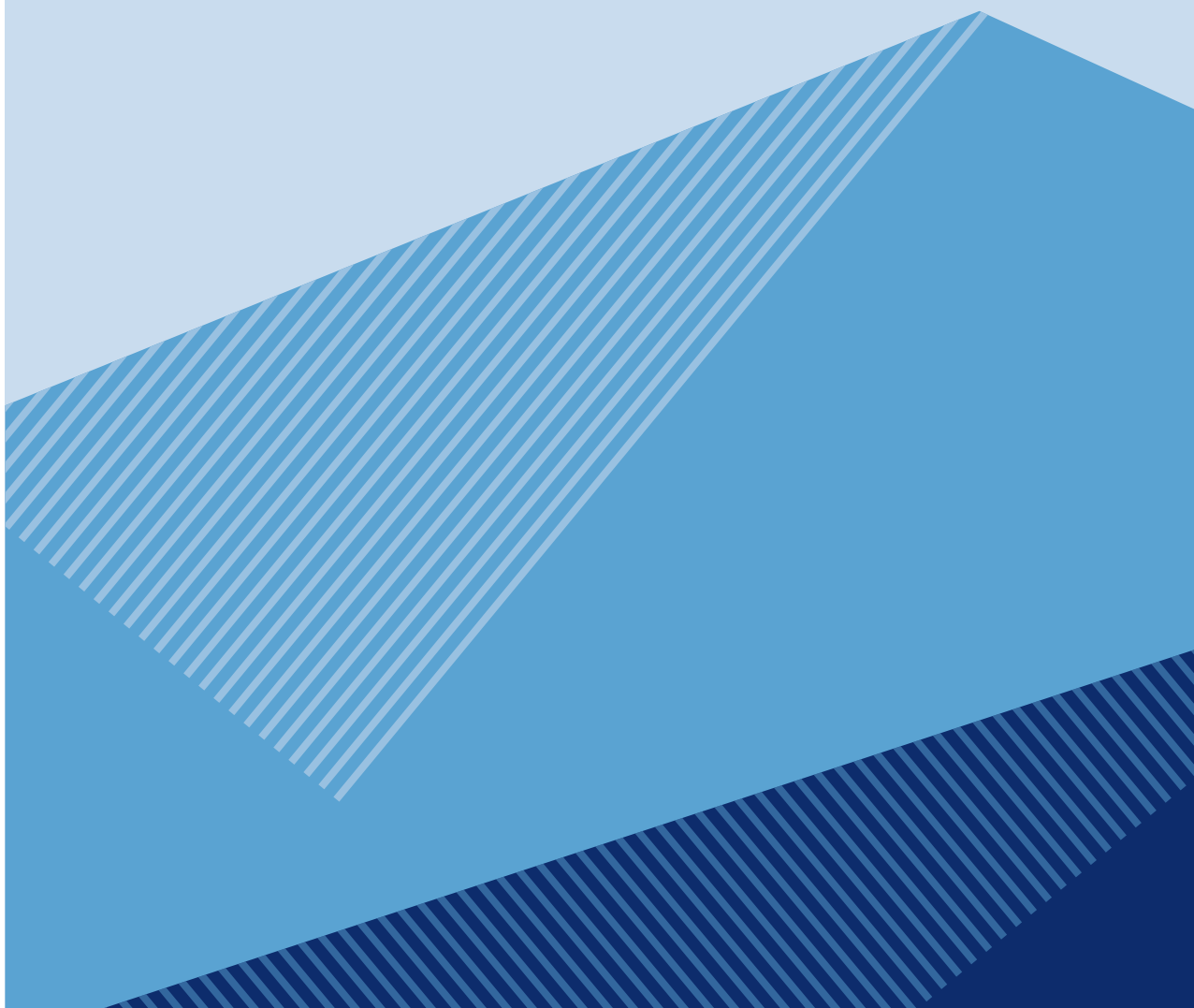
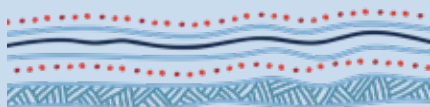


# Annual Report 2024–25

**DHA acknowledges the Traditional Owners of the land and communities in which we work. We pay our respects to Elders past, present and future.**



# Introduction

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This report is the Board of Directors' (Board) primary mechanism of accountability to the Parliament of Australia and has been prepared in accordance with the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

This report describes Defence Housing Australia's (DHA) performance against stated objectives and performance measures for the period 1 July 2024 to 30 June 2025 as set out in DHA's Corporate Plan 2024–25 to 2027–28 (Corporate Plan 2024–25) and publicly available Statement of Corporate Intent 2024–25 (<https://www.dha.gov.au/about-us/planning-and-reporting/statement-of-corporate-intent>). In accordance with section 16E(4) of the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule), the Board has chosen not to make DHA's Corporate Plan publicly available to protect DHA's commercial interests. Rather, DHA prepares and publishes a Statement of Corporate Intent annually, based on the Corporate Plan. The Statement of Corporate Intent 2024–25 provides a high-level overview of DHA's key priorities for the financial year and was published in August 2024.

## Preparation statement

This report has been prepared for the reporting period of 2024–25 and covers the financial year 2024–25 in accordance with paragraph 46(1) of the PGPA Act.

## Disclaimer

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## Contact details

DHA welcomes any feedback about this report. Please direct feedback to:

Annual Report Manager, Defence Housing Australia  
PO Box 4923, Kingston ACT 2604  
**E:** [annualreport@dha.gov.au](mailto:annualreport@dha.gov.au) **P:** 139 342  
[www.dha.gov.au](https://www.dha.gov.au)

## Link to digital report

An electronic version of this report is available at [transparency.gov.au](https://transparency.gov.au)

# Letter of transmittal

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22 September 2025

Senator the Hon Katy Gallagher  
Minister for Finance  
Parliament House  
Canberra ACT 2600

The Hon Matt Keogh MP  
Minister for Defence Personnel  
Parliament House  
Canberra ACT 2600

Dear Ministers

On behalf of the Board of Directors, I am pleased to present the Defence Housing Australia (DHA) Annual Report 2024–25 for the year ended 30 June 2025 (the report).

The report has been prepared in accordance with the *Public Governance, Performance and Accountability Act 2013*, related instruments and guidance material, including the *Public Governance, Performance Accountability Rule 2014* and Commonwealth Government Business Enterprise Governance and Oversight Guidelines.

In the Board's opinion, the report is based on properly maintained records and accurately reflects DHA's performance against the purpose and performance measures set out in DHA's Corporate Plan 2024–25 to 2027–28 and Statement of Corporate Intent 2024–25.

I trust that, while this report is primarily a mechanism of accountability to the Australian Government, it will also be a valuable source of information for the Parliament and the public about the achievements and performance of DHA for the reporting year. The report highlights how DHA is invested in supporting Defence capability and is pursuing tactical areas of reform.

I commend this report to you as a record of DHA's achievements and compliance, and request that you present it to the Parliament in accordance with section 46(1) of the PGPA Act.

Yours sincerely



**Dr Robert Lang**  
Chair

# Chair and Managing Director's Review

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We are proud to present DHA's Annual Report for 2024–25, a period marked by both significant opportunities and evolving challenges.

Our achievements in 2024–25 have only been possible through the dedication of our staff and the partnerships with the Department of Defence, Department of Finance, and with the Australian Defence Force (ADF) members that we work with and assist every day. We are committed to placing ADF members and their families at the heart of everything we do, supporting Defence capability now and into the future.

DHA has worked hard to secure quality housing for ADF members in some difficult markets. We have maintained a portfolio of our own homes, progressed a small number of developments and construction projects, and attracted new and existing investors to provide more leased housing products into our portfolio. In 2024–25 we focused on large-scale leasing arrangements where we have developed deeper engagements with industry partners to bring new homes into our leased portfolio to meet additional Defence housing demand, particularly in northern and Western Australia through the New Builds Volume Leasing Program.

It was pleasing for us to see the amazing commitment of the staff at DHA to customer service excellence. DHA implemented an uplift of our digital platforms, introducing enhanced self-service capabilities, further automating the Rent Allowance Review, and refining the Living-in-Accommodation systems. These improvements have reduced the administrative burden on ADF members, simplified interactions, and provided greater transparency throughout the housing lifecycle.

As an organisation that operates across all corners of the country, our teams have had to deal with a range of extreme weather events including Tropical Cyclone Alfred in March and flooding events in May 2025. In responding to these and many less significant disruptions, we have demonstrated our effective emergency management capability, including preparedness, safety and maintenance-related activities under challenging circumstances.

We would like to acknowledge and thank former Board members Mr Simon Lewis AO PSM and Mr Robert Fisher AM who left in April and May 2025 at the conclusion of their respective terms. The Board very much appreciated their financial management, risk management, and government experience. We wish them both well for the future.

The Board is steadfast in its commitment to good governance, transparency, and long-term sustainability, ensuring DHA remains a trusted partner to Government and a pillar of support for the Defence community.

In August 2024, Mr Barry Jackson retired as Managing Director. Mr Jackson led DHA through the implementation of a revised operating model and DHA's response to the COVID-19 pandemic. Mr Jackson had a distinguished private and public sector career, and on behalf of the DHA Board we would like to acknowledge and thank Mr Jackson for his outstanding service, leadership, and contribution to DHA, and wish him well in his retirement.

We would also like to thank Mr Brett Jorgensen for serving as Acting Managing Director from August 2024 until February 2025. His leadership helped ensure continuity of DHA's services over the Defence 2024–25 relocation period, and he continues to make a valuable contribution to the organisation.

In a world of digitisation, change, and challenging markets, one thing that sets DHA apart is the personal attention to detail and care that our staff show for ADF members and their families every day. We are pleased to report on our performance for 2024–25.



**Dr Robert Lang**  
Chair  
22 September 2025



**Andrew Jaggers PSM**  
Managing Director  
22 September 2025

# About this report

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This report is the Board's primary mechanism of accountability to the Parliament of Australia and has been prepared in accordance with legislative and parliamentary reporting requirements.

## Guide to reading

**Introduction** contains information regarding the preparation of the DHA Annual Report 2024–25, includes the Letter of Transmittal and contains a review of the 2024–25 year by the DHA Chair and Managing Director.

**Part 1** provides an overview of DHA's purpose, enabling legislation, corporate governance structure and introduces DHA's responsible Ministers, Board and staff.

**Part 2** includes information about DHA's activity throughout the reporting period.

**Part 3** contains DHA's Annual Performance Statement and a detailed assessment of DHA's performance in 2024–25.

**Part 4** contains DHA's financial statements for 2024–25.

**Part 5** details DHA's management and accountability processes, including corporate governance, external scrutiny, and workforce management.

**Part 6** contains appendices and reference information. The appendices provide supplementary information on specific areas of the business, including environmental and heritage reporting, and those required under legislation. The reference information includes a list of acronyms and abbreviations, a compliance index, a directory of DHA's services and offices, and an alphabetical index.

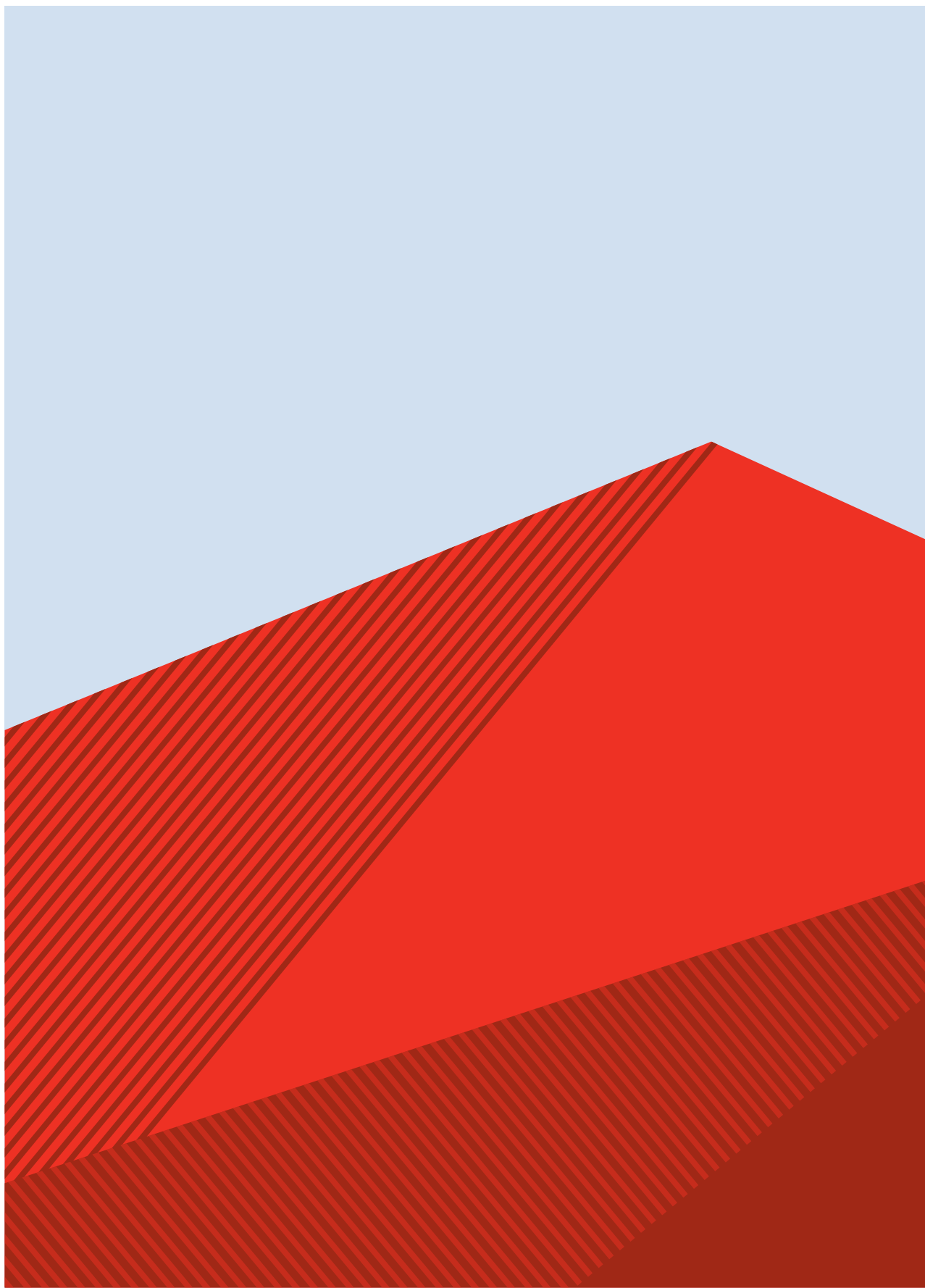


Image supplied by Department of Defence

# Contents

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|                                               |            |
|-----------------------------------------------|------------|
| <b>Introduction</b>                           | <b>i</b>   |
| <b>Part 1 – About DHA</b>                     | <b>ix</b>  |
| <b>Part 2 – 2024–25 Review</b>                | <b>9</b>   |
| <b>Part 3 – Annual Performance Statement</b>  | <b>43</b>  |
| <b>Part 4 – Financial statements</b>          | <b>61</b>  |
| <b>Part 5 – Management and Accountability</b> | <b>119</b> |
| <b>Part 6 – Appendices</b>                    | <b>135</b> |



# Part 1 About DHA

**This section provides an overview of DHA's purpose, principal legislative basis, and corporate governance arrangements.**

1



# Purpose

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**Defence Housing Australia's purpose is meeting the operational needs of the Australian Defence Force and the requirements of the Department of Defence by providing adequate and suitable housing for, and housing related services to, members of the ADF and their families.**

# Enabling Legislation

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DHA is a corporate Commonwealth entity and Government Business Enterprise (GBE) operating under the *Defence Housing Australia Act 1987* (DHA Act), the PGPA Act, and the PGPA Rule.

The DHA Act sets out DHA's functions, powers, corporate structure and delegations. The PGPA Act and its associated instruments, policies and guidance set the standards of governance, performance and accountability for Commonwealth entities and companies. The PGPA Act also imposes specific duties on DHA's Board members and officials relating to the use and management of resources.

## **Defence Housing Australia Act 1987**

The DHA Act sets out DHA's functions, powers and corporate structure. In accordance with section 5 of the DHA Act, the main function of DHA is to provide adequate and suitable housing for, and housing related services to:

- members of the Defence Force and their families
- officers and employees of the Department of Defence and their families
- persons contracted to provide goods or services to the Defence Force and their families

in order to meet the operational needs of the ADF and the requirements of the Department of Defence.

Section 6 of the DHA Act states DHA may provide housing and housing related services to non-corporate Commonwealth entities other than Defence. DHA did not provide any such services in 2024–25.

## **Public Governance, Performance and Accountability Act 2013**

The PGPA Act and its associated instruments, policies and guidance establish a coherent system of governance and accountability for Commonwealth entities and companies with an emphasis on planning, performance and reporting. The PGPA Act also imposes specific duties on DHA's Board members and officials relating to the use and management of resources.

The legislative framework applicable to DHA is extended by further legislative requirements as detailed at Appendix A – Legislative Framework.

# Corporate governance structure

---

DHA is a corporate Commonwealth entity<sup>1</sup> and applies the following corporate governance instruments and policies:

- the PGPA Rule
- the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*
- any government policy orders.

In addition, DHA is guided by the *Commonwealth Government Business Enterprises – Governance and Oversight Guidelines Resource Management Guide No. 126* (RMG 126), which provides guidance in relation to board and corporate governance, planning and reporting, financial governance, and other governance matters. DHA is also guided by other relevant Resource Management Guides (RMGs), tools and resources, which support Commonwealth entities in meeting the requirements of the PGPA Act, the PGPA Rule and related policies.

## Shareholder Ministers

The Minister for Defence Personnel, the Hon Matt Keogh MP, has portfolio responsibility for Defence Housing Australia. Under a dual shareholder model, overall responsibility for Defence Housing Australia is exercised jointly by the Minister for Finance, Senator the Hon Katy Gallagher and the Hon Matt Keogh MP.



Minister for Finance  
**Senator the Hon Katy Gallagher**



Minister for Veterans' Affairs  
and Defence Personnel  
**The Hon Matt Keogh MP**

---

<sup>1</sup> A corporate Commonwealth entity is a body corporate, established by a law of the Commonwealth but legally separated from it. Corporate Commonwealth entities can act in their own right and exercise certain legal rights such as entering into contracts and owning property.

## **Ministerial directions and policy orders**

DHA did not receive any new ministerial directions or policy orders in 2024–25.

## **Advisory Committee**

The DHA Advisory Committee is established by section 27 of the DHA Act and provides advice and information to DHA about the performance of DHA's functions. The Advisory Committee has no executive powers or decision-making authority in relation to the operations of DHA. However, it may bring to the attention of the DHA Board or the Managing Director any matter which it considers requires attention.

The members of the Advisory Committee include:

- Brigadier Leigh Wilton AM, Chair and DHA Board member
- Mr Andrew Jaggars PSM, DHA appointee
- Rear Admiral Matthew Buckley AM CSC RAN, Deputy Chief of Navy
- Major General Chris Smith DSC AM CSC, Deputy Chief of Army
- Air Vice-Marshal Harvey Reynolds AM, Deputy Chief of Air Force
- Ms Charlotte Webb, Defence Family Advocate.

## **Board of Directors**

A Board of Directors is established in accordance with Part III of the DHA Act and is the Accountable Authority for DHA under the PGPA Act. The Board is responsible for the proper and efficient performance of DHA's functions.

The Board makes decisions on organisational direction and strategy, which are articulated through DHA's Corporate Plan and Statement of Corporate Intent.

## **Board members**

Directors are appointed by the Minister for Defence, or their delegate, except the Secretary of the Department of Finance's nominee who is appointed by the Minister for Finance, and the Managing Director who is appointed by the Board.

In accordance with section 12 of the DHA Act, the DHA Board consists of:

- the Chair
- a nominee of the Secretary of Defence
- a nominee of the Secretary of Finance
- a nominee of the Chief of the Defence Force
- the Managing Director
- four commercial members.

## Board committees

The Board established four committees to assist in the discharge of its duties. The Board and each of its committees has a charter that sets out its purpose, composition and meeting and administrative arrangements. The Board considers the composition of committees periodically. The committees are:

- Board Audit and Risk Committee
- Property and Services Committee
- Nomination and Remuneration Committee
- People and Culture Committee.

For further information refer to Appendix B: Board Committees and meeting attendance.

## Board members as at 30 June 2025



### Dr Robert Lang – Chair

Dr Lang was appointed to the board as a commercial director in October 2023, and as Acting Chair in February and May 2024. He was appointed as the Chair in November 2024 for a three-year term. He has over 35 years' experience in local and state governments including as the Chief Executive Officer of Parramatta City Council, the Sydney Harbour Foreshore Authority and Pacific Power. He is currently the Chair of Olympus Solutions and Ability Options, and sits on the boards of Evolve Housing, and the Sydney Festival. Dr Lang is also an Adjunct Professor at the University of Western Sydney School of Business.

