewed aircraft operations within shared airspace.
VFR	Visual Flight Rules	Operating rules that require pilots to navigate and maintain separation primarily by visual reference to the surrounding environment.
VoIP	Voice over Internet Protocol	A technology that enables voice communications to be transmitted through data networks rather than traditional telephone infrastructure.
WGEA	Workplace Gender Equality Agency	Australian Government agency responsible for promoting and improving gender equality in Australian workplaces.
WHS	Work Health and Safety	The framework, legislation and practices used to protect the health, safety and wellbeing of workers and others in the workplace.
WSI	Western Sydney International	Sydney's second international airport, located in Western Sydney and scheduled to operate as a major aviation gateway.





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