Dr Lang has a longstanding interest in liveable cities, affordable housing, social inclusion and the arts. He holds postgraduate qualifications in Engineering, Information Technology and Business Management, and is a Fellow of the Australian Institute of Company Directors and a Fellow of the Institute of Engineers Australia. He is an expert on government and stakeholder relations, corporate governance and change management.



### Brigadier Leigh Wilton AM – Director

Brigadier Wilton was appointed to the Board as the nominee of the Chief of the Defence Force in December 2019. She graduated from the Royal Military College to the Royal Australian Army Ordnance Corps in 1991. Her early appointments included regimental and staff positions as a supply officer and as a project manager. Her command experience includes a posting as the Officer Commanding Supply Company, 7th Combat Service Support Battalion and the inaugural Commanding Officer/Chief Instructor of the Army School of Ordnance. Brigadier Wilton has held a range of staff appointments at both Lieutenant Colonel and Colonel. She has held positions as the Senior Officer Manager within the Career Management Agency, directing staff at both the Australian Command and Staff College and the Centre for Defence

and Strategic Studies, and as the Chief of Staff for Headquarters 633 – Afghanistan and Chief of Staff for Army Headquarters. Brigadier Wilton was appointed as the Director General Personnel – Army in 2016. In this role she also held the appointment as Deputy Head Army People and was recognised for her work by being awarded the Member of the Order of Australia (AM) on the Queen's Birthday 2018. In 2019 Brigadier Wilton was appointed as the Director General Career Management – Army. In March 2022, Brigadier Wilton transferred to the Australian Army Reserve.



### **Ms Andrea Galloway – Director**

Ms Galloway was appointed to the Board as a commercial director in November 2016 and reappointed in November 2019, November 2022 (3-month extension), and February 2023. She has over 30 years of executive management experience for national and multinational commercial organisations, including leading Spherion, Lucent Technologies and AT&T in the Asia Pacific and South Pacific. She was Managing Director of Evolve Housing, one of Australia's largest community housing providers, from 2011–2019. Most recently she was the CEO of Coleman Greig Lawyers. In 2014, she was awarded the Australian Telstra Businesswoman of the Year and the NSW Telstra Businesswoman of the Year for Innovation.



### **Ms Gai Brodtmann – Director**

Ms Brodtmann was appointed to the board as a commercial director in February 2021 and reappointed in February 2024. She is a board member of the Museum of Australian Democracy at Old Parliament House, chair of the Australian Strategic Policy Institute, co-founder and chair of Fearless Women, and a distinguished advisor at the National Security College. Ms Brodtmann is also a regular presenter and panellist on national security, public policy and women's leadership.

Elected as the Member for Canberra from 2010–2019, Ms Brodtmann served as Shadow Parliamentary Secretary for Defence from 2013–2016 and Shadow Assistant Minister for Cyber Security and Defence from 2016–2019. She also served on various committees, including the Joint Standing Committee on Foreign Affairs, Defence and Trade and Joint Committee of Public Accounts and Audit.

Prior to her political career, Ms Brodtmann was a small business owner from 2000–2010 and non-executive director, and a federal public servant, mostly with the Department of Foreign Affairs and Trade and the Attorney-General's Department from 1990–2000.



### **Ms Monique Hamilton PSM – Director**

Ms Hamilton was appointed to the Board as the nominee of the Secretary of Defence in August 2023. She has extensive experience in service delivery across government with the Health Insurance Commission, Services Australia and the Department of Defence. Ms Hamilton is the First Assistant Secretary, Group Operations where she is responsible for oversight of the Defence Digital Group's (DDG) central functions and driving the consistency and efficiency of the DDG business to ensure a focus on core ICT capabilities. Her prior role was as the First Assistant Secretary, Service Delivery where she managed the large-scale delivery of corporate and essential on-the-ground services to sustain the Defence estate and support personnel across Australia.

On 10 June 2024 Ms Hamilton's achievements were recognised in The King's Birthday 2024 Honours List (Meritorious Awards). She was awarded a Public Service Medal (PSM) for her outstanding public service in delivering significant and enduring reform in project and contract management.



### **Mr Andrew Jagers PSM – Managing Director**

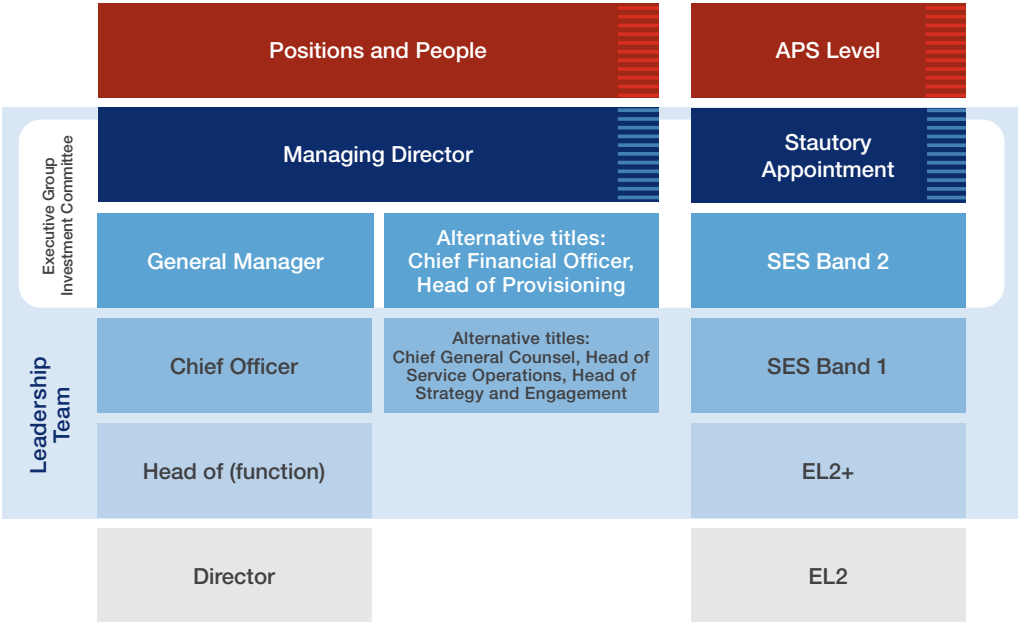
Mr Andrew Jagers PSM commenced as Managing Director at DHA in February 2025. Prior to this appointment, he served as the Deputy Secretary of Business Enabling Services at the Department of Finance, following a six-year tenure as the Deputy Secretary of the Commercial Group.

Mr. Jagers has a proven track record in delivering significant property projects and was awarded a Public Service Medal (PSM) in 2023 for his work supporting the Australian Government response to the COVID-19 pandemic.

## Executive Management

The Executive is accountable for leading, planning and managing DHA’s operations, activities and performance in achieving DHA’s purpose and objectives. Figure 1.1 outlines the internal organisational structure at DHA.

**FIGURE 1.1:** Internal organisational structure



### Executive Group as at 30 June 2025



Left to right: Mr Paul Groenewegen, Chief Financial Officer, Mr Shane West, Acting Head of Provisioning, Ms Lisa Barlin, Acting General Manager People and Compliance, Mr Andrew Jaggars PSM, Managing Director, Mr Brett Jorgensen, General Manager Service Delivery

### Executive Group and Investment Committee

The Managing Director established an Executive Group and other executive and national committees as needed to assist them in the discharge of their duties. Each Committee is governed by a charter or terms of reference that set out its purpose, composition, and meeting and administrative arrangements.

**TABLE 1.1:** Executive and national committees 2024–25

| Committee             | Role                                                                                                                                                                                                                                                                                       | Members                                                                                                                                   |
|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| Executive Group       | The Executive Group focuses on advancing matters of strategic significance, including but not limited to resource allocation, implementation of Board priorities and delivery of Corporate Plan objectives.                                                                                | Managing Director, Chief Financial Officer, Head of Provisioning, General Manager People and Compliance, General Manager Service Delivery |
| Investment Committee  | This committee review and decides on major internal and external investment opportunities and provisioning decisions that support Defence’s objectives and force posture, DHA’s property portfolio and long-term sustainability.                                                           | Managing Director, Chief Financial Officer, Head of Provisioning, General Manager People and Compliance, General Manager Service Delivery |
| IT Steering Committee | Provides strategic-level oversight of the Technology Refresh program to assure delivery of the required capability within the agreed timeframes, continued alignment of the program roadmap with corporate objectives, and realisation of intended benefits from the program’s activities. | Head of Strategy and Engagement (Chair)<br>Executive Group                                                                                |

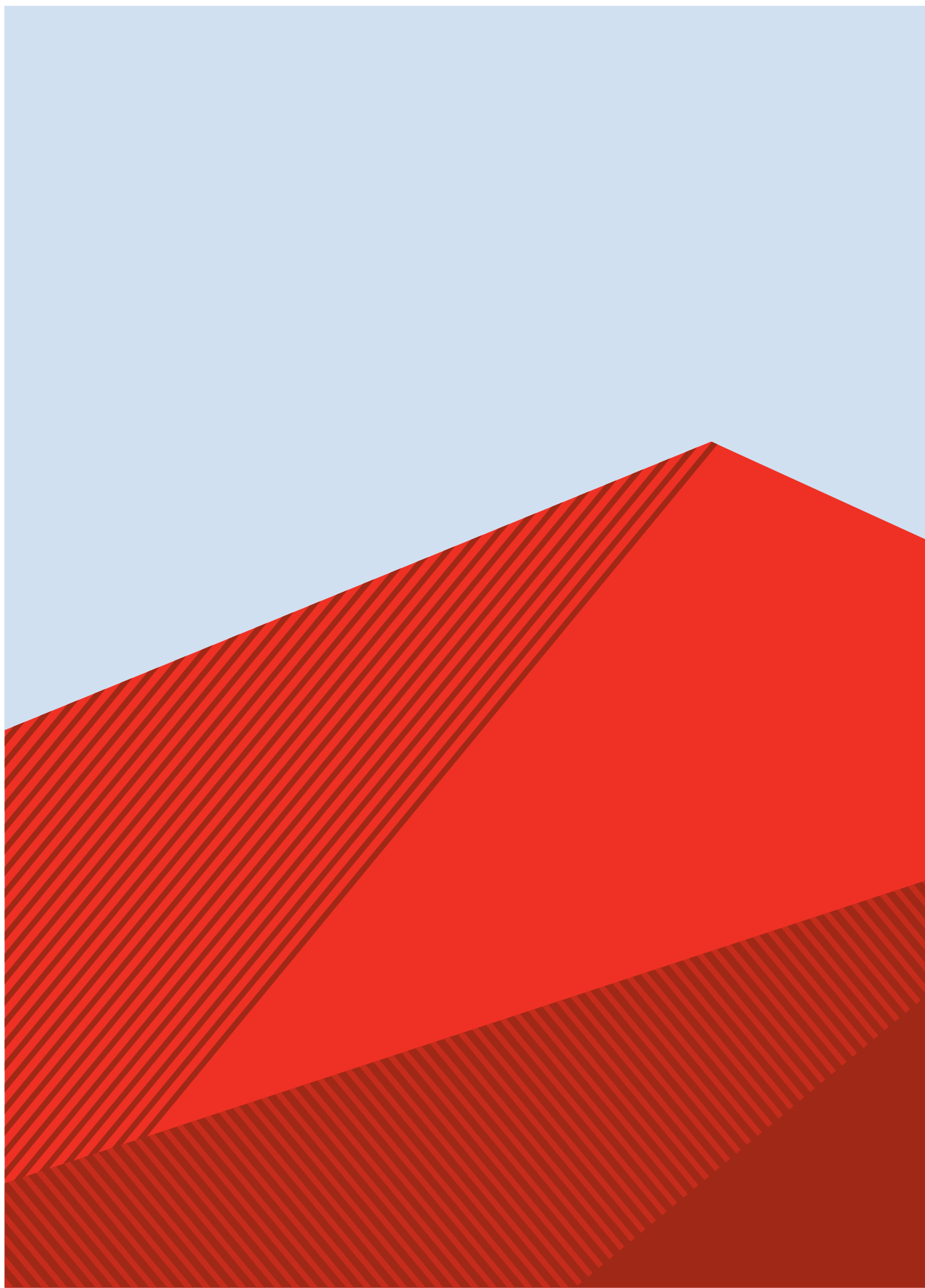
Note

1. Excludes committees and groups that have governance oversight of projects or programs.

### Staff

An efficient, capable, and high performing workforce is critical to the achievement of DHA’s purpose. DHA is proud of its people, especially the dedicated, customer-facing staff located across the country, who provide a personal touch to ensure Defence members and their families experience a smooth housing journey, no matter where they are posted.

As at 30 June 2025, DHA employed 630 staff across Australia. More information about DHA’s workforce can be found in the Workforce Management section within *Part 5: Management and Accountability* and *Appendix C – Workforce statistics*.



Part 2  
2024–25  
Review

2

# Summary of DHA activity and performance for 2024–25

The DHA Corporate Plan 2024–25 objectives are to **provide adequate and housing related services**, and **provide value to shareholders**.



17,353

Properties



16,139

Rent Allowance



103,139

Living-in-Accommodation bookings



6,605

Housing allocations

| DHA Objectives |                                                                                | Performance Measure                                                                                   | 2024–25 Result | Target    | Achieved |
|----------------|--------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|----------------|-----------|----------|
|                | <b>1. Aligned housing solutions through customer centric operating model</b>   | ADF member satisfaction with housing solutions                                                        | 82%            | ≥ 80%     | ✓        |
|                |                                                                                | ADF member customer service satisfaction                                                              | 83%            | ≥ 85%     | -        |
|                |                                                                                | DHA is a trusted adviser                                                                              | Achieved       | Achieved  | ✓        |
|                | <b>2. Build an agile and scalable housing capability</b>                       | Provisioning of housing solutions to the Approved Provisioning Schedule                               | 101%           | ≥ 99%     | ✓        |
|                | <b>3. Commitment to environmental, social, and governance (ESG) excellence</b> | Maintain validity against International Organisation for Standardisation Quality Management (ISO9001) | Certified      | Certified | ✓        |
|                |                                                                                | Employee engagement index                                                                             | 73%            | ≥ 70%     | ✓        |
|                | <b>4. Fiscal responsibility and long-term financial stability</b>              | Return on equity                                                                                      | 1.4%           | 3%        | -        |

These additional indicators highlight DHA's **financial activity over 2024–25**:

\$270m

Total borrowings

\$239.6m

Debt headroom

\$23.9m

Net profit after tax

0.5

Current ratio

# 2024–25 Review

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Throughout its 37 years, DHA has transformed the quality of the housing provided to accommodate ADF members and their families, and expanded the range and quality of services provided to them and to DHA's partner investors and suppliers.

With Defence's objective to substantially grow the ADF, DHA is preparing to play a larger role in supporting the housing requirements of Defence and the ADF. This includes ensuring ADF members have a positive experience as they seek to access housing either through DHA or directly from tight rental housing markets.

In 2024–25, DHA's strategic drivers included a focus on growing its portfolio to meet Defence's changing requirements, aligning with member preferences, and navigating evolving housing markets and technology change. In addition, DHA responded to societal expectations on ESG, and took steps to address the necessary financial arrangements that will sustain DHA's support for Defence's housing needs into the future. These drivers underpin DHA's four strategic objectives as outlined in the Statement of Corporate Intent 2024–25.

**FIGURE 2.1:** DHA Strategy, DHA Statement of Corporate Intent 2024–25

## DHA’s Purpose

DHA’s purpose is meeting the operational needs of the Australian Defence Force and the requirements of the Department of Defence by providing adequate and suitable housing for, and housing related services to, members of the ADF and their families.

### Strategic Objectives

DHA has built its strategy around four objectives to achieve its purpose, with consideration to the strategic drivers.

| Strategic Objectives                                                                |                                                                                | Outcomes                                                                                                                                                            |
|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    | <b>1. Aligned housing solutions through customer centric operating model</b>   | Reorient our operating model and leverage technology to deliver future housing needs which align to the preferences of members and their families.                  |
|                                                                                     |                                                                                | Expand our strategic engagement with stakeholders within the Department of Defence and industry participants.                                                       |
|  | <b>2. Build an agile and scalable housing capability</b>                       | Agree and formalise future housing needs with Defence to ensure certainty in housing supply.                                                                        |
|                                                                                     |                                                                                | Future-ready scalability in housing solutions which are responsive to changes in market conditions and investor sentiment.                                          |
|  | <b>3. Commitment to environmental, social, and governance (ESG) excellence</b> | Embed ESG into our everyday approach in support of Government objectives.                                                                                           |
|  | <b>4. Fiscal responsibility and long-term financial stability</b>              | Ensure DHA represents strong value for money for Government and is able to support the long-term portfolio objectives for Defence and the Australian Defence Force. |

DHA considered six strategic drivers in developing the Corporate Plan 2024–25 to 2027–28, and Statement of Corporate Intent 2024–25:

**Defence’s needs are changing at a rapid rate**

The ADF is set to grow by 30% by 2040, requiring 2,000 new homes by 2028, especially in strategic regions like Northern and Western Australia. DHA aims to expand its portfolio to meet these needs, supported by legislative, policy, and funding changes.

**Defence members and their families’ preferences are changing**

ADF members and their families are leaning towards flexible housing solutions and digital self-service options. DHA is committed to supporting policy changes and investing in technologies to enhance member satisfaction.

**Housing markets constantly evolve**

Continuing high property prices and low supply adds pressure to DHA’s ability to provide housing in a cost-efficient manner.

**DHA intends to keep pace with technological change**

The Australian Government’s 2030 Data and Digital Strategy aims for secure, connected public services. DHA is investing in technology to provide a seamless digitally-enabled experience for Defence members.

**Responding to societal and community expectations on ESG**

DHA continues to develop and integrate Environment, Social and Governance (ESG) considerations into its operations, aligning with government policies like the Australian Public Service (APS) Net Zero Emission target for 2030.

**Addressing funding model constraints**

DHA’s operations are funded through the rents, fees, and other revenues associated with the provision of its housing. DHA is exploring financing options to support its future housing provision into the long-term on a sustainable basis.

# Defence Housing Environment

---

The Defence Workforce Plan 2024–2034, released on 5 November 2024, and the National Defence Strategy 2024 indicate Defence’s objective to increase the number of serving personnel to 80,000 by 2040. This is a key reference point for DHA as it considers the additional housing that will be needed to accommodate and support an expanding ADF and Defence needs.

To better understand Defence’s operational and client needs, DHA considers housing to contribute to several specific Defence policy outcomes, including:

- **Preparedness**, which relates to housing’s contribution to supporting operational readiness and deployment flexibility. This is achieved through the provision of accommodation in the right place, at the right volume, at the right time, as agreed with Defence in the Approved Provisioning Schedule. Refer to the “operating model” section for further information on how the Approved Provisioning Schedule is determined by Defence and DHA.
- **Recruitment and retention**, in which housing can be considered as a non-remuneration employment benefit for permanent ADF members and their families. While it has a large impact, housing is not the only factor influencing employee value proposition for the ADF.
- **Wellbeing**, for which “home and housing” that is stable and safe is one of the nine factors set out in Defence and Department of Veterans’ Affairs’ Aligned Wellbeing Factors.

The availability of housing benefits is crucial to the retention of ADF members, with 73 per cent<sup>2</sup> stating its importance in their decision to remain in the Defence Force. This underscores the key role that housing plays in supporting Defence recruitment and retention goals. Its importance was also recognised as an important driver of retention and morale in comparable Defence forces, notably in the 2025 UK Strategic Defence Review.

Defence’s operational and client needs into the future are described in the Defence Strategic Review 2023, and National Defence Strategy 2024.

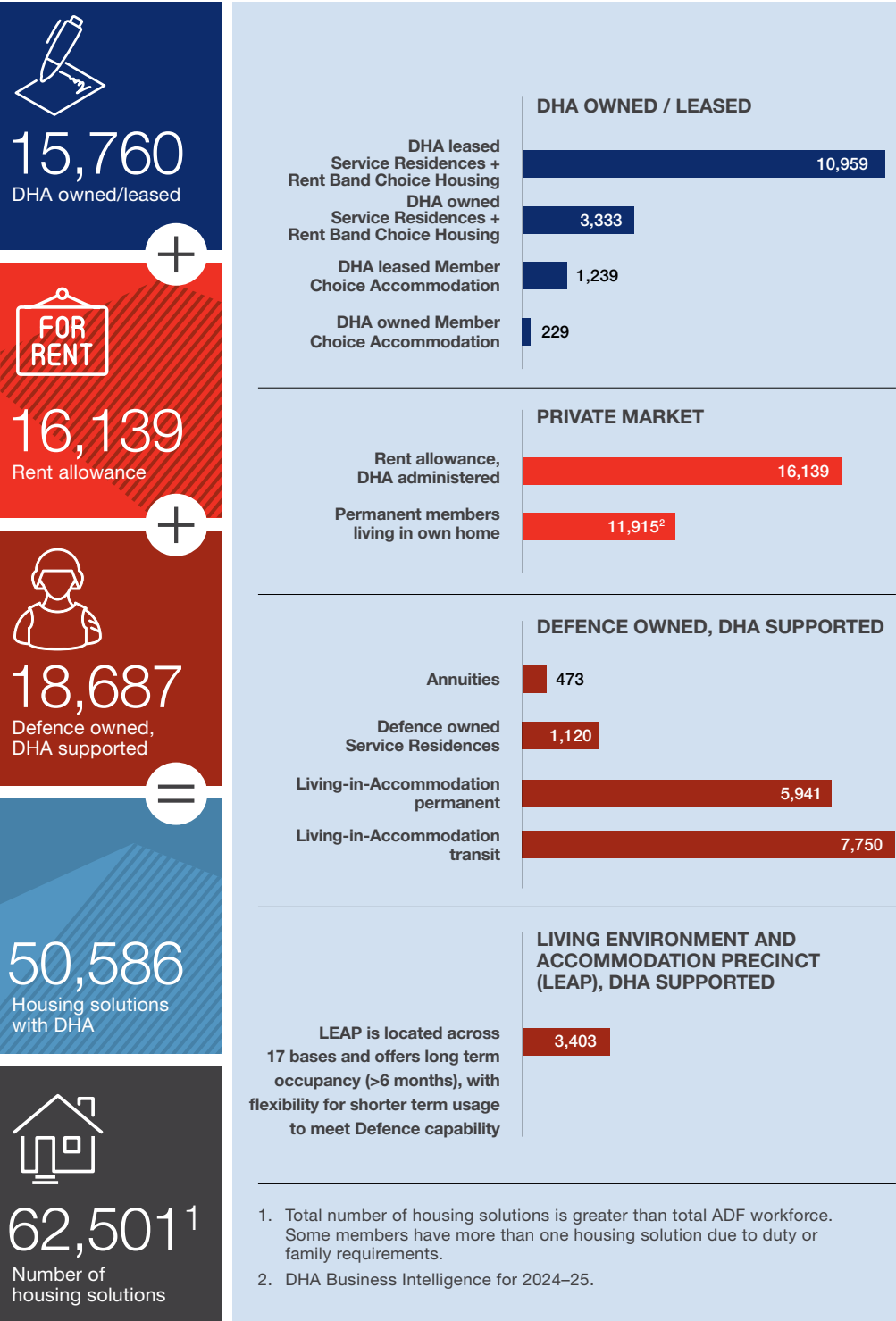
DHA continues to play a pivotal role in providing high-quality housing solutions tailored to the needs of Defence members and their families. By partnering with private investors and managing a significant leased property portfolio, DHA ensures reliable, well-located accommodation options across Australia.

DHA’s role includes the provision of housing solutions owned or leased directly by DHA, as well as managing Defence-owned properties, managing bookings for Living-in-Accommodation (permanent and transit), and administering ADF member rent allowance entitlements on behalf of Defence. DHA contributes in some way to the delivery of 80 per cent of the housing solutions provided to members and their families by Defence.

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2 73 per cent of respondents from DHA’s 2025 Annual Occupant Survey.

**FIGURE 2.2:** Overview of housing solutions available on and off base

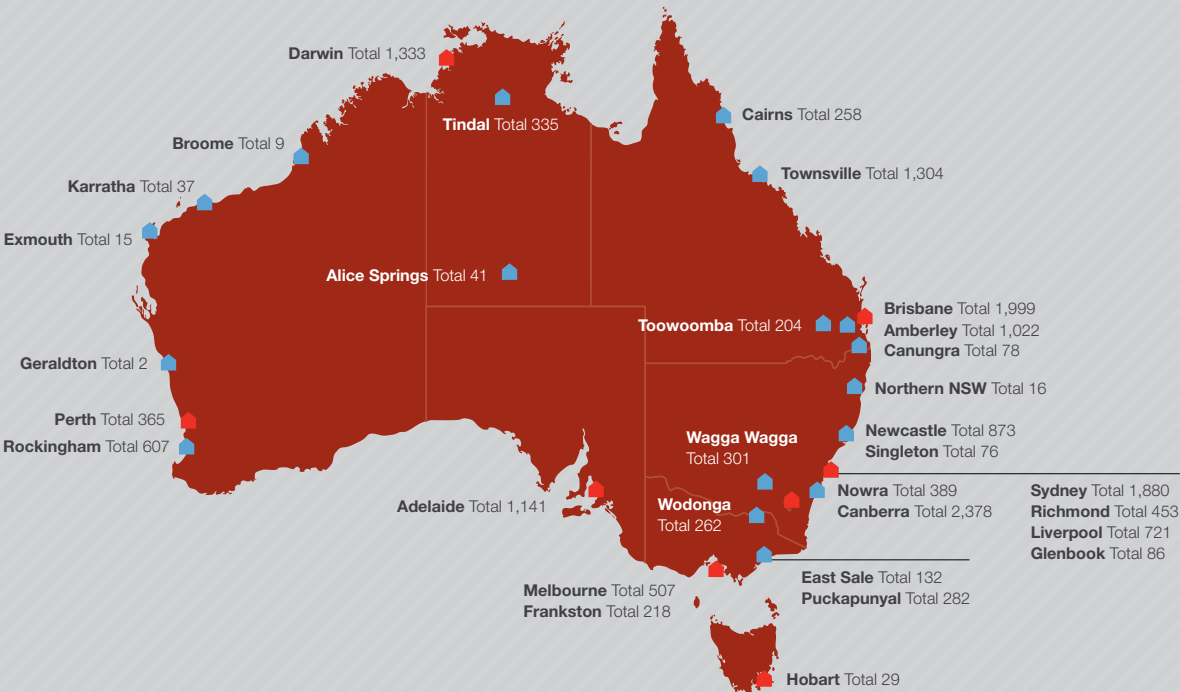


DHA's activities span from negotiating and managing long-term leases, maintaining properties, and working closely with builders, developers, and industry partners to continually expand and improve housing offerings. In 2024–25, DHA refined its sourcing strategies in response to changing Defence requirements, supporting operational readiness and offering diverse, fit-for-purpose homes for Defence personnel. Through these activities, DHA supports both the operational demands of Defence and the broader well-being of the Defence community.

As at 30 June 2025, DHA managed 17,353 properties located across Australia, including in all capital cities, major regional centres and in remote areas where the ADF has a presence. This is broken down between 15,885 housing solutions for ADF Accompanied Resident Families, and 1,468 Unaccompanied Resident Families. Figure 2.3 outlines the number of properties in each location.



**FIGURE 2.3:** National housing portfolio 30 June 2025



**NT**

**Darwin**

Service residences: 1,153  
Member Choice  
properties: 180

**Tindal**

Service residences: 335

**Alice Springs**

Service residences: 41

**QLD**

**Amberley**

Service residences: 957  
Member Choice  
properties: 65

**Brisbane**

Service residences: 1,777  
Member Choice  
properties: 222

**Cairns**

Service residences: 222  
Member Choice  
properties: 36

**Townsville**

Service residences: 1,206  
Member Choice  
properties: 98

**Toowoomba**

Service residences: 204

**Canungra**

Service residences: 78

**NSW**

**Newcastle**

Service residences: 810  
Member Choice  
properties: 63

**Sydney**

Service residences: 1,716  
Member Choice  
properties: 164

**Richmond**

Service residences: 421  
Member Choice  
properties: 32

**Liverpool**

Service residences: 717  
Member Choice  
properties: 4

**Glenbrook**

Service residences: 86

**Singleton**

Service residences: 76

**Nowra DHF**

Service residences: 381  
Member Choice  
properties: 8

**Northern NSW**

Service residences: 16

**Wodonga**

Service residences: 262

**Wagga Wagga**

Service residences: 300  
Member Choice  
properties: 1

**Vic**

**Melbourne**

Service residences: 485  
Member Choice  
properties: 22

**Frankston**

Service residences: 216  
Member Choice  
properties: 2

**East Sale**

Service residences: 132

**Puckapunyal**

Service residences: 282

**SA**

**Adelaide**

Service residences: 956  
Member Choice  
properties: 185

**ACT**

**Canberra**

Service residences:  
2,126  
Member Choice  
properties: 252

**Tas**

**Hobart**

Service residences: 29

**WA**

**Perth**

Service residences: 321  
Member Choice  
properties: 44

**Geraldton**

Service residences: 2

**Exmouth**

Service residences: 15

**Karratha**

Service residences: 37

**Broome**

Service residences: 9

**Rockingham**

Service residences: 517  
Member Choice  
properties: 90

**Note**

1. Total portfolio managed by DHA includes properties owned and leased by DHA, owned by Defence and annuity properties.

# DHA housing strategies

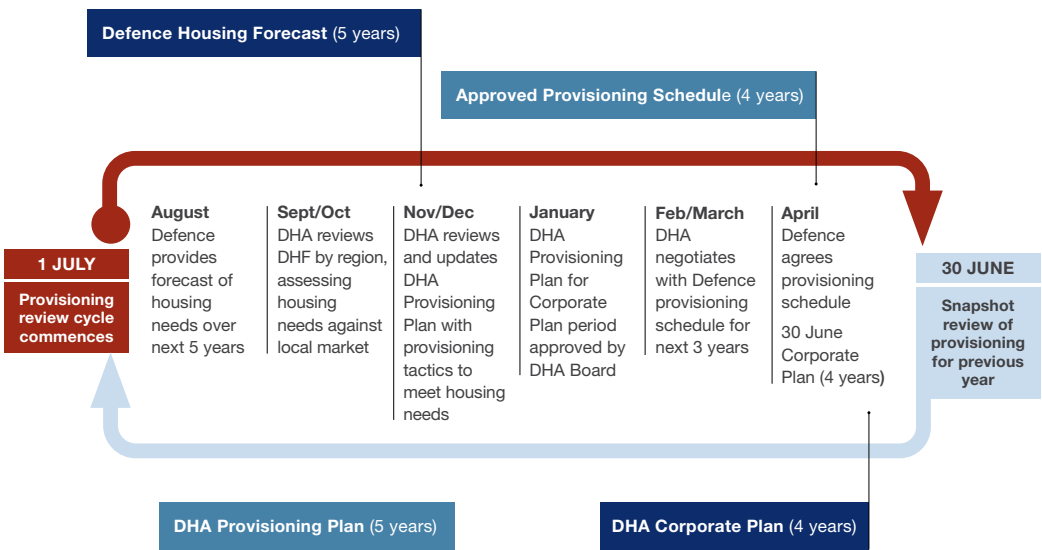
DHA provides properties to house ADF members and their families in accordance with Defence policy, guided by Defence’s forecast (DHF) of housing needs in each region.

The DHF details a five-year forecast of regional housing requirements for ADF members and their families, and is reviewed annually to adjust and confirm requirements. The DHF serves as the principal information source of DHA’s portfolio planning activities.

DHA undertakes extensive portfolio management activities, facilitated by a whole of business approach (refer to Figure 2.4). This annual planning process results in the Approved Provisioning Schedule, agreed by Defence in April and commencing the following July. By agreement with Defence, DHA aims to provide at least 99 per cent of properties in the Approved Provisioning Schedule.

DHA supports ADF members and their families finding a suitable DHA home in their posting location, based on their eligibility for housing solutions and services as determined by Defence housing policy. Housing solutions provided to ADF members and their families are based on factors including posting location, rank, family composition and other relevant circumstances.

**FIGURE 2.4:** Annual housing planning cycle





## Housing summary

In 2024–25, DHA met demand from ADF members and their families for housing, and provided additional housing capacity in preparation for the anticipated growth in ADF personnel, providing housing to the extent of 101% of the Approved Provisioning Schedule. Housing numbers were expanded to meet future needs and ensure housing certainty over the Corporate Plan period, with total portfolio growth of 249 dwellings across all of the Service Residence, Rent Band Choice and Member Choice Accommodation portfolios.

## Property type, amenity and location

ADF members live in Service Residences (including Rent Band Choice Housing), Member Choice Accommodation, their own home, in homes rented through the private rental market, or on base in Defence-managed accommodation. DHA provides Service Residences, Rent Band Choice Housing or Member Choice Accommodation to eligible ADF members and their families.

Figure 2.5 shows the housing demographic profiles for Service Residence, Rent Band Choice Housing, and Member Choice Accommodation.

FIGURE 2.5: Housing demographic profiles

DHA  
housing  
profiles



SERVICE  
RESIDENCE 84%

**14,490**



RENT BAND  
CHOICE HOUSING 8%

**1,395**



MEMBER'S CHOICE  
ACCOMMODATION 8%

**1,468**

|             |                  |                                                                                                                                                                                                                                      |            |              |
|-------------|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--------------|
| HOUSING     | <br>HOUSE        | <b>12,487</b>                                                                                                                                                                                                                        | <b>241</b> | <b>52</b>    |
|             |                  | 86%                                                                                                                                                                                                                                  | 17%        | 4%           |
|             | <br>TOWNHOUSE    | <b>1,997</b>                                                                                                                                                                                                                         | <b>432</b> | <b>196</b>   |
|             |                  | 14%                                                                                                                                                                                                                                  | 31%        | 13%          |
|             | <br>APARTMENT    | <b>6</b>                                                                                                                                                                                                                             | <b>722</b> | <b>1,220</b> |
|             |                  | <1%                                                                                                                                                                                                                                  | 52%        | 83%          |
| FEATURES    | <br>BEDROOMS     | <b>4</b>                                                                                                                                                                                                                             | <b>3</b>   | <b>2</b>     |
|             |                  | Median Number of Bedrooms                                                                                                                                                                                                            |            |              |
|             | <br>BATHROOMS    | <b>2</b>                                                                                                                                                                                                                             | <b>2</b>   | <b>1</b>     |
|             |                  | Median Number of Bathrooms                                                                                                                                                                                                           |            |              |
|             | <br>WORKPLACE    | <b>11.7</b>                                                                                                                                                                                                                          | <b>8.9</b> | <b>9.1</b>   |
|             |                  | Median km to Workplace                                                                                                                                                                                                               |            |              |
| ELIGIBILITY | <br>SUITABLE FOR | <ul style="list-style-type: none"><li>Members with resident family accompanied</li><li>Members with resident family unaccompanied</li><li>Members with no resident family</li></ul>                                                  |            |              |
|             |                  | <ul style="list-style-type: none"><li>Members with resident family unaccompanied</li><li>Members with no resident family</li><li>Members with resident family accompanied, when no suitable Service Residence is available</li></ul> |            |              |
|             |                  | <ul style="list-style-type: none"><li>Members with resident family unaccompanied</li><li>Members with no resident family</li><li>Members with resident family accompanied, when no suitable Service Residence is available</li></ul> |            |              |
|             |                  | <ul style="list-style-type: none"><li>Members with resident family unaccompanied</li><li>Members with no resident family</li><li>Members with resident family accompanied, when no suitable Service Residence is available</li></ul> |            |              |

**Service Residences**

Service Residences must comply with Defence standards in terms of location and amenity. Depending on their location, Service Residences are either classified by market rent (known as rent bands) or by property amenity. In accordance with Defence policy, Service Residences are generally no more than 30 kilometres from the base or establishment where the ADF member works.

**Rent Band Choice Housing**

DHA's portfolio includes a portion of properties categorised as Rent Band Choice Housing. These properties include inner-city apartments and townhouses that do not meet the Service Residence requirements. ADF members and their families typically choose to live in these properties because the location and proximity to amenity suits their lifestyle.

The Service Residence and Rent Band Choice Housing portfolio closing balance was 15,885, exceeding the Approved Provisioning Schedule target of 15,681 dwellings by 204 and represented annual growth of 196 Service Residences and eight Rent Band Choice Housing.

The better than anticipated result was achieved primarily through leasing. In addition, the first properties generated through the Strategic Provisioning initiatives entered the portfolio.

For full results for the Service Residence and Rent Band Choice Housing portfolio please refer to Table 2.1.

**TABLE 2.1:** National Service Residence and Rent Band Choice Housing portfolio performance as at 30 June 2025

|                              | Actual<br>2024–25 | Approved Provisioning<br>Schedule 2024–25 | Variance |
|------------------------------|-------------------|-------------------------------------------|----------|
| Opening balance 1 July 2024  | 15,689            | 15,667                                    | 22       |
| Total additions              | 2,685             | 2,369                                     | 316      |
| Total subtractions           | 2,489             | 2,355                                     | -134     |
| Closing balance 30 June 2025 | 15,885            | 15,681                                    | 204      |

**Member Choice Accommodation**

DHA's Member Choice Accommodation properties offer eligible ADF members an attractive alternative to renting privately. Benefits include a simple move-in move-out process with no bond or rent in advance required. Eligible ADF members may also share Member Choice Accommodation properties with other eligible ADF members.

The Member Choice Accommodation portfolio closing balance was 1,468 properties, exceeding the Approved Provisioning Schedule goal of 1,460. This represented annual growth of 53 Member Choice Accommodation properties. With low levels of vacancy across the portfolio, an opportunity exists to increase the Member Choice Accommodation numbers above targets to assist Defence in the housing of single members.

For full results for the Member Choice Accommodation portfolio, please refer to Table 2.2.

**TABLE 2.2:** National Member Choice Accommodation portfolio performance 30 June 2025

|                              | Actual<br>2024–25 | Approved Provisioning<br>Schedule 2024–25 | Variance |
|------------------------------|-------------------|-------------------------------------------|----------|
| Opening balance 1 July 2024  | 1,415             | 1,423                                     | -8       |
| Total additions              | 357               | 347                                       | 10       |
| Total subtractions           | 304               | 310                                       | -6       |
| Closing balance 30 June 2025 | 1,468             | 1,460                                     | 8        |

## Portfolio ownership type

Ownership of DHA's portfolio is segmented into four categories:

### Leased

The majority of the portfolio is owned by private landlords and leased to DHA. This enables DHA to manage its portfolio in a flexible and sustainable manner.

### DHA owned

DHA owns a portion of the portfolio to enable greater portfolio certainty and flexibility in support of Defence housing requirements.

### Defence owned

Defence owns a portion of the Service Residence and Rent Band Choice Housing portfolio. These properties are generally located on or near ADF bases or establishments.

### Annuity

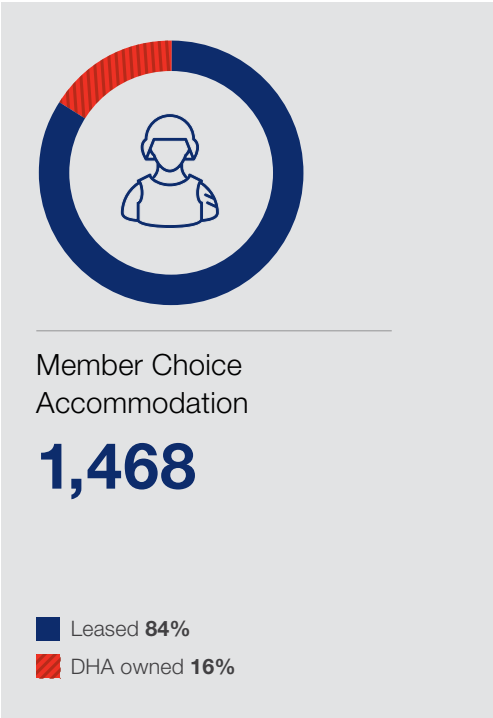
A portion of the portfolio is classified as annuity properties. DHA constructs or acquires these properties on and off base in selected locations as requested by Defence. These properties are managed under long-term financing arrangements where DHA receives fixed monthly payments over the agreed annuity period.

Figures 2.6 and 2.7 show the breakdown of ownership for the Service Residence and Rent Band Choice Housing, and Member Choice Accommodation portfolios.

**FIGURE 2.6:** Service Residence and Rent Band Choice Housing portfolio by ownership type, 30 June 2025



**FIGURE 2.7:** Member Choice Accommodation portfolio by ownership type, 30 June 2025



**Housing investment and sustainability**

DHA’s capital strength is critical to secure and maintain a portfolio of housing to meet Defence requirements. In 2024–25, DHA implemented a range of measures to help sustain the agency’s available capital including:

- Reinvestment of after-tax earnings to housing investment to support ongoing Defence housing needs.
- Maximising direct leasing capability to meet short-term housing demand, noting long term rental supply volatility.
- Establishing bulk-leasing capability with industry to reduce reliance on housing acquisitions.
- Seeking to make development activity cash-neutral whilst maximising the retention of housing for provisioning purposes.
- Closely aligning debt drawings to housing investment requirements under DHA’s debt facility.

In 2024–25, DHA’s Shareholder Departments commenced a review of DHA’s funding and governance model, with the objective of developing funding options that will sustain DHA’s support for Defence’s growing housing needs into the future, including the ability to deliver flexible housing products and services in changing property market conditions. DHA continued to work closely with Shareholder Departments on the review, which is ongoing as at 30 June 2025.

## New Build Volume Leasing Program

### *Program overview*

The New Builds Volume Leasing Program works with suppliers including developers, builders, real estate agents, and corporate investors who can deliver a long-term supply of new properties that comply with DHA requirements. The properties are either retained by suppliers in their own investment portfolio or sold off-the-plan to investors to lease to DHA. This program is delivering the largest volume of leased housing in growth areas, in particular Rockingham, WA, and Townsville, Qld.

### *Procurement processes*

Four Expression of Interest campaigns were completed, targeting suppliers for compliant properties in Rockingham WA, Townsville Qld, Adelaide SA, and NSW-ACT. Two additional EOI campaigns were released and are still in the evaluation phase in Brisbane Qld and for additional, higher density properties in Rockingham WA.

### *Supplier agreements*

Long term supply agreements have been entered into with 15 suppliers who have committed to supplying approximately 2,500 compliant properties over a five-year period. They are actively supplying properties in:

1. WA – Rockingham, Perth
2. Qld – Brisbane, Ipswich, Townsville, Toowoomba
3. NSW – Sydney, Newcastle, Singleton, Nowra
4. ACT – Canberra.

Negotiations are under way with a further six suppliers to potentially deliver an additional 1,200 homes over five years in Rockingham WA, Townsville, Qld and Adelaide, SA.

### *First properties*

The first properties were originally scheduled for completion in 2025–26. Two suppliers were able to identify near-complete homes that only required minimal additions to meet DHA compliance standards. Working closely with the supplier enabled DHA to bring forward the first New Build Volume Leasing Program property deliveries into 2024–25. This early success highlights the value of strategic supplier relationships and the program's inherent flexibility to capitalise on market-ready opportunities.

These first two properties were delivered in Bohle Plains, Townsville, Qld, and are now occupied by Defence members and their families. A third property was delivered in Glenvale, Toowoomba, Qld.



## Case Study – New Builds Volume Leasing Program expands housing options

DHA's New Builds Volume Leasing Program plays a pivotal role in broadening long-term housing options for ADF members and their families in critical Defence regions nationwide.

Under this program, properties are constructed on land secured by suppliers, with house-and-land packages acquired, with a DHA lease attached, and retained by individual investors or suppliers.

In October 2024, DHA formalised agreements with Parcel Property, Forma Homes, and Plunkett Homes to provide approximately 550 investor-funded homes in Rockingham, Western Australia under the New Build Volume Leasing Program. In December 2024, a further announcement outlined the provision of at least 420 properties in Townsville for ADF personnel and their families. Additional supplier agreements have been executed for properties in Ipswich, Canberra, Sydney, Newcastle, and Nowra. The agreements are scheduled to deliver homes to the DHA portfolio over the next five years.



Left to right: Acting Managing Director, Brett Jorgensen; then-Minister for Energy, Environment, and Climate Action, the Hon Reece Whitby MLA; Minister for Resources and Northern Australia, the Hon Madeleine King MP; Minister for Defence Personnel and Veterans' Affairs, the Hon Matt Keogh MP; Minister for Defence Industries and Veterans, the Hon Paul Papalia CSC, MLA; and DHA Chair, Dr Robert Lang.

As at 30 June 2025, agreements for approximately 380 homes in Brisbane and an expression of interest for around 450 medium-density townhouses and apartments in the Rockingham region were in progress.

This leasing strategy enables DHA to address future Defence housing needs flexibly and at scale, minimising significant capital expenditure through

its leasing framework.

Moreover, the program bolsters local economies by engaging regional suppliers and maintaining ongoing development pipelines.

DHA remains committed to strengthening Defence capability by providing flexible, purpose-built housing solutions under the New Build Volume Leasing Program, tailored to the distinct needs of ADF members and their families.

# Build to Lease Program

This program utilises land previously acquired by DHA, or surplus land in DHA developments, and seeks suitably qualified licenced builders via an expression of interest campaign process to construct compliant dwellings. The builders sell the dwellings off-the-plan to investors to fund the construction, and the dwelling is leased to DHA on completion.

The first EOI campaign was completed to secure a builder to construct housing on six lots of DHA’s Torhaven development in Deebing Heights, Qld. The builder created house and land packages on the lots and marketed them to investors. They successfully sold all six packages, which have since been brought into DHA’s portfolio. The first property to be delivered was locked down by a Defence member on Christmas Eve and occupied just two weeks later.

# Developments

The development and construction program will continue to support provisioning over the Corporate Plan period via the delivery of properties into the portfolio. Key projects at Nirimba Fields, NSW, Deebing Heights, Qld, Angle Park, SA, and Lee Point, NT are expected to continue to support DHA’s provisioning requirements.

**FIGURE 2.8:** Development program map 2024–25



## Property upgrades

DHA project-manage upgrades to DHA and Defence owned properties across Australia, including properties located on-base and in regional and remote localities. Properties are upgraded so they remain as suitable housing options for ADF members and their families. The upgrades program allows DHA to retain properties in strategic locations, often near major Defence bases, by extending the life and availability of the property for many years. In 2024–25, DHA's Upgrades Program completed 146 upgrades to the DHA owned portfolio, with a further 46 completed on the Defence owned housing portfolio.



# Services to Defence and the ADF

---

DHA provides a range of housing and housing related services in support of ADF capability, growth and retention. DHA administers Defence housing policy in accordance with Defence Pay and Conditions, its functions as outlined in the DHA Act, and the Defence Services Agreement.

DHA's services to Defence include:

- the provision of a portfolio of suitable housing
- housing services that support the mobility of the ADF
- administration of Rent Allowance and ADF member entitlements
- administration of Defence housing policy
- managing heritage-listed Defence owned properties.

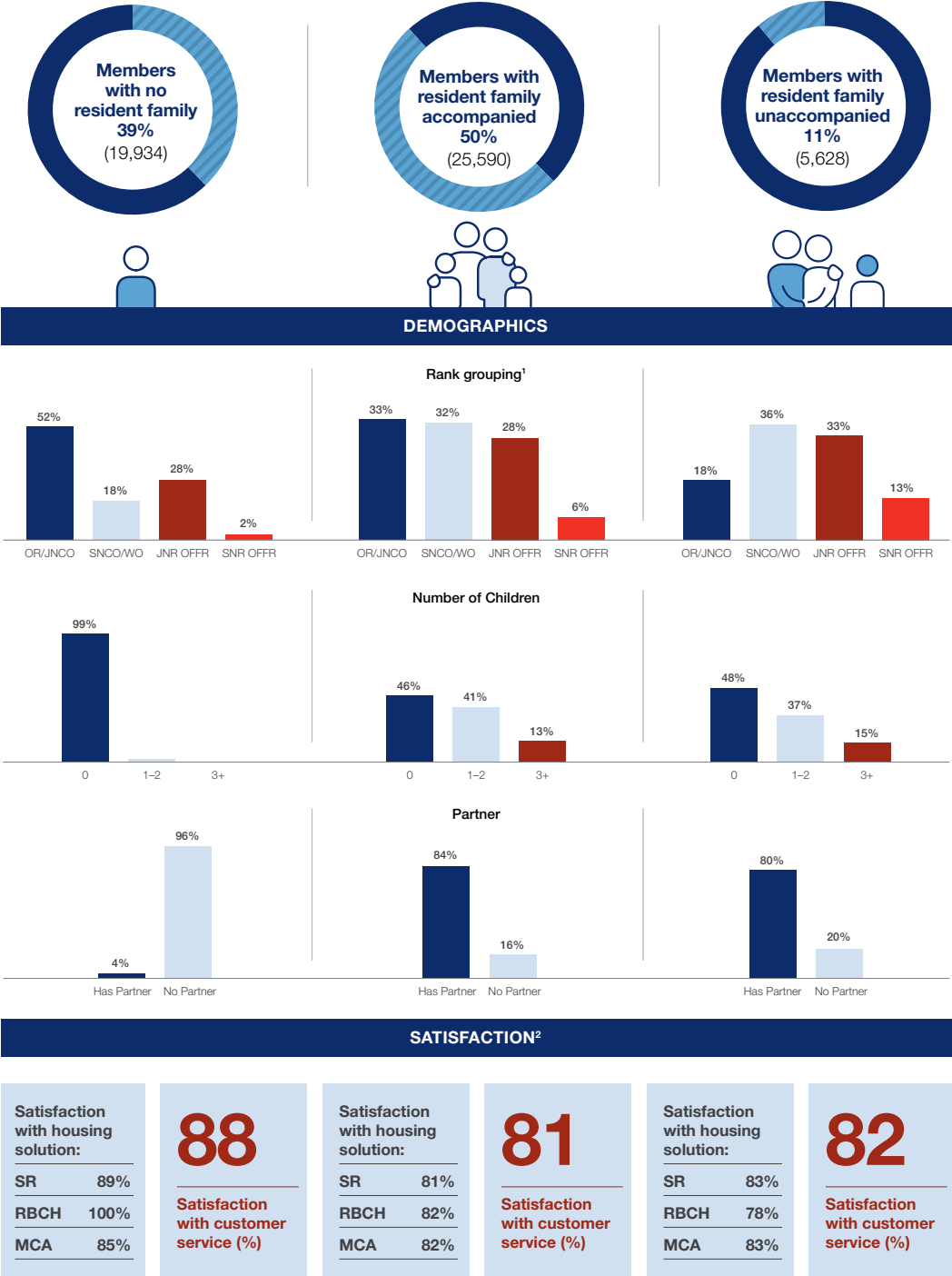
The services provided to ADF members, and their families include:

- access to, and assistance to find, a range of housing solutions in the DHA portfolio
- property and housing management services, including the management of repairs and maintenance
- advice and guidance on housing policy and eligibility
- booking and allocation services for Defence managed Living-in-Accommodation
- administration of allowances to ADF members occupying private rental accommodation
- administration of reimbursements of payments, relating to utilities, pre and post occupancy rent amounts, and break lease fees.

In addition, DHA coordinates property care services such as booking inspections with occupants, property owners and third-party providers. DHA conducts property inspections in accordance with lease obligations and the Services Agreement and coordinates contractors to ensure that its housing solutions meet the standard and condition requirements agreed with Defence.

Figure 2.9 summarises demographic information about ADF members and their families who are DHA housing and service users.

**FIGURE 2.9:** ADF member demographics



## Defence Services Agreement

The Defence Services Agreement governs the housing arrangements between DHA and the Department of Defence. The Defence Services Agreement supports housing and DHA's housing related services to Defence. DHA has continued to efficiently deliver housing in alignment with the three core objectives of the Defence Services Agreement:

- To supply housing solutions that meet the agreed targets of the Approved Provisioning Schedule.
- To provide the Services in accordance with the agreed targets and standards.
- To ensure that the Services provided under the Services Agreement deliver value for money for the Australian Government.



Left to right: Aircraftwomen Chelsea Carson, Aircraftmen Alexander Fletcher



## Case Study – Protecting people and property: DHA's Cyclone Alfred response

In March 2025, as Tropical Cyclone Alfred approached Southeast Queensland and northern New South Wales, DHA implemented a comprehensive response plan to assist ADF members, their families, and DHA personnel.

DHA proactively contacted more than 3,000 Defence members across Ipswich, Toowoomba, Brisbane, Canungra, and northern New South Wales, providing detailed cyclone preparedness information. Emergency maintenance was prioritised for addressing roof leaks, electrical hazards, and structural concerns, while less urgent matters were managed efficiently through Online Services.

DHA received over 450 calls and facilitated more than 830 maintenance requests related to storm damage. Four Defence families required temporary accommodation due to property impacts. Teams

across Australia coordinated urgent repairs, engaged with landlords, and supported insurance claim processes.

DHA closed its Brisbane office prior to the cyclone's landfall, enabling staff to secure their residences and prioritise personal safety. Staff continued operations remotely where possible, and those directly affected accessed support via DHA's disaster assistance resources. Welfare checks were conducted for employees in impacted regions, with further health and wellbeing services provided through DHA's Human Resources team and Employee Assistance Program.



Left to right: Tenneale Johnston, Vibha Saxena

The experience reinforced DHA's capacity to respond effectively, demonstrating agility, compassion, and professionalism in fulfilling DHA commitment to support Defence members, their families, and DHA personnel, even under the most demanding circumstances.

# Services to Investors

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With approximately two-thirds of DHA's portfolio leased from private investors, landlords play a vital role in enabling DHA to maintain its property housing portfolio to meet the diverse needs of ADF members and their families.

DHA's lease provides investors:

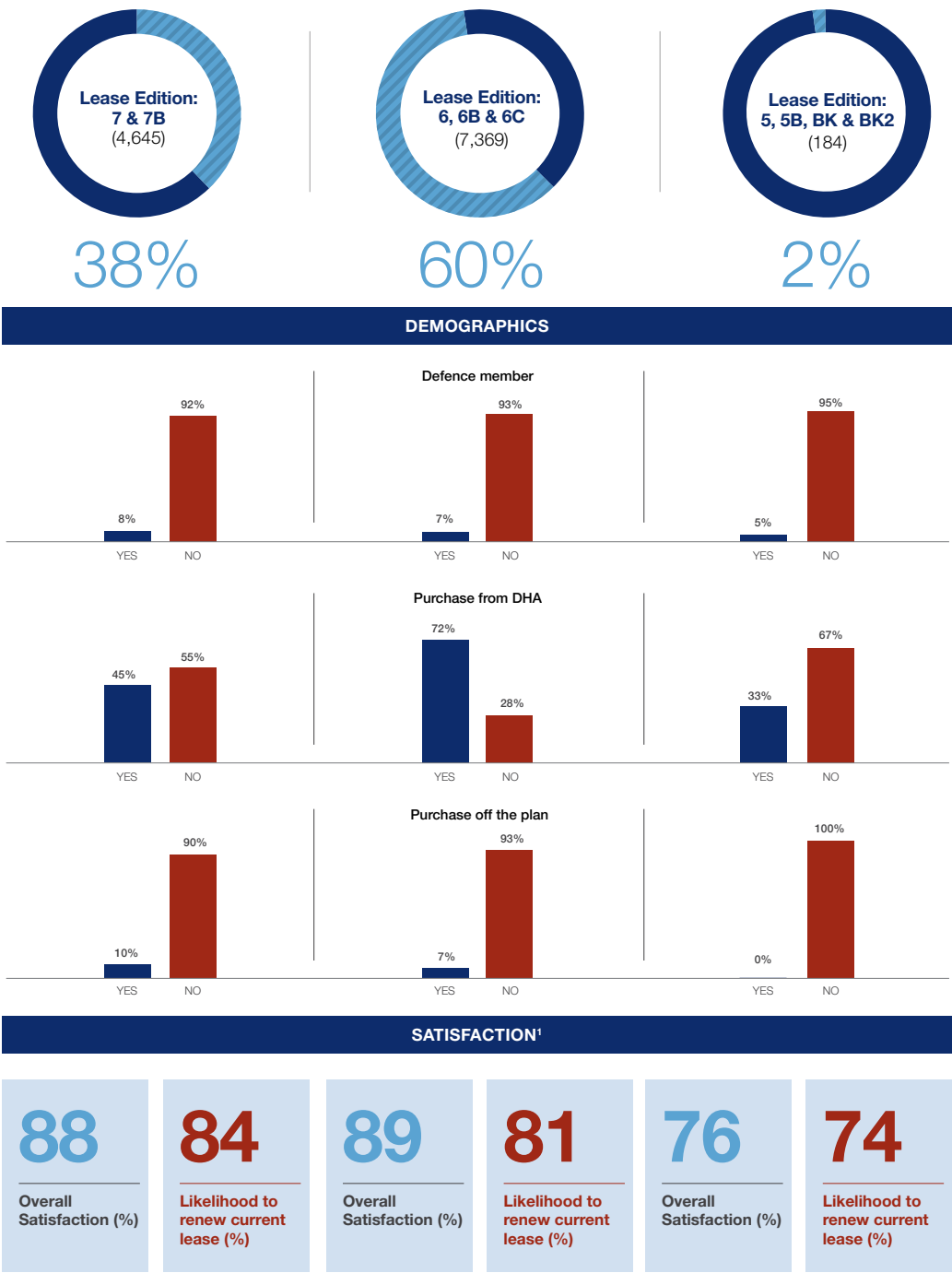
- Flexible lease terms, typically ranging from six to 12 years, or more when lease options are exercised.
- Reliable rental income paid a month in advance even if the property is unoccupied.
- An extensive range of property care services in return for a fixed service fee, including vacancy management, most non-structural repairs, scheduling and facilitating, and periodic rent reviews.

DHA offers multiple investment pathways for investors. Property owners can lease their existing property to DHA on a long-term lease agreement where DHA is the tenant and pays rent while managing the occupants. On completion of the lease term, DHA may negotiate a new lease or lease extension to retain a property in its portfolio.

Alternatively, investors can purchase a DHA lease-approved property directly from builders and developers. Many of these opportunities arise through the Strategic Provisioning Program, which is designed to ensure a steady pipeline of high-quality properties in key locations for Defence members. DHA regularly reviews house and land packages and provides a commitment to lease a property on a long-term lease, if delivered to the agreed specifications.

Long-term leases are governed by a lease agreement or contract between DHA and the investor, which outlines the rights and responsibilities of each party regarding the property. A lease edition refers to a specific version of this contract, which is updated from time to time to reflect changes to DHA's service offering and any new legislative requirements under each state or territory. Lease Editions 7 and 7B are the current versions of the contract and have been in operation since 2020.

**FIGURE 2.10:** Investor demographics



1. Demographics and Satisfaction results include only investors who completed the 2025 Annual Landlord Survey.

- A lease edition refers to a specific version of this contract, which is updated from time to time to reflect changes to DHA's service offering and any new legislative requirements under each state or territory. Lease Edition 5, 5B, BK and BK2 refer to agreements commencing between 1999 and 2008; Lease Edition 6, 6B and 6C refer to agreements commencing between 2008 and 2020; and Lease Editions 7 and 7B are the current versions of the contract and have been in operation since 2020.



Left to right: Alexandra Moore, Nathan Dascarolis

## Customer Experience Program

In 2024–25, DHA established an Enterprise Project Management Office with program and project management capabilities to deliver strategic initiatives over the Corporate Plan period. The Enterprise Project Management Office developed two significant programs of work, the Customer Experience Program, and the Strategic Asset Management Program. The programs established governance structures to ensure alignment to strategic direction, promote accountability at the enterprise level, and manage project risk and benefit realisation.

The Customer Experience Program focused on modernising the operating model and harnessing digital technology to address the evolving housing needs of members and their families. This year, the program delivered several foundational improvements that will enable DHA to further leverage end-to-end digital services in the coming years. Key achievements for 2024–25 include:

- **Modernised Online Services:** Introduction of an enhanced user experience, making digital interactions smoother and more intuitive for customers.
- **Refined Rent Assistance Application Process:** Streamlined the Rent Assistance application with additional information, real-time tracking, and automation, empowering customers to self-serve with greater ease and confidence.
- **Tenant Recovery Process:** Simplified procedures for members separating from Defence, reducing administrative burdens, and improving transition support.

- **Online Maintenance Enhancements:** Upgraded maintenance tracking and notification systems to provide customers with timely updates and improved transparency.
- **Living-in-Accommodation System Refresh:** Revamped the Booking and Allocation system, leveraging digital self-service and enhanced notifications to streamline accommodation processes.
- **Policy and Advice Project:** A digital policy and advice engine prototype was developed, where members can easily find digital information on their housing entitlements and general information, reducing enquiries to the contact centre.

DHA recognises digitisation and improvements to self-guided interactions are associated with improved ADF Member satisfaction outcomes. The achievements in 2024–25 have laid a robust foundation for DHA's future digital transformation initiatives, positioning the organisation to respond proactively to the needs of its customers while maintaining a commitment to delivering quality service and innovative solutions, with member satisfaction being a key measure of program success.

### **Strategic Asset Management Program**

The Strategic Asset Management Program is designed to optimise DHA's approach to asset management by establishing a structured framework and delivery model. This initiative focuses on maintaining DHA's existing housing portfolio in a consistent, efficient, and sustainable manner, delivering measurable benefits to DHA and its customers.

Key achievements for 2024–25:

- Development of a draft framework and reference documents aligned with ISO 55001 standards, setting the foundation for best-practice asset management.
- Implementation of a pilot programmed maintenance (servicing) initiative, targeting heating and cooling fixtures across select locations.
- Creation of an asset inspection framework to enhance DHA's ability to accurately record and monitor asset conditions, supporting future programmed maintenance initiatives and informed decision-making.

These achievements will strengthen DHA's asset management capabilities and support embedding additional asset management principles, which will focus on strategic procurement, preventative maintenance, asset condition assessment, and the development of asset management planning, modelling, and forecasting capabilities to inform resource allocation and portfolio decision making.

## Defence Housing Support Review

Defence housing policy plays a critical role in shaping housing requirements, service, and related entitlements for ADF members and their families. In line with Defence's evolving needs and changing member preferences, DHA continues to support a range of policy initiatives that aim to improve flexibility, accessibility, and the overall customer experience. Recent initiatives include:

- Policy updates to provide greater support for members experiencing changes in family circumstances.
- A trial enabling earlier access to Rent Assistance, improving relocation preparation and housing choice.

DHA remains committed to working in partnership with Defence to explore further improvements as part of a broader, strategic project work. Defence and DHA's shared focus remains on improving the member experience, ensuring housing continues to adapt to the changing needs and preferences of the Defence community.

## Building capability

As part of its commitment to provide quality housing services to ADF members and their families, DHA focussed on improving service quality, people capability and performance throughout 2024–25. A new employee learning and performance management system was implemented, which will support DHA to deliver an expanded learning program to foster the ongoing development of its people while also uplifting engagement with performance feedback.

## Engagement

DHA actively engages with its key stakeholders, including DHA's Advisory Committee, to ensure the alignment of its operations with national Defence and commercial objectives, and thereby enhancing service delivery to Defence members and their families. This engagement strategy involves collaborative efforts with the Departments of Defence and Finance and structured engagement with DHA's stakeholder Ministers. DHA actively seeks stakeholder advice and information on the performance of DHA's functions. Stakeholders provide valuable insights and recommendations on strategic decisions and performance improvement initiatives.

In 2024–25, DHA focused on uplifting its engagement with stakeholders, including implementing the Defence Families Roundtable and joining forums like the Northern Australia Ministerial Forum Working Group and the Emissions Reporting Working Group.

## **Defence Families Roundtable**

The Defence Families Roundtable (the Roundtable) was established in 2024 to foster regular communication between organisations providing services to Defence families, with the aim to:

- Collaborate and share research into the health and wellbeing of Defence families.
- Develop a sound understanding through those with direct involvement of the services provided, that will inform recommendations on policies that directly affect Defence families.
- Improve the quality of life for Defence families

DHA hosted two Roundtable meetings during 2024–25.

## **Northern Australia Housing Working Group**

At its meeting on 4 September 2024 the Northern Australia Ministerial Forum tasked Australian, Queensland, Western Australian and Northern Territory Government senior officials to work together to investigate opportunities to progress action to address the housing challenges facing northern Australia.

The Northern Australia Housing Working Group was established to identify shared and unique barriers and opportunities to address housing supply, affordability, suitability, sustainability, and access in northern Australia. The Working Group is also an opportunity for the members to share local insights, qualitative and quantitative data relevant to housing needs in northern Australia to support evidence-based action, advocacy and informed decision making.

## **Emissions Reporting Working Group**

DHA attended the Emissions Reporting Working Group, organised by the Department of Finance for Commonwealth entities. The meetings discussed the Emissions Accounting 2025 workplan and schedule, reporting boundaries (controlled vs non controlled), and overlapping frameworks (e.g. NABERS, Greenstar).

This information supports both Emissions Reporting requirements, and informed DHA's preparations for Commonwealth Climate Disclosures, which are included in DHA's Annual Report for the first time in 2024–25.

## **New Zealand counterparts**

In 2024–25, DHA engaged with the New Zealand Defence Force's Defence Estate and Infrastructure team to explore collaborative approaches to shared challenges. The engagement touched on several areas including housing condition assessments, upgrade programme planning, and strategic leasing frameworks. The discussion provided a valuable opportunity to exchange insights and align on best practices for managing Defence accommodation portfolios.



## Case Study – Partnering for purpose: Defence Families Roundtable established

In 2024, the Defence Families Roundtable was established to strengthen support for ADF members and their families through improved collaboration on housing-related matters.

The forum brings together DHA, Defence Families of Australia, Defence Member and Family Services, and Defence Relocations and Housing to ensure regular and purposeful communication between key organisations.

Establishment of the Roundtable supports an increased focus on Defence community wellbeing and the required uplift in capability outlined in the Defence Strategic Review.

The Roundtable is focused on housing entitlements and flexible solutions, ESG expectations, member and family wellbeing, and communication and genuine feedback with ADF families.

The Roundtable met twice in 2024–25. These early conversations have highlighted the value of shared insights and collaborative planning to improve the lived experience



Image supplied by Department of Defence

of Defence families. The Roundtable provides a dedicated platform for identifying emerging issues and recommending improvements grounded in lived experience and operational requirements.

This new forum reflects a broader shift towards proactive engagement and integrated planning across Defence support services, ensuring that the voices of Defence families help shape future housing outcomes.

**“This roundtable enables DFA to present real-life experiences directly with those supporting Defence families. By highlighting a variety of experiences, our discussions help uncover core issues and encourage practical collaborative solutions.”**

Ms Charlotte Webb,  
Defence Family Advocate

# Community service partnerships

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DHA's partnerships with Defence-related organisations provides additional opportunity to reach and connect with Australian Defence Force members and their families, as well as key stakeholders. Notable initiatives include:

- Partnered with The Oasis Townsville to help provide a dedicated space for community engagement, support services and programs tailored to the needs of the Defence and veteran community.
- Supported LifeUnleashed to expand its service dog intake to reach and offer support to more Defence veterans in need.
- Supported Legacy Australia through the Sydney Legacy Remembrance Day Lunch and the Brisbane Legacy Gala Dinner, to aid important work caring for families of ADF personnel who have lost their lives or health due to service.
- Supported the Australian Military Wives' Choir to strengthen connections among partners, daughters, mothers, and sisters of serving ADF members.

In terms of individual contributions, the DHA CommUNITY program comprises various corporate initiatives aimed at empowering employees to support one another and their communities. Key components of the program include:

- A Workplace Giving program that allows employees to voluntarily donate to charities through one-time or recurring donations directly from their pay.
- A Shared Benefits Scheme enabling employees to donate a portion of their accrued personal leave to a registry that assists colleagues requiring extended leave, often due to serious personal or family health issues. 266 hours of personal leave were donated to this scheme during the reporting period.

In 2024–25, DHA's employees generously contributed to several organisations, including:

- Integra Service Dogs Australia
- Beyond Blue
- Cancer Council
- Fred Hollows Foundation
- Indigenous Literacy Foundation.

DHA also encourages its employees to volunteer in the local community. Depending on operational needs, they may enter flexible work agreements or take paid or unpaid leave to participate in these efforts.



Top left: (Left to right) Elly Chan, Skye Gardiner, Bianca Jones

Top right: DHA Staff at 2025 Annual Awards ceremony

Above: (Back row from left) James Grinlinton, Jordan King, Adriana Brooke, Lauren McGregor, Caroline Blyton. (Front row from left) Luisa Schiavello, Jade Black, Raquel Maldonado, Dawn Donnelly, Brie Evans, Michelle Shiels, Kaan Nix, Andrew Dang, Scarlett Mitchell, Ellie Pietrukowski

# Awards

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## **DHA receives 2024–25 Inclusive Employer status**

DHA has been recognised as an Inclusive Employer for 2024–25 by Diversity Council Australia, making it one of approximately 60 organisations across the country to be recognised for a high level of workplace inclusion.

Diversity Council Australia announced the list of Australia’s Inclusive Employers for 2024–25 as part of its annual Inclusion at Work Week to celebrate diversity and inclusion in workplaces across the nation.

DHA has proudly maintained the recognition, which it first received in 2022–23. Diversity Council Australia’s Inclusive Employer status is the only formal recognition in Australia that assesses workplace inclusion through a voluntary employee survey and benchmarks organisation’s efforts against detailed metrics. The acknowledgment measures how well organisations promote an inclusive climate, strong leadership, and team inclusivity.

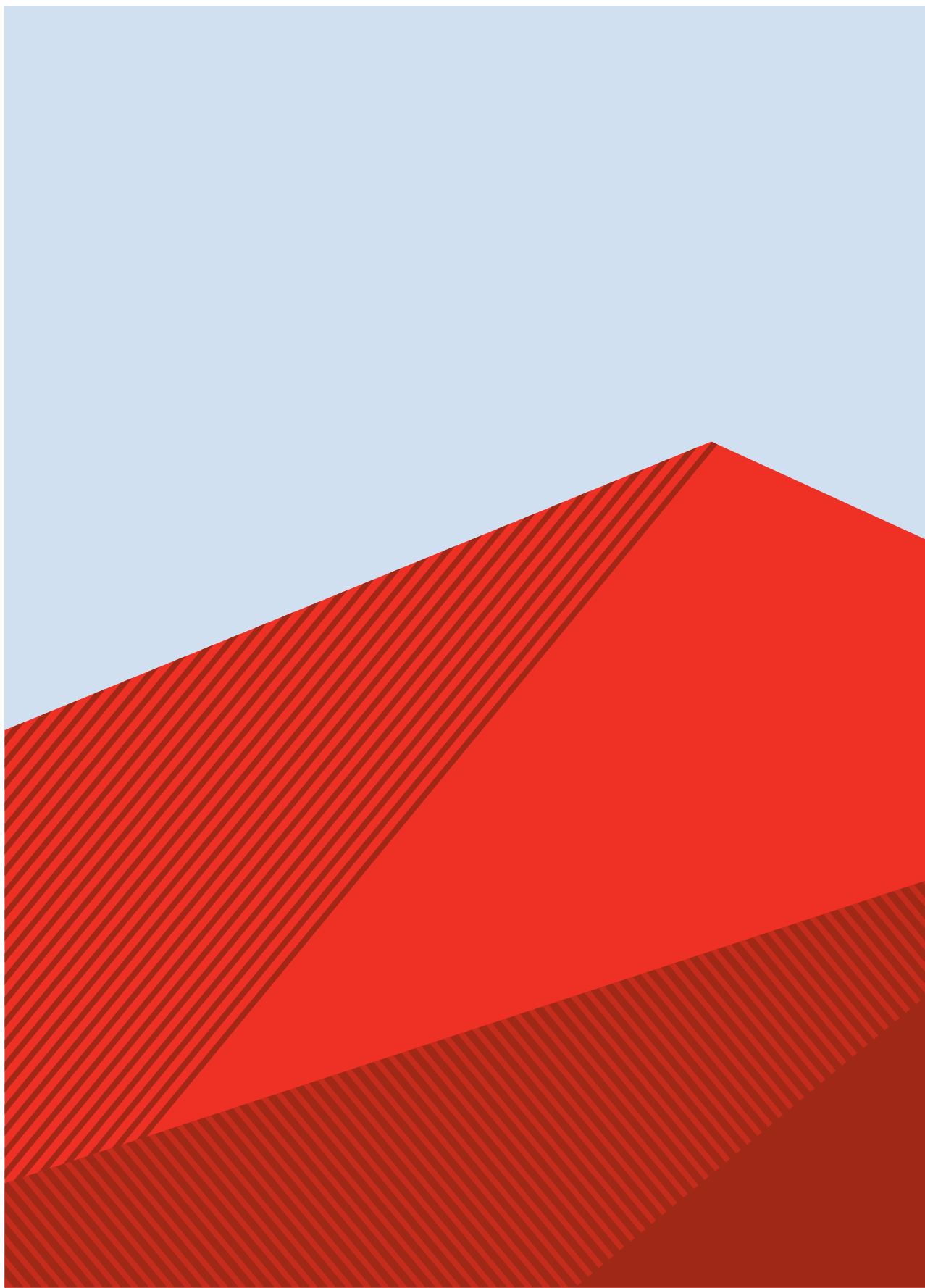
## **Australasian Reporting Awards**

DHA won a Gold Award for its 2023–24 Annual Report.

The Australasian Reporting Awards provide all organisations that produce an annual report an opportunity to benchmark their reports against the Australasian Reporting Awards criteria which are based on world best practice and their peers. An important aspect of the Australasian Reporting Awards assessment process is that it focuses on the quality and completeness of the reporting about the organisation’s behaviour and performance. The very high standard of Gold Award reports makes them model reports for other organisations to follow.

## **WICked Woman of the Year Award 2024 – Women in ICT**

Katische Vinning, Chief Information Officer, was awarded the WICked Woman of the Year Award 2024. This award celebrates women making a significant impact in the Information Communication and Technology industry. The award aims to acknowledge the exceptional work carried out by women on a daily basis, highlighting their achievements in the workplace and their contributions to the ongoing progress of gender equity. By recognising the valuable contributions of female leaders, the award actively promotes gender equity in an industry that still faces a substantial under-representation of women. This initiative not only elevates the profiles of remarkable leaders but also offers more role models for other women in the industry.



Part 3  
Annual  
Performance  
Statement

3

# Commonwealth Performance Framework

---

As a corporate Commonwealth entity, DHA is required to publish planning and reporting information in accordance with the Commonwealth Performance Framework. Three key documents underpin the Commonwealth Performance Framework; Portfolio Budget Statement (PBS), Corporate Plan and Annual Performance Statement (published in the Annual Report). Figure 3.1 describes each and highlights the interaction between the three documents.

The Annual Report is DHA's primary performance reporting document under the Commonwealth Performance Framework. The Annual Report outlines DHA's purpose, operating environment and strategy as outlined in its corresponding Corporate Plan. It details progress and achievements from the reporting period, which are provided through the Annual Performance Statement evaluating non-financial performance against its purpose, outcomes and strategic objectives, and the audited financial statements highlighting financial performance for the reporting period. The Annual Report also includes mandatory requirements for corporate Commonwealth entities as set out under Schedule 2A of the PGPA Rule and the *Annual Reports for Corporate Commonwealth Entities Resource Management Guide No. 136*.

# Commonwealth Performance Framework

**Key components of relevant publications**

```

graph TD
    subgraph PBS [Portfolio Budget Statements]
        PBS_1[Portfolio based]
        PBS_2[Supports Annual Appropriations. Informs Senators and Members of Parliament of the proposed allocation of other resources to government outcomes and programs.]
        PBS_3[Provides links to relevant programs undertaken by other Commonwealth entities.]
        PBS_4[Provides high-level performance information for current, ongoing programs.]
        PBS_5[Provides detailed performance information for proposed new budget measures that require a new program or materially change an existing program.]
        PBS_6[Links to the corporate plan through reporting key activities as expressed in the current corporate plan.]
    end

    subgraph CP [Corporate Plan]
        CP_1[Entity based]
        CP_2[Primary planning document of a Commonwealth entity.]
        CP_3[Sets out the purposes of the entity and the key activities it will undertake to achieve its purposes over a minimum 4-year period.]
        CP_4[Describes the environment in which the entity operates, the capability it requires to undertake its key activities, its risk oversight and management systems, including key risks and how those are managed, and how it will cooperate with others, including any subsidiaries, to achieve its purpose.]
        CP_5[Explains how the entity's performance will be measured and assessed.]
    end

    PBS <--> CP
    PBS --> APS[Annual Performance Statements]
    CP --> APS

    subgraph APS [Annual Performance Statements]
        APS_1[Portfolio based]
        APS_2[Included in the Commonwealth entity's Annual Report.]
        APS_3[Reports on the actual performance results for the reporting year as set out in the Corporate Plan and Portfolio Budget Statements.]
        APS_4[Provides an analysis of the factors that may have contributed to the entity's performance results.]
    end
  
```

## Portfolio Budget Statements (typically May)

Portfolio based

- Supports Annual Appropriations. Informs Senators and Members of Parliament of the proposed allocation of other resources to government outcomes and programs.
- Provides links to relevant programs undertaken by other Commonwealth entities.
- Provides high-level performance information for current, ongoing programs.
- Provides detailed performance information for proposed new budget measures that require a new program or materially change an existing program.
- Links to the corporate plan through reporting key activities as expressed in the current corporate plan.

↔

## Corporate Plan (31 August)

Entity based

- Primary planning document of a Commonwealth entity.
- Sets out the purposes of the entity and the key activities it will undertake to achieve its purposes over a minimum 4-year period.
- Describes the environment in which the entity operates, the capability it requires to undertake its key activities, its risk oversight and management systems, including key risks and how those are managed, and how it will cooperate with others, including any subsidiaries, to achieve its purpose.
- Explains how the entity's performance will be measured and assessed.

↓

## Annual Performance Statements (October following year)

Portfolio based

- Included in the Commonwealth entity's Annual Report.
- Reports on the actual performance results for the reporting year as set out in the Corporate Plan and Portfolio Budget Statements.
- Provides an analysis of the factors that may have contributed to the entity's performance results.

# Annual Performance Statement

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DHA's Annual Performance Statement has been prepared in accordance with guidance issued by the Department of Finance and shows how DHA performed in relation to its Outcome and Program Objectives identified in the PBS, and the supporting objectives, strategies and measures identified in DHA's Statement of Corporate Intent 2024–25 (SCI).

Other documents that influence DHA's performance measurement are the Defence Services Agreement, which aims to ensure consistent service delivery and to drive continuous improvement, and the Department of Finance's *Commonwealth Government Business Enterprises – Governance and Oversight Guidelines: Resource Management Guide No. 126* where applicable.

# Statement of preparation

On behalf of the Defence Housing Australia (DHA) Board, the accountable authority, we present DHA’s 2024–25 Annual Performance Statement, required under section 39(1)(a) of the PGPA Act.

In the Board’s opinion, this Annual Performance Statement is based on properly maintained records, accurately reflects the performance of the agency, and complies with subsection 39(2) of the PGPA Act.



**Dr Robert Lang**  
Chair  
22 September 2025



**Mr Andrew Jaggers PSM**  
Managing Director  
22 September 2025

# Approach

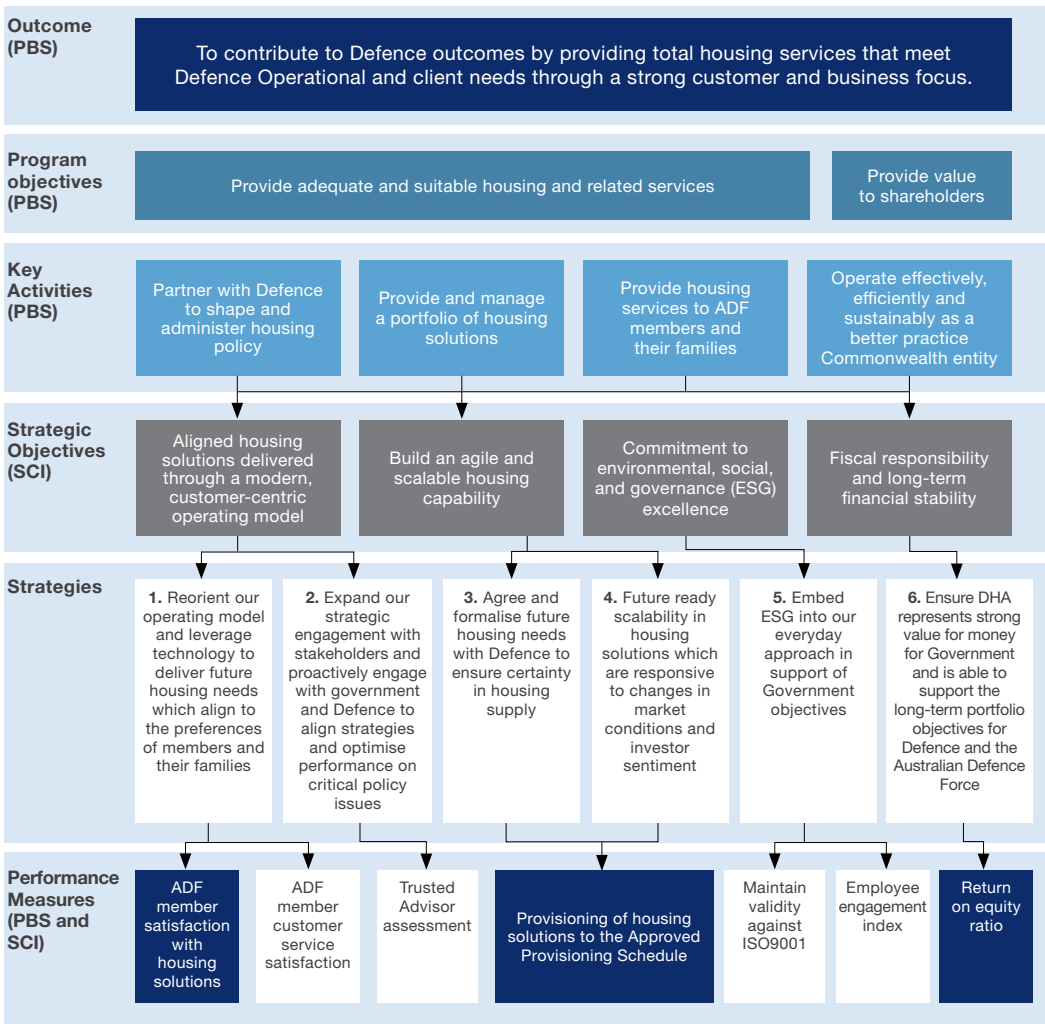
This performance statement is presented according to DHA’s Outcome and Program Objectives identified in the PBS, and the supporting objectives, strategies and measures identified in the SCI and describes DHA’s performance against the performance measures across the reporting period.

## Performance Logic Model

The Performance Logic Model, from DHA’s Enterprise Performance Framework, illustrates the connection between:

- DHA’s outcome, program objectives and key activities outlined in the PBS
- Strategic objectives and strategies outlined in the SCI
- The performance measures and targets that underpin the organisation’s accountability and transparency.

**FIGURE 3.2:** Performance Logic Model



Performance measures outlined in the Defence Portfolio Budget Statements 2024–25

Results summary

In 2024–25, DHA substantively achieved its purpose of supporting Defence capability through the provision of housing and housing related services to ADF members and their families.

DHA’s performance was measured using seven performance measures across four strategic objectives. To inform its performance, DHA conducts a range of surveys to gauge ongoing service performance and satisfaction and commissioned independent research to inform its measure as being a trusted advisor to Defence. Five of seven performance measures were achieved.

DHA is committed to the continuous improvement of its performance measures and information provided to the Parliament and the public. DHA regularly reviews its performance measures to ensure they are relevant and informative.

Table 3.1 summarises DHA’s performance results for 2024–25.

**TABLE 3.1:** Summary results against performance measures 2024–25 compared to 2023–24

| Performance measure                                                                                                         | 2023–24 result | 2024–25 result      |
|-----------------------------------------------------------------------------------------------------------------------------|----------------|---------------------|
| 1a. Housing solutions supplied against provisioning schedule                                                                | Achieved       | <b>Achieved</b>     |
| 1b. ADF Members satisfied with housing solutions                                                                            | Achieved       | <b>Achieved</b>     |
| 2a. DHA is a trusted advisor                                                                                                | Achieved       | <b>Achieved</b>     |
| 3a. ADF member customer service satisfaction                                                                                | Not achieved   | <b>Not achieved</b> |
| 4a. Return on equity                                                                                                        | Achieved       | <b>Not achieved</b> |
| 4b. Maintain validity and certification against International Organisation for Standardisation Quality Management (ISO9001) | Achieved       | <b>Achieved</b>     |
| 4c. Employee engagement index                                                                                               | Achieved       | <b>Achieved</b>     |

Full results and detailed performance analysis are in the following sections.

## **Objective 1:**

### **Aligned housing solutions through a modern, customer-centric operating model**

---

In 2024–25, DHA focused on delivering customer-centric digitisation initiatives whilst sustaining service levels across a range of housing and tenancy services including:

- facilitating access to and allocation of suitable housing in the DHA portfolio
- coordination of repairs and maintenance for DHA managed properties through effective contractor panel arrangements
- providing a contact centre service to manage emergency and routine maintenance requests
- administration of ADF member allowances and entitlements
- booking and allocation services for on-base accommodation.

Table 3.2 shows the performance measure results aligned to Objective 1 and the progress against the strategies outlined in the SCI.

#### **ADF Members satisfied with housing solutions**

DHA's 2025 Annual Occupant Survey received the largest number of responses since 2020, with over 5,000 responses collected from over 28,000 invitations. Analysis from survey results show that DHA met its target for ADF member satisfaction with housing solutions, with 82 per cent of survey participants indicating satisfaction.

#### **DHA is a trusted advisor**

In 2024–25, DHA continued to meet its performance measure as a trusted advisor to Defence, as confirmed through independent interviews with senior Defence stakeholders. The evaluation revealed satisfaction with DHA's communication, collaboration, and subject matter expertise, with an average rating of 8.2 out of 10 for both commitment and collaboration.

#### **ADF member customer service satisfaction**

In 2024–25, DHA continued to focus on delivering customer-centric initiatives, including EPPO's Customer Experience program and advanced staff training for call centre staff. However, analysis from survey results show that DHA did not meet its target for ADF member satisfaction with customer service, with 83 per cent of survey participants indicating satisfaction.

**TABLE 3.2:** Objective 1 performance measures and strategies.

| Objective 1: Aligned housing solutions through customer centric operating model                                                                                                                                                          |          |          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|
| PBS Performance measure                                                                                                                                                                                                                  | Target   | Result   |
| 1b. ADF Members satisfied with housing solutions                                                                                                                                                                                         |          |          |
| <b>Methodology</b><br>Assessed through an annual survey of ADF members (satisfaction target derived from a specific survey question)                                                                                                     | ≥ 80%    | 82%      |
| <b>Data source</b><br>DHA Annual Occupant Survey results and analysis                                                                                                                                                                    |          |          |
| <b>Authority</b><br>Defence Portfolio Budget Statement 2024–25, Program 1.1, page 215<br>Statement of Corporate Intent 2024–25, page 43                                                                                                  |          |          |
| SCI Performance measures                                                                                                                                                                                                                 | Target   | Result   |
| 2a. DHA is a trusted advisor                                                                                                                                                                                                             |          |          |
| <b>Methodology</b><br>Qualitative assessment through interviews with Senior Executives at the Department of Defence in relation to the quality of communication, commitment, collaboration, and contribution to partnership with Defence | Achieved | Achieved |
| <b>Data source</b><br>Independent assessment report                                                                                                                                                                                      |          |          |
| <b>Authority</b><br>Statement of Corporate Intent 2024–25, page 43                                                                                                                                                                       |          |          |
| 3a. ADF member customer service satisfaction                                                                                                                                                                                             |          |          |
| <b>Methodology</b><br>Assessed through an annual survey of ADF members (satisfaction target derived from a specific survey question)                                                                                                     | ≥ 85%    | 83%      |
| <b>Data source</b><br>DHA Annual Occupant Survey results and analysis                                                                                                                                                                    |          |          |
| <b>Authority</b><br>Statement of Corporate Intent 2024–25, page 43                                                                                                                                                                       |          |          |

| Objective 1: Aligned housing solutions through customer centric operating model                                                          |                                                                                                                                                                                                                                                                                                                                                                         |
|------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Strategies to achieve our purpose                                                                                                        | Outcomes                                                                                                                                                                                                                                                                                                                                                                |
| Agree and formalise future housing needs with Defence                                                                                    |                                                                                                                                                                                                                                                                                                                                                                         |
| Determine and agree contemporary and future housing needs with Defence.                                                                  | Delivered key initiatives from the Defence Housing Support Review                                                                                                                                                                                                                                                                                                       |
| Redesign service agreements to offer greater versatility and adaptability in support, while responding to changing Defence requirements. | Delivered operational enhancements in response to emerging priorities under the current agreement                                                                                                                                                                                                                                                                       |
| Reorient our operating model and leverage technology to deliver future housing needs                                                     |                                                                                                                                                                                                                                                                                                                                                                         |
| Embed the agreed future housing approach within our operating model supported by technology platforms.                                   | Established an Enterprise Project Management Office capability and program governance structures                                                                                                                                                                                                                                                                        |
| Simplify service delivery and leverage technology solutions.                                                                             | <p>Delivered key digitisation initiatives across the Customer Experience Program and commenced transition to new processes</p> <p>Commenced the development of digitisation program roadmap which identifies key areas of focus over the Corporate Plan period</p> <p>Achieved ICT release targets that enabled enhanced technology capability for Service Delivery</p> |
| Expand our strategic engagement with stakeholders                                                                                        |                                                                                                                                                                                                                                                                                                                                                                         |
| Proactively engage with government and Defence to align strategies and optimise performance on critical policy issues.                   | Engaged with government and Defence on housing service requirements and policy issues, including the following forums and channels:                                                                                                                                                                                                                                     |
| Develop and implement a structured communications and engagement approach with government and Defence.                                   | <ul style="list-style-type: none"> <li>– Defence Families Roundtable</li> <li>– Northern Australia Ministerial Forum Working Group</li> <li>– Emissions Reporting Working Group</li> <li>– Discussions with New Zealand Defence Force</li> </ul>                                                                                                                        |
| Agree and implement DHA's future service offer across the ADF's "whole-of-service" lifecycle for members and veterans.                   |                                                                                                                                                                                                                                                                                                                                                                         |



**Objective 2:**

**Build an agile and scalable housing capability**

Defence's needs are changing and the ADF is forecast to grow over the next 15 years. The Australian property market is also constantly evolving, so DHA must build and maintain a level of flexibility to be able to meet Defence's operational needs. In 2024–25, DHA focussed on supporting that agility through its provisioning strategies and programs.

Table 3.3 shows the performance measure results aligned to Objective 2 and the progress against the strategies outlined in the SCI.

**TABLE 3.3:** Objective 2 performance measures and strategies

| Objective 2: Build an agile and scalable housing capability                                                                                                                                                                                          |        |        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|--------|
| PBS Performance measure                                                                                                                                                                                                                              | Target | Result |
| 1a. Housing solutions supplied against provisioning schedule                                                                                                                                                                                         |        |        |
| <b>Methodology</b><br>Calculated by dividing the total number of properties provisioned by DHA under the Defence Services Agreement within the relevant year by the annual target number of properties set out in the Approved Provisioning Schedule | ≥ 99%  | 101%   |
| <b>Data source</b><br>Internal asset management database records                                                                                                                                                                                     |        |        |
| <b>Authority</b><br>Defence Portfolio Budget Statement 2024–25, Program 1.1, page 215<br>Statement of Corporate Intent 2024–25, page 43                                                                                                              |        |        |

| Objective 2: Build an agile and scalable housing capability                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Strategies to achieve our purpose                                                                                                                                | Outcomes                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Future ready scalability in housing solutions                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Expand sourcing channels and adopt an alternative product model in collaboration with industry to meet short-and long-term housing demand.                       | Long term supply agreements have been entered into with 15 suppliers who have committed to supplying approximately 2,500 compliant properties over a five-year period.                                                                                                                                                                                                                                                                                                |
| Establish the capability to rapidly deliver housing solutions in strategic locations like Northern Australia, leveraging pre-established partnerships and plans. | <p>Successfully delivered first properties through strategic provisioning initiatives in 2024–25, demonstrating capability to deliver rapid solutions.</p> <p>Updated organisational structure to enable a strategic approach to provisioning and portfolio management, with increased focus on commercial analysis and planning capabilities.</p> <p>Implemented financial delegation updates to ensure efficiency and effectiveness of provisioning operations.</p> |

### Housing solutions supplied against provisioning schedule

DHA exceeded its target for provisioning housing against Approved Provisioning Schedule requirements for the 2024–25 financial year. At 30 June 2025, DHA’s provisioned portfolio comprised of 17,353 properties, assisted over 6,600 ADF members and their families to find a home in their posting location, and administered rent allowance payments to over 16,100 ADF members.

This was achieved using a capital preservation strategy, notably through the large number of total lease additions and less than expected lease departures.

**Objective 3:**

**Commitment to environmental, social, and governance (ESG) excellence**

In response to growing societal and community expectations around ESG stewardship, DHA has committed to enhancing its ESG practices across the national portfolio and its internal operations.

Table 3.4 shows the performance measure results aligned to Objective 3 and the progress against the strategies outlined in the SCI.



**TABLE 3.4:** Objective 3 performance measures and strategies

| Objective 3: Commitment to environmental, social, and governance (ESG) excellence                                                 |                                                                                                                                                                                                                                                                                                           |                  |
|-----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| PBS Performance measure                                                                                                           | Target                                                                                                                                                                                                                                                                                                    | Result           |
| 4b. Maintain validity against International Organisation for Standardisation Quality Management (ISO9001)                         |                                                                                                                                                                                                                                                                                                           |                  |
| <b>Methodology</b><br>Assessed through an annual surveillance audit by an independent ISO certification service provider          | <b>Certified</b>                                                                                                                                                                                                                                                                                          | <b>Certified</b> |
| <b>Data source</b><br>Independent surveillance audit report                                                                       |                                                                                                                                                                                                                                                                                                           |                  |
| <b>Authority</b><br>Statement of Corporate Intent 2024–25, page 43                                                                |                                                                                                                                                                                                                                                                                                           |                  |
| 4c. Employee engagement index                                                                                                     |                                                                                                                                                                                                                                                                                                           |                  |
| <b>Methodology</b><br>Calculated engagement score from APS employee census undertaken by the Australian Public Service Commission | <b>&gt;70%</b>                                                                                                                                                                                                                                                                                            | <b>73%</b>       |
| <b>Data source</b><br>APS employee census                                                                                         |                                                                                                                                                                                                                                                                                                           |                  |
| <b>Authority</b><br>Statement of Corporate Intent 2024–25, page 43                                                                |                                                                                                                                                                                                                                                                                                           |                  |
| Strategies to achieve our purpose                                                                                                 |                                                                                                                                                                                                                                                                                                           | Outcomes         |
| Commitment to environmental, social, and governance (ESG) excellence                                                              |                                                                                                                                                                                                                                                                                                           |                  |
| Develop and implement a milestone driven ESG plan encompassing all DHA services and internal activities.                          | Established internal ESG capability to manage delivery of ESG Strategy and report on targets<br><br>Delivered the first Commonwealth Climate Disclosures in accordance with CCD Policy requirements for Tranche 1 entities<br><br>Commenced development of enhanced ESG Strategy and Environmental Policy |                  |

**Quality management**

DHA has continued to maintain its ISO9001:2015 certified Quality Management System, demonstrating a commitment to quality, customer service, and continuous improvement. This international certification signifies that DHA’s management systems consistently meet the globally recognised requirements for quality in delivering its products and services.

**Employee engagement**

DHA exceeded its staff engagement performance target. The employee engagement index rose to 73 per cent in the 2025 APS Employee Census, marking an increase from 71 percent the previous year. This upward trend reflects the positive experiences and perceptions of employees regarding DHA’s work environment.

Objective 4:

Fiscal responsibility  
and financial stability

DHA’s operations are self-funded through rents, fees, debt financing, and land sales. However, the limited extent of DHA’s available capital constrains DHA’s ability to meet anticipated long-term needs. Timing of anticipated growth in the ADF, and the cost of alternatives like Rent Allowance, add complexity. DHA will continue to work proactively with its Shareholders and their agencies to identify those financing options that will sustain DHA’s support for Defence’s growing housing needs into the future.

DHA must maintain a strong capital position and ensure value for money for Shareholder Ministers while supporting the long-term portfolio objectives for Defence and the ADF. Continuing to maintain a sustainable capital base will depend on work to identify long-term financing options, continuation of the dividend moratorium (subject to ministerial approval) that allows reinvestment of dividends into housing, and improved cost efficiency in delivering housing solutions and related services.

Table 3.5 shows the performance measure results aligned to Objective 4 and the progress against the strategies outlined in the SCI.

TABLE 3.5: Objective 4 performance measures and strategies

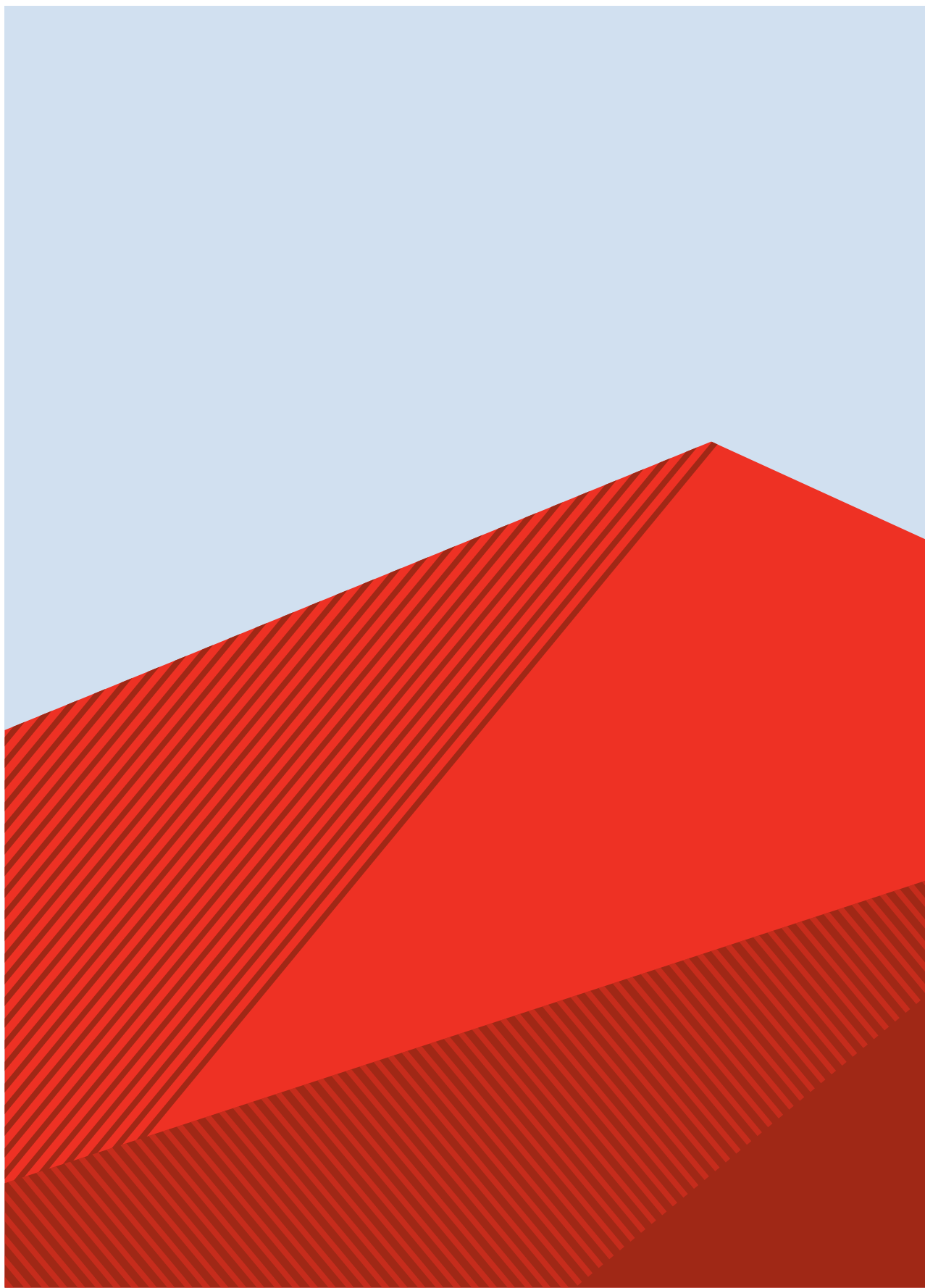
| Objective 4: Fiscal responsibility and long-term financial stability                                                                    |        |        |
|-----------------------------------------------------------------------------------------------------------------------------------------|--------|--------|
| PBS Performance measure                                                                                                                 | Target | Result |
| 4a. Return on equity                                                                                                                    |        |        |
| <b>Methodology</b><br>Calculated by dividing DHA’s annualised net profit after tax by average equity                                    | >3%    | 1.4%   |
| <b>Data source</b><br>DHA’s audited financial statements                                                                                |        |        |
| <b>Authority</b><br>Defence Portfolio Budget Statement 2024–25, Program 1.1, page 215<br>Statement of Corporate Intent 2024–25, page 43 |        |        |

| Objective 4: Fiscal responsibility and long-term financial stability                                             |                                                                                                                                                                                                                        |
|------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Strategies to achieve our purpose                                                                                | Outcomes                                                                                                                                                                                                               |
| Commitment to environmental, social, and governance (ESG) excellence                                             |                                                                                                                                                                                                                        |
| Agree and implement a new capital funding model which allows DHA to operate in a financially sustainable manner. | Continued engagement with Shareholder Departments on funding model options.                                                                                                                                            |
| Embed a Strategic Asset Management (SAM) framework to lower the lifecycle cost of the portfolio.                 | <p>Developed draft Strategic Asset Management framework aligned with ISO 55001 standards.</p> <p>Implemented a pilot preventative maintenance (servicing) initiative.</p> <p>Developed asset inspection framework.</p> |

### Return on equity

DHA did not achieve its intended return on equity for 2024–25, which was largely attributable to a lower-than-expected net profit after tax of \$23.9 million for the year.

DHA's capital strength is critical to secure and maintain a portfolio of housing to meet Defence requirements. During 2024–25, DHA continued to pursue short-term initiatives and a capital efficient provisioning strategy to extend the life of its capital base amid challenging property market conditions. However, short-term initiatives are limited in effectiveness and, as a result, DHA's ability to achieve its return on equity target for 2024–25 was negatively impacted. This was further exacerbated by the shift in revenue resulting from delays in land sales and higher repairs and maintenance expenditure.



Part 4  
**Financial**  
**statements**

4

**Contents**

|                                                                       |    |
|-----------------------------------------------------------------------|----|
| Independent Auditor’s Report                                          | 63 |
| Statement by Directors, Managing Director and Chief Financial Officer | 65 |
| Statement of Comprehensive Income                                     | 66 |
| Statement of Financial Position                                       | 67 |
| Statement of Changes in Equity                                        | 68 |
| Statement of Cash Flows                                               | 69 |
| Notes to the Financial Statements                                     | 70 |



## INDEPENDENT AUDITOR'S REPORT

### To the Minister for Defence and the Minister for Finance

#### Opinion

In my opinion, the financial statements of Defence Housing Australia (the Entity) for the year ended 30 June 2025:

- (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 2025 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 2025 and for the year then ended:

- Statement by Directors, Managing Director and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Statement of Cash Flows; and
- Notes to 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 (the Board) 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 Board is also responsible for such internal control as the Board 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 Board 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 Board 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.

### **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



Colin Bienke  
Audit Principal

Delegate of the Auditor-General

Canberra  
4 September 2025

## Statement by Directors, Managing Director and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2025 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 Defence Housing 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 Directors.



**Dr Robert Lang**  
Chair



**Mr Andrew Jaggers PSM**  
Managing Director



**Ms Linnet Lee**  
Acting Chief Financial Officer

**4 September 2025**

## Statement of Comprehensive Income

|                                                          |       | 2025           | 2024           |
|----------------------------------------------------------|-------|----------------|----------------|
|                                                          | Notes | \$'000         | \$'000         |
| <b>INCOME</b>                                            |       |                |                |
| <b>Revenue</b>                                           |       |                |                |
| Revenue from contracts with customers                    | 2     | 199,278        | 193,669        |
| Housing services lease rentals                           | 3     | 660,506        | 607,462        |
| Interest received                                        |       | 4,495          | 5,112          |
| Other income                                             |       | 79             | 121            |
| <b>Total revenue</b>                                     |       | <b>864,358</b> | <b>806,364</b> |
| <b>GAINS/LOSS</b>                                        |       |                |                |
| Gains from disposal of investment properties             |       | 975            | -              |
| Net reversal of write down and impairment of assets      | 8     | 3,263          | 23,874         |
| Impairment loss reversal on financial instruments        | 11    | -              | 28             |
| <b>Total gains/loss</b>                                  |       | <b>4,238</b>   | <b>23,902</b>  |
| <b>Total income</b>                                      |       | <b>868,596</b> | <b>830,266</b> |
| <b>EXPENSES</b>                                          |       |                |                |
| Employee expenses                                        | 4     | 98,859         | 84,644         |
| Loss from disposal of investment properties              |       | -              | 28             |
| Rates, repairs and maintenance                           | 5     | 190,395        | 177,620        |
| Depreciation and amortisation                            | 6     | 403,803        | 368,665        |
| Cost of inventories sold                                 |       | 14,042         | 18,334         |
| Finance costs                                            | 7     | 78,174         | 60,004         |
| Impairment loss on financial instruments                 | 11    | 124            | -              |
| Other expenses                                           |       | 49,437         | 44,769         |
| <b>Total expenses</b>                                    |       | <b>834,834</b> | <b>754,064</b> |
| <b>Profit before income tax on continuing operations</b> |       | <b>33,762</b>  | <b>76,202</b>  |
| Income tax expense                                       | 9     | 9,889          | 22,261         |
| <b>Profit after income tax</b>                           |       | <b>23,873</b>  | <b>53,941</b>  |
| Other comprehensive income                               |       | -              | -              |
| <b>Total comprehensive income</b>                        |       | <b>23,873</b>  | <b>53,941</b>  |

The above statement should be read in conjunction with the accompanying notes.

## Statement of Financial Position

|                                            |       | 2025             | 2024             |
|--------------------------------------------|-------|------------------|------------------|
|                                            | Notes | \$'000           | \$'000           |
| <b>ASSETS</b>                              |       |                  |                  |
| <b>Current assets</b>                      |       |                  |                  |
| Cash and cash equivalents                  | 10    | 106,819          | 108,073          |
| Trade and other receivables                | 11    | 42,837           | 43,249           |
| Inventories                                | 12    | 75,814           | 177,781          |
| Current tax assets                         |       | 5,674            | 12,005           |
| Other current assets                       |       | 7,907            | 6,730            |
| <b>Total current assets</b>                |       | <b>239,051</b>   | <b>347,838</b>   |
| <b>Non-current assets</b>                  |       |                  |                  |
| Inventories                                | 12    | 155,642          | 14,436           |
| Investment properties <sup>1</sup>         | 13    | 3,422,143        | 3,272,715        |
| Property, plant and equipment <sup>1</sup> | 14    | 50,340           | 48,285           |
| Deferred tax assets                        | 9     | 38,460           | 36,356           |
| <b>Total non-current assets</b>            |       | <b>3,666,585</b> | <b>3,371,792</b> |
| <b>Total assets</b>                        |       | <b>3,905,636</b> | <b>3,719,630</b> |
| <b>LIABILITIES</b>                         |       |                  |                  |
| <b>Current liabilities</b>                 |       |                  |                  |
| Trade and other payables                   | 15    | 34,539           | 30,597           |
| Borrowings                                 | 16    | 40,000           | -                |
| Lease liabilities                          | 17    | 347,145          | 323,911          |
| Provisions                                 | 18    | 40,739           | 51,395           |
| Financial liabilities                      | 20    | 3,184            | 2,814            |
| Other liabilities                          | 19    | 29,773           | 13,806           |
| <b>Total current liabilities</b>           |       | <b>495,380</b>   | <b>422,523</b>   |
| <b>Non-current liabilities</b>             |       |                  |                  |
| Borrowings                                 | 16    | 230,000          | 170,000          |
| Lease liabilities                          | 17    | 1,346,384        | 1,313,897        |
| Provisions                                 | 18    | 88,837           | 76,529           |
| Financial liabilities                      | 20    | 2,721            | 649              |
| Other liabilities                          | 19    | 8,920            | 26,511           |
| <b>Total non-current liabilities</b>       |       | <b>1,676,862</b> | <b>1,587,586</b> |
| <b>Total liabilities</b>                   |       | <b>2,172,242</b> | <b>2,010,109</b> |
| <b>Net Assets</b>                          |       | <b>1,733,394</b> | <b>1,709,521</b> |
| <b>EQUITY</b>                              |       |                  |                  |
| Contributed equity                         |       | 403,863          | 403,863          |
| Retained earnings                          |       | 1,329,531        | 1,305,658        |
| <b>Total equity</b>                        |       | <b>1,733,394</b> | <b>1,709,521</b> |

1. Right of use assets are included in the Investment properties and Property, plant and equipment balance.

The above statement should be read in conjunction with the accompanying notes.

## Statement of Changes in Equity

|                                   | Retained<br>Earnings | Contributed<br>Equity | Total<br>Equity |
|-----------------------------------|----------------------|-----------------------|-----------------|
|                                   | \$'000               | \$'000                | \$'000          |
| Balance as at 1 July 2023         | 1,251,717            | 403,863               | 1,655,580       |
| Profit for the year               | 53,941               | -                     | 53,941          |
| Other comprehensive income        | -                    | -                     | -               |
| <b>Total comprehensive income</b> | <b>53,941</b>        | <b>-</b>              | <b>53,941</b>   |
| Balance as at 30 June 2024        | 1,305,658            | 403,863               | 1,709,521       |
| Balance at 1 July 2024            | 1,305,658            | 403,863               | 1,709,521       |
| Profit for the year               | 23,873               | -                     | 23,873          |
| Other comprehensive income        | -                    | -                     | -               |
| <b>Total comprehensive income</b> | <b>23,873</b>        | <b>-</b>              | <b>23,873</b>   |
| Balance as at 30 June 2025        | 1,329,531            | 403,863               | 1,733,394       |

The above statement should be read in conjunction with the accompanying notes.

## Statement of Cash Flows

|                                                                  |           | 2025             | 2024             |
|------------------------------------------------------------------|-----------|------------------|------------------|
|                                                                  | Notes     | \$'000           | \$'000           |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                      |           |                  |                  |
| Cash received                                                    |           |                  |                  |
| Sales of goods and services                                      |           | 771,116          | 719,682          |
| Sales of inventory                                               |           | 59,718           | 62,960           |
| Interest                                                         |           | 4,497            | 4,962            |
| Stamp duty and land tax equivalents received                     |           | 43,806           | 41,962           |
| GST received                                                     |           | 18,672           | 13,131           |
| <b>Total cash received</b>                                       |           | <b>897,809</b>   | <b>842,697</b>   |
| Cash used                                                        |           |                  |                  |
| Employees                                                        |           | 86,415           | 76,644           |
| Suppliers                                                        |           | 232,066          | 212,827          |
| Borrowing costs                                                  |           | 11,268           | 5,174            |
| Interest on leased assets                                        |           | 66,499           | 54,325           |
| Income taxes paid                                                |           | 5,662            | 30,934           |
| Acquisition and construction of inventories                      |           | 75,706           | 56,992           |
| Stamp duty and land tax equivalents paid                         |           | 45,909           | 62,936           |
| GST paid                                                         |           | 18,304           | 8,457            |
| Other expenses                                                   |           | 7,621            | 1,664            |
| <b>Total cash used</b>                                           |           | <b>549,450</b>   | <b>509,953</b>   |
| <b>Net cash from operating activities</b>                        | <b>21</b> | <b>348,359</b>   | <b>332,744</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                      |           |                  |                  |
| Cash received                                                    |           |                  |                  |
| Proceeds from sale of investment properties                      |           | 1,582            | 1,459            |
| <b>Total cash received</b>                                       |           | <b>1,582</b>     | <b>1,459</b>     |
| Cash used                                                        |           |                  |                  |
| Acquisitions and construction of investment properties           |           | 103,128          | 125,962          |
| Acquisition of property, plant and equipment                     |           | 4,379            | 5,229            |
| <b>Total cash used</b>                                           |           | <b>107,507</b>   | <b>131,191</b>   |
| <b>Net cash (used by) investing activities</b>                   |           | <b>(105,925)</b> | <b>(129,732)</b> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                      |           |                  |                  |
| Cash received                                                    |           |                  |                  |
| Borrowings                                                       |           | 100,000          | 130,000          |
| <b>Total cash received</b>                                       |           | <b>100,000</b>   | <b>130,000</b>   |
| Cash used                                                        |           |                  |                  |
| Principal repayment on leased assets                             |           | 343,688          | 322,470          |
| <b>Total cash used</b>                                           |           | <b>343,688</b>   | <b>322,470</b>   |
| <b>Net cash (used by) financing activities</b>                   |           | <b>(243,688)</b> | <b>(192,470)</b> |
| <b>Net (decrease)/increase in cash and cash equivalents</b>      |           | <b>(1,254)</b>   | <b>10,542</b>    |
| Cash and cash equivalents at the beginning of the financial year |           | 108,073          | 97,531           |
| <b>Cash and cash equivalents at end of financial year</b>        | <b>10</b> | <b>106,819</b>   | <b>108,073</b>   |

The above statement should be read in conjunction with the accompanying notes.

## Notes to the Financial Statements

|                                                          |            |
|----------------------------------------------------------|------------|
| 1. Overview Accounting Policy                            | 71         |
| 2. Revenue from contracts with customers                 | 73         |
| 3. Housing services lease rentals                        | 77         |
| 4. Employee benefits                                     | 79         |
| 5. Rates, repairs and maintenance                        | 80         |
| 6. Depreciation and amortisation                         | 81         |
| 7. Finance costs                                         | 82         |
| 8. Net (reversal of)/write down and impairment of assets | 83         |
| 9. Taxation                                              | 85         |
| 10. Cash and cash equivalents                            | 88         |
| 11. Trade and other receivables                          | 88         |
| 12. Inventories                                          | 90         |
| 13. Investment properties                                | 92         |
| 14. Property, plant and equipment                        | 95         |
| 15. Trade and other payables                             | 96         |
| 16. Borrowings                                           | 97         |
| 17. Lease liabilities                                    | 98         |
| 18. Provisions                                           | 101        |
| 19. Other liabilities                                    | 103        |
| 20. Financial liabilities                                | 103        |
| 21. Cash flow reconciliation                             | 104        |
| 22. Financial instruments                                | 105        |
| 23. Auditors remuneration                                | 109        |
| <b>Unrecognised Items</b>                                | <b>110</b> |
| 24. Commitments                                          | 111        |
| 25. Contingent assets and liabilities                    | 112        |
| 26. Events occurring after the reporting period          | 112        |
| <b>Key management personnel and related parties</b>      | <b>113</b> |
| 27. Key management personnel remuneration                | 114        |
| 28. Related party disclosures                            | 116        |

## 1. Overview Accounting Policy

### a. Objectives of DHA

Defence Housing Australia (DHA) is an Australian Government (Government) controlled for profit entity. The main function of DHA is to provide housing for, and related services to, members of the Australian Defence Force (ADF) and their families, in line with the Department of Defence (Defence) operational requirements.

DHA is structured to meet one outcome:

- *To contribute to Defence's outcomes by providing total housing services that meet Defence's operational and client needs through a strong customer and business focus.*

The continued existence of DHA in its present form and with its present operations is dependent on Government policy. DHA receives no appropriations from Government, and its activities are considered 'Departmental' for Government reporting purposes.

### b. Basis of preparation of the financial statements

The financial statements are required by section 42 of the PGPA Act and are general purpose financial statements.

The financial statements and notes have been prepared in accordance with the:

- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR)* and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

DHA is classified as a Government Business Enterprise (GBE) as stipulated in section 5(1)(c) of the PGPA Rule 2014 and is a for-profit entity. DHA is governed by the *Defence Housing Australia Act 1987* (DHA Act).

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities, which as noted, are stated at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

The financial statements are prepared on a going concern basis.

- DHA has a net current liability position of \$256.3m, which includes \$40.0m due to the Department of Finance in March 2026. DHA intends to roll this loan over on maturity. DHA has access to an undrawn loan facility with the Department of Finance of \$239.6m.
- DHA has a commitment to receive \$570.1m (*Note 24 Commitments*) for future lease rent from the Department of Defence which will be used to pay the current lease liability of \$347.1m when it falls due.

#### New and amended accounting standards adopted by DHA

In the current year, DHA adopted all new and revised standards issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

*AASB 18 Presentation and Disclosure in Financial Statements* was issued by the AASB in June 2024. The new standard will have a significant impact on the format of the Statement of Comprehensive Income and notes to the financial statements; however, there is unlikely to be any impact on the financial performance or financial position of DHA.

## 2. Revenue from contracts with customers

|                                                    | 2025           | 2024           |
|----------------------------------------------------|----------------|----------------|
|                                                    | \$'000         | \$'000         |
| <b>REVENUE FROM DEFENCE</b>                        |                |                |
| Allocation services provided                       | 16,605         | 15,910         |
| Defence property management services               | 76,804         | 74,721         |
| Construction services                              | 29,127         | 24,715         |
| Defence other charges                              | 16,382         | 11,917         |
| <b>Total revenue from Defence</b>                  | <b>138,918</b> | <b>127,263</b> |
| <b>Revenue from other customers</b>                |                |                |
| Sale of inventories                                | 44,997         | 53,276         |
| Lessor management fee revenue                      | 15,335         | 13,030         |
| Non-Defence other charges                          | 28             | 100            |
| <b>Total revenue from other customers</b>          | <b>60,360</b>  | <b>66,406</b>  |
| <b>Total revenue from contracts with customers</b> | <b>199,278</b> | <b>193,669</b> |
| <b>Timing of revenue recognition</b>               |                |                |
| Over time                                          | 137,899        | 128,476        |
| At a point in time                                 | 61,379         | 65,193         |
| <b>Total revenue from contracts with customers</b> | <b>199,278</b> | <b>193,669</b> |

### Accounting policy

Revenue recognition accounting policies with respect to DHA's business activities within the scope of *AASB 15 Revenue from Contracts with Customers* are as follows:

|                                           | Timing of revenue recognition |
|-------------------------------------------|-------------------------------|
| <b>Revenue from Defence</b>               |                               |
| Allocation services provided              | Over time                     |
| Defence property management services      | Over time                     |
| Defence other charges                     | Point in time                 |
| Construction services revenue             | Over time                     |
| <b>Revenue from Non-Defence Customers</b> |                               |
| Sales of inventories                      | Point in time                 |
| Lessor management fee revenue             | Over time                     |

*Allocation services provided*

DHA provides the service of allocating ADF members to available and suitable accommodation. For these services, DHA receives annual fixed fees from Defence as per the Defence Service Agreement (DSA). The transaction price relating to the provision of each of these services comprises fixed annual amounts, which remain unchanged across the contract term and cover a specified number of annual allocations.

The provision of the allocation services with Defence represents a series of distinct services that are substantially the same and have the same pattern of transfer to Defence. They are treated as one performance obligation satisfied over time. The fixed fees DHA receives for these services are considered to be the stand-alone selling price for the services being provided. All fees receivable under these arrangements will be recognised in full within the financial year.

Additional fees are receivable by DHA should allocations exceed the contractual annual amounts. DHA considers the additional services in relation to allocations to be options to purchase additional goods and services. Therefore, these will only be recognised as revenue as and when the additional allocation services are provided. The additional amounts relating to allocation services are considered to represent a material right to receive additional services at a discount and hence a separate performance obligation. However, the underlying services and the related revenue are not recognised until the option is exercised (so no amount of consideration for these transactions is estimated and included in the transaction price initially allocated). In all situations, revenue recognised in a year will relate to all allocations performed during that year. DHA invoices Defence on a monthly basis for the services provided and Defence pays within 20 days (2024: 30 days).

There is an annual performance payment which DHA may be entitled to receive from Defence should specific key performance indicators be met. This performance payment relates to all services provided to Defence under the DSA. The performance payment is regarded as variable consideration at contract inception and fully constrained at this date given the nature of the payment. However, by the end of each financial year, the uncertainty of the performance payment is resolved as the performance payment is recognised using the variable consideration allocation exemption. It is allocated between the Allocation Services Provided, the other services provided to Defence, and other services which are in scope of *AASB 15 Revenue from contracts with customers*, i.e., the Defence property management services. DHA invoices Defence for such performance payments and Defence pays within 20 days (2024: 30 days).

*Defence Property Management Services*

DHA receives a range of fees and charges for managing and maintaining residential properties owned by Defence used to house ADF Members. DHA receives payments:

- weekly, when a property is tenanted by an ADF member
- annually, for properties managed by DHA
- ad hoc, on an actual cost incurred basis plus a management fee percentage.

The management services provided under this part of the DSA are considered to be a series of distinct services that form a single performance obligation that is recognised over time. The transaction price is variable as it depends on:

- how many properties are managed by DHA and for how many years;
- how often the property is tenanted; and
- costs incurred by DHA in providing specific services.

The variable allocation exemption is used to allocate the variable consideration to the services provided in each month. DHA invoices Defence on a monthly basis for the services provided and Defence is required to pay within 20 days (2024: 30 days). Stamp duty and land tax is invoiced quarterly and paid by Defence within 30 days.

#### *Defence Other Charges*

Defence Other Charges include expenses which are recovered from Defence under the DSA. This includes amounts such as: upgrades to Defence owned properties; reimbursements of rates, municipal charges, insurance and utilities incurred by DHA on behalf of Defence.

When incurring these costs, DHA assesses whether it is principal or agent in such transactions. DHA is the principal if DHA controls the good or service before the good or service is transferred to Defence. Where DHA is the principal, the consideration received from Defence is recognised as revenue when the service is performed.

Where DHA is the agent, the consideration received, and the expense incurred will have no net impact on profit or loss as these amounts are reimbursed by Defence on a cost recovery basis with no margin or commissions retained by DHA.

Revenue received to upgrade properties to the required Defence standard is considered to be a distinct performance obligation satisfied at the point in time when the property is first tenanted by an ADF member, as this is when control of the upgrade is transferred to Defence. DHA performs these services on a cost recovery basis. DHA invoice Defence for the services provided and Defence is required to pay within 20 days (2024: 30 days).

#### *Construction Services—Defence*

DHA will often manage the construction of property developments on behalf of Defence. DHA project manages the construction using sub-contractors for on-base housing constructions and particular off-base properties. The transaction price DHA receives represents the costs incurred plus a management fee. The construction services provided for each project represent a single performance obligation satisfied over time as the construction occurs. Revenue is recognised over time using an input method, being the costs incurred to date plus the management fee.

#### *Sale of Inventories*

DHA develops properties with the primary purpose of using these properties to house ADF members. In the event that DHA has properties which become surplus to its requirements for meeting this purpose, properties will be disposed of through sale to third parties.

Where DHA sells property that has been developed as inventory, it considers each sale of property to be single performance obligation which is satisfied at a point in time i.e. when control of the property transfers to the customer. The transaction price is fixed and is determined at the time when it is sold.

#### *Lessor Management Fee Revenue*

DHA receives a fixed percentage management fee based on the rent paid to lessors in exchange for performing management and maintenance services on the property.

The lessor management fee that compensates DHA for the provision of separate services is recognised as lessor management fee revenue. DHA considers these services to be a series of distinct services that form a single performance obligation that is recognised over time. The transaction price is calculated as a set percentage of the monthly rent paid and will increase when the annual market rents are reset, and the variable allocation exemption is used to allocate the variable consideration to the services performed in each month.

These lessor management fees are deducted from the monthly rental bill paid by DHA to the lessor.

### **Accounting Judgement and Estimates**

#### *Lessor Management Fee Revenue*

DHA has analysed the services provided in return for lessor management fees and applied judgement to conclude that some activities do not represent the transfer of goods or services from DHA to the lessor. Specifically, bill paying services and market rent review services are considered a performance obligation and recognised as revenue under *AASB 15 Revenue from contracts with customers*; while property administration, annual market rent reviews as defined by the lease and maintenance and restoration services are part of the overall lease related to DHA's use of the property and accounted for as a reduction to rental expense under *AASB 16 Leases*.

Judgement is required to determine the split between the portion that represents the transfer of goods or services to the lessor (herein called 'lessor management fee revenue') and the portion that relates to the lease. DHA uses internal costing methodologies across historical financial data, to determine the split each financial year.

3. Housing services lease rentals

|                                      | 2025    | 2024    |
|--------------------------------------|---------|---------|
|                                      | \$'000  | \$'000  |
| Housing services lease rentals       |         |         |
| Defence rent                         | 659,778 | 606,695 |
| Other rentals                        | 728     | 767     |
| Total housing services lease rentals | 660,506 | 607,462 |

Accounting policy

*Defence Rent*

Defence Rent represents lease revenue received from Defence for properties provided under the DSA.

*Other Rentals*

Other Rentals comprise rental income received from the private rental market, where the property is temporarily not required for the purpose of housing ADF members and is in compliance with the *Defence Housing Australia Act 1987*. Revenue is recognised when a property is tenanted and occupied by a civilian on a monthly basis for the term of the tenancy.

Accounting Judgement

*AASB 16 Leases* states that a lease is present if a contract “conveys the right to control the use of an identified asset for a period of time in exchange of consideration”. *AASB 16 Leases* further sets out that to assess whether a contract conveys the right to control the use of an identified asset for a period of time, an entity shall assess whether, throughout the period of use, the customer has both of the following:

- a. the right to obtain substantially all of the economic benefits from use of the identified asset; and
- b. the right to direct the use of the identified asset.

DHA has analysed the agreements between DHA, Department of Defence and the ADF Member in order to determine if there is a lease agreement under *AASB 16 Leases*. DHA considers it is necessary to read the DSA, the DHA Act and the Defence Housing Australia Residence Agreement (DRA) as a whole to understand the commercial arrangements between the three parties. DHA has concluded that the DSA between DHA and Defence satisfies the definition of a lease under *AASB 16 Leases*, based on the following key judgements:

- i. In order to understand the arrangements, the DSA should be considered together with the DRA and the DHA Act. On assessing the substance of these arrangements, DHA considers that the DSA, through the provisioning process, identifies the portfolio of properties that Defence has the right to control the use of, and benefit from.
- ii. The DSA provides Defence the right to control the properties because it directs when the properties are to be used, including the allocations policy and when properties must be vacated. The ADF members only have a right to occupy a DHA property as a result of their employment with Defence and, if the employment is terminated the entitlement under the DRA ends. The DSA is therefore a lease in an arrangement where the property is ultimately occupied by the ADF member.
- iii. Defence does not act as an agent for DHA by collecting rental contributions from members. Defence's obligation to pay rent under the DSA is independent of the member's contribution under the DRA. Defence bears the credit risk on contributions by ADF members, and Defence payments to DHA continue regardless of any default by an ADF member.

## 4. Employee benefits

|                                | 2025          | 2024          |
|--------------------------------|---------------|---------------|
|                                | \$'000        | \$'000        |
| <b>Employee benefits</b>       |               |               |
| Wages and salaries             | 79,763        | 67,918        |
| Superannuation                 |               |               |
| Defined contribution plans     | 9,413         | 8,114         |
| Defined benefit plans          | 1,994         | 1,800         |
| Leave and other entitlements   | 7,689         | 6,258         |
| Separation and redundancies    | -             | 554           |
| <b>Total employee benefits</b> | <b>98,859</b> | <b>84,644</b> |

### Accounting policy

#### *Superannuation*

DHA staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap), or other superannuation funds held outside the Government.

The CSS and PSS are defined benefit schemes for the Government. The PSSap is an accumulation scheme.

The liability for defined benefits is recognised in the financial statements of the Government and is settled by the Government in due course. This liability is reported in the Department of Finance's (Finance) administered schedules and notes.

DHA makes employer contributions to CSS and PSS at rates determined by an actuary to be sufficient to meet the current cost to the Government. DHA accounts for these contributions as if they were contributions to defined contribution plans in accordance with AASB 119 – *Employee Benefits*.

The liability for superannuation recognised as at 30 June represents outstanding contributions.

#### *Leave and other entitlements*

The liability for employee benefits includes provisions for annual leave and long service leave. The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including DHA's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

#### *Separation and redundancy*

Provision is made for separation and redundancy benefit payments. The entity recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Payroll tax equivalent is a related party transaction with Defence and is reported on the Statement of Comprehensive Income as Other Expenses. All other employee benefits are incurred with external parties. At 30 June 2025 the provision for payroll tax for related parties was \$4,801,388 (2024: \$4,135,015).

## 5. Rates, repairs and maintenance

|                                             | 2025           | 2024           |
|---------------------------------------------|----------------|----------------|
|                                             | \$'000         | \$'000         |
| <b>Rates, repairs and maintenance</b>       |                |                |
| Rates and municipal charges                 | 23,435         | 19,362         |
| Stamp duty and land tax equivalents         | 45,115         | 42,497         |
| Repairs and maintenance                     | 58,714         | 55,987         |
| Other property charges                      | 63,131         | 59,774         |
| <b>Total rates, repairs and maintenance</b> | <b>190,395</b> | <b>177,620</b> |

### Accounting policy

Rates, repairs and maintenance includes expenditure for investment properties of \$73,090,698 (2024: \$69,822,651).

#### *Rates and Municipal Charges*

Rates and municipal charges include council and water rates for DHA's property portfolio, which are not recoverable from Defence. The expenses are incurred from external parties and are expensed in the period they are incurred.

#### *Stamp Duty and Land Tax Equivalents*

Stamp Duty and Land Tax Equivalents are related party transactions associated with Defence.

DHA provides services on a for-profit basis. In accordance with the DHA Act, DHA is required to make State Tax Equivalent payments, including payroll tax, land tax and stamp duty.

DHA includes State Tax Equivalent payments in the expenditure items to which they relate. Payroll tax is included in Other Expenses.

#### *Repairs and Maintenance*

Repairs and maintenance include repairs and maintenance expenses on the DHA property portfolio, which are not recoverable from Defence.

Expenses are incurred from external contractors and are expensed in the period they are incurred.

#### *Other Property Charges*

Other property charges include recoverable repairs and maintenance, and Defence funded capital project expenses. DHA, in accordance with the DSA, is entitled to recover from Defence these expenses.

Expenses are incurred from external parties and sub-contractors and are expensed in the period they are incurred.

## 6. Depreciation and amortisation

|                                            | 2025           | 2024           |
|--------------------------------------------|----------------|----------------|
|                                            | \$'000         | \$'000         |
| <b>Depreciation</b>                        |                |                |
| Investment properties <sup>1</sup>         | 397,400        | 362,864        |
| Plant and equipment                        | 1,827          | 1,493          |
|                                            | <b>399,227</b> | <b>364,357</b> |
| <b>Amortisation</b>                        |                |                |
| Software                                   | 15             | 25             |
| Right of use assets – PPE                  | 4,561          | 4,283          |
|                                            | <b>4,576</b>   | <b>4,308</b>   |
| <b>Total depreciation and amortisation</b> | <b>403,803</b> | <b>368,665</b> |

1. Includes \$361,472,437 depreciation of right of use assets, which meet the definition of investment properties under AASB 140 *Investment Properties* (2024: \$329,697,962).

### Accounting policy

Depreciable assets are written down to their estimated residual values over their estimated useful lives using the straight-line method of depreciation. Office fit outs are depreciated over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation and amortisation rates applicable to each class of depreciable assets are based on the straight-line method over the following useful lives:

|                           | 2025                              | 2024                              |
|---------------------------|-----------------------------------|-----------------------------------|
| Investment properties     | 40 years or the term of the lease | 40 years or the term of the lease |
| Plant and equipment       | 3 to 6 years or term of lease     | over a period of time             |
| Software                  | 6 years                           | 6 years                           |
| Right of use assets – PPE | Term of lease                     | Term of lease                     |

Depreciation and amortisation 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.

## 7. Finance costs

|                               | 2025          | 2024          |
|-------------------------------|---------------|---------------|
|                               | \$'000        | \$'000        |
| Finance costs                 |               |               |
| Interest on loans             | 11,268        | 5,174         |
| Interest on lease liabilities | 66,906        | 54,830        |
| <b>Total finance costs</b>    | <b>78,174</b> | <b>60,004</b> |

### Accounting policy

DHA has an unsecured borrowing facility with the Commonwealth. On 28 September 2020, an Amended and Restated Loan Facility Agreement was signed, effective from 1 October 2020. This affords DHA the flexibility to borrow at either fixed or floating market interest rates. The amended facility with the Commonwealth requires DHA to pay interest on the amounts drawn down from the Department of Finance.

The interest on loans is accrued based on effective interest rates on the outstanding balance of the loan. Interest paid on loans is a related party transaction.

Interest on lease liabilities is calculated using the effective interest rate of the lease liabilities over the period.

## 8. Net (reversal of)/write down and impairment of assets

|                                                                | 2025            | 2024            |
|----------------------------------------------------------------|-----------------|-----------------|
|                                                                | \$'000          | \$'000          |
| <b>NON-FINANCIAL ASSETS</b>                                    |                 |                 |
| Write downs and impairments                                    |                 |                 |
| Investment properties                                          | 8,454           | 7,160           |
| Inventories                                                    | 324             | 3,757           |
|                                                                | <b>8,778</b>    | <b>10,917</b>   |
| Reversal of write downs and impairments                        |                 |                 |
| Investment properties                                          | (11,850)        | (34,597)        |
| Inventories                                                    | (191)           | (194)           |
|                                                                | <b>(12,041)</b> | <b>(34,791)</b> |
| <b>Net (reversal of)/write down and impairment<sup>1</sup></b> | <b>(3,263)</b>  | <b>(23,874)</b> |

1. Includes \$575,149 net reversal of impairment on right of use assets, which meet the definition of investment properties under *AASB 140 Investment Properties* (2024: \$23,361,715 net reversal of impairment).

### Accounting policy

#### *Inventories*

To ensure compliance with *AASB 102 Inventories*, an independent valuation to assess the net realisable value of inventory properties held by DHA is undertaken by a registered valuer as at 31 December 2024. The carrying value of individual properties, where the cost of the property exceeded the net realisable value, are written down accordingly. At the end of the reporting period, DHA reassesses the net realisable value based on internal and external market data, and recognises a further write down or write back where there is evidence of a change in property market values. A write back, where applicable, will not exceed cost. Refer to *Note 12 Inventories* for more information.

#### *Investment Properties*

Investment properties include right of use assets that meet the definition of investment properties in accordance with *AASB 140 Investment Property*.

Investment properties are initially recognised at cost. The carrying amount includes the cost of replacing parts of existing investment properties, at the time those costs are incurred. The carrying amount excludes costs of day-to-day servicing and maintenance of the investment property.

Investment properties are subsequently recognised at the lower of carrying value and recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use where the property is not identified for future sale or is a leased property.

Investment properties are derecognised when they have been disposed of, when they are withdrawn from use and no future economic value is expected from its disposal, or when the lease has expired.

The fair value of investment properties is assessed annually by an independent valuer and a value in use calculation is prepared internally for assets not identified for future sale and for right of use assets. Where the fair value less costs to sell and the value in use calculation for an individual property is less than its cost, the carrying value of the property is written down to the higher of the two valuation methods, and the loss is recognised as an impairment loss in the statement of comprehensive income. Refer to *Note 13 Investment Properties*.

DHA uses a discounted cash flow model to determine the value in use of investment properties. In determining the value in use, DHA applies the following assumptions:

- Capital growth rate by using state-level growth assumptions using combination of Australian Bureau of Statistics indexes and other externally available economic data and estimates a rental growth rate by using long term historical average.
- Consumer Price Index (CPI) using a single national level assumption referencing external benchmark (Reserve Bank of Australia website) with a short-term/long-term split.
- A discount rate that is determined in accordance with the requirements of *AASB 136 Impairment*, calculated internally on an individual asset basis.
- Cash inflow estimates including rental income and other Defence fees and charges paid to DHA in accordance with the DSA.
- Cash outflow estimates including annual repairs and maintenance and capital work expenditure on state level assumptions based on historical data and judgements.

## Material Accounting Judgement and Estimates

### *Rental and Capital Growth*

The discounted cash flow model used to determine the value in use of investment properties includes an assumption on the forecast rental and capital growth for the remaining expected holding period for the investment property or rental growth for the term of the lease. DHA applies judgement to assume a capital growth rate using state-level growth assumptions using combination of Australian Bureau of Statistics indexes and other externally available economic data and estimates a rental growth rate by using long term historical average.

## 9. Taxation

### a. Income tax expense

|                                               | 2025          | 2024          |
|-----------------------------------------------|---------------|---------------|
|                                               | \$'000        | \$'000        |
| Income tax expense                            |               |               |
| Current tax expense                           | 12,332        | 17,718        |
| Adjustments for current tax of prior periods  | (339)         | (4,326)       |
| Deferred tax                                  | (2,329)       | 5,049         |
| Adjustments for deferred tax of prior periods | 225           | 3,820         |
|                                               | <b>9,889</b>  | <b>22,261</b> |
| Income tax expense attributable to:           |               |               |
| Profit from continuing operations             | 33,762        | 76,202        |
|                                               | <b>33,762</b> | <b>76,202</b> |

### b. Reconciliation of income tax expense to prima facie tax payable

|                                                     | 2025         | 2024          |
|-----------------------------------------------------|--------------|---------------|
|                                                     | \$'000       | \$'000        |
| Reconciliation of income tax expense:               |              |               |
| Profit from continuing operations before income tax | 33,762       | 76,202        |
| Tax expense at the Australian tax rate of 30%       | 10,129       | 22,861        |
| Tax effect of amounts not deductible/(assessable):  |              |               |
| Derecognition of deferred tax balances              | (96)         | (568)         |
| Tax cost base valuations                            | -            | -             |
| Adjustments relating to prior periods               | (18)         | 61            |
| Other                                               | (126)        | (93)          |
|                                                     | <b>9,889</b> | <b>22,261</b> |

## 9. Taxation (continued)

### c. Deferred tax assets/(liabilities) recognised in the Statement of Comprehensive Income

|                                                    | 2025          | 2024          |
|----------------------------------------------------|---------------|---------------|
|                                                    | \$'000        | \$'000        |
| <b>Net deferred tax assets/(liabilities)</b>       |               |               |
| Employee benefits                                  | 5,321         | 4,741         |
| Revenue in advance                                 | (1,694)       | (1,557)       |
| Inventory properties                               | 2,759         | 3,577         |
| Investment properties                              | (17,928)      | (18,424)      |
| Right of use asset – investment properties         | (490,660)     | (478,446)     |
| Right of use asset – property, plant and equipment | (10,966)      | (10,355)      |
| Lease liabilities                                  | 508,092       | 491,388       |
| Prepayments                                        | 12,075        | 11,635        |
| Make good provisions                               | 20,822        | 23,782        |
| Provisions – other                                 | 9,602         | 7,686         |
| Property, plant and equipment                      | 691           | 2,110         |
| Other                                              | 346           | 219           |
| <b>Net deferred tax asset</b>                      | <b>38,460</b> | <b>36,356</b> |
| <b>Comprising:</b>                                 |               |               |
| Deferred tax assets                                | 559,708       | 545,138       |
| Deferred tax liabilities                           | (521,248)     | (508,782)     |
| <b>Net deferred tax asset</b>                      | <b>38,460</b> | <b>36,356</b> |
| <b>Movements:</b>                                  |               |               |
| Opening balance at 1 July                          | 36,356        | 45,225        |
| Charged to the statement of comprehensive income   | 2,104         | (8,869)       |
| <b>Net deferred tax asset</b>                      | <b>38,460</b> | <b>36,356</b> |

### Accounting policy

DHA became a Commonwealth income taxpayer on 1 July 2007, following an amendment of the DHA Act. On 1 July 2007, an unrecognised temporary difference (Deferred Tax Asset) was created between the accounting carrying value and the tax value for properties held as Investment Properties. The unrecognised value of the temporary difference at 30 June 2025 is \$430,532,713 (2024: \$430,820,724). The tax effect of this temporary difference is \$129,159,814 (2024: \$129,246,217).

#### *Income Tax Expense*

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. A deferred tax asset will be recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that:

- is not a business combination;
- at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss), and
- at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

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

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.

#### *Goods and Services Tax*

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO), it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from or payable to the ATO, is included as part of receivables or payables.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from or payable to the ATO, are classified as operating cash flows.

## 10. Cash and cash equivalents

|                                        | 2025           | 2024           |
|----------------------------------------|----------------|----------------|
|                                        | \$'000         | \$'000         |
| Cash and cash equivalents              |                |                |
| Cash at bank                           | 106,819        | 108,073        |
| <b>Total cash and cash equivalents</b> | <b>106,819</b> | <b>108,073</b> |

### Accounting policy

Cash and cash equivalents means notes and coins held, and any deposit held at call or readily convertible to cash with a bank or financial institution. Cash is recognised at its nominal amount.

As part of bank management, DHA operates a net settlement arrangement of all operating accounts with its bank. As such, total cash and cash equivalents presented on the Statement of Financial Position is net of bank overdraft.

## 11. Trade and other receivables

### a. Trade and other receivables

|                                                          | 2025          | 2024          |
|----------------------------------------------------------|---------------|---------------|
|                                                          | \$'000        | \$'000        |
| <b>Current receivables for good and services</b>         |               |               |
| Receivables                                              | 10,606        | 11,721        |
| Allowance – expected credit loss                         | (153)         | (29)          |
|                                                          | <b>10,453</b> | <b>11,692</b> |
| Accrued income                                           | 31,603        | 31,104        |
| Other receivables                                        | 781           | 453           |
|                                                          | <b>42,837</b> | <b>43,249</b> |
| <b>Current receivables – Contracts and other sources</b> |               |               |
| Contracts with customers                                 | 34,179        | 33,053        |
| Other sources of revenue                                 | 8,658         | 10,196        |
|                                                          | <b>42,837</b> | <b>43,249</b> |
| <b>Current receivables for goods and services from</b>   |               |               |
| Related entities                                         | 40,060        | 39,634        |
| External parties                                         | 2,777         | 3,615         |
| <b>Total trade and other receivables</b>                 | <b>42,837</b> | <b>43,249</b> |

## 11. Trade and other receivables (continued)

### b. Trade and Other Receivables (Net) expected to be recovered

|                                                        | 2025   | 2024   |
|--------------------------------------------------------|--------|--------|
|                                                        | \$'000 | \$'000 |
| Current receivables (net) expected to be recovered in: |        |        |
| Less than 12 months                                    | 42,837 | 43,249 |

### c. Receivables are aged as follows:

|                                          | 2025          | 2024          |
|------------------------------------------|---------------|---------------|
|                                          | \$'000        | \$'000        |
| Current receivables aging:               |               |               |
| Not overdue                              | 38,149        | 36,666        |
| 0 to 30 days                             | 2,134         | 4,855         |
| 31 to 60 days                            | 2,067         | 1,411         |
| 61 to 90 days                            | 188           | 53            |
| More than 90 days                        | 299           | 264           |
| <b>Total trade and other receivables</b> | <b>42,837</b> | <b>43,249</b> |

### d. Reconciliation of the impairment loss allowance

|                                            | 2025       | 2024      |
|--------------------------------------------|------------|-----------|
|                                            | \$'000     | \$'000    |
| Movement in the impairment loss allowance: |            |           |
| Impairment loss allowance at 1 July        | 29         | 57        |
| Impairment loss increase                   | 124        | -         |
| Amounts to be recovered and reversed       | -          | (28)      |
| <b>Total as at 30 June</b>                 | <b>153</b> | <b>29</b> |

### Accounting policy

Credit terms are between 7 and 30 days.

Receivables for goods and services are recognised at the nominal amounts due, less any provision for impairment allowance. Collectability of debts is reviewed at 30 June each year. Allowances for expected credit losses (ECLs) are based on a provision matrix that is in accordance with AASB 9 *Financial Instruments*. Refer to Note 22 *Financial Instruments*.

## 12. Inventories

|                             | 2025           | 2024           |
|-----------------------------|----------------|----------------|
|                             | \$'000         | \$'000         |
| <b>Total inventories</b>    |                |                |
| Current inventories         | 75,814         | 177,781        |
| Non-current inventories     | 155,642        | 14,436         |
| <b>Total inventories</b>    | <b>231,456</b> | <b>192,217</b> |
| <b>Completed properties</b> |                |                |
| At cost                     | 1,397          | 2,076          |
| At net realisable value     | -              | -              |
| <b>Land held for sale</b>   |                |                |
| At cost                     | 23,652         | 23,638         |
| At net realisable value     | -              | -              |
| <b>Work in progress</b>     |                |                |
| At cost                     | 156,546        | 123,374        |
| At net realisable value     | 49,861         | 43,129         |
| <b>Total inventories</b>    | <b>231,456</b> | <b>192,217</b> |

### Accounting policy

The total fair value of inventory as at 30 June 2025 is \$280,276,063 (2024: \$222,788,655).

DHA accounts for inventory properties under *AASB 102 – Inventories*. Inventories are properties available for sale in the short to medium term in order to free capital for reinvestment.

Inventories are initially recognised at cost and are subsequently recognised at the lower of cost or net realisable value. Net realisable value is estimated based on the finished asset's gross expected realisation less costs to complete and selling costs. Inventory is measured at cost base on individual assets.

Inventories are separated into the following categories:

- completed properties – completed properties held for sale on normal trading cycle;
- land held for sale; or
- work in progress – incomplete construction projects.

#### *Work in Progress*

Development projects are classified as inventory properties whilst in progress where a majority of the properties on completion of the development are expected to be sold as inventory stock.

Development project costs include variable and fixed costs as they relate directly to specific contracts, and those costs relating to general contract activity which can be allocated to the project on a reasonable basis.

#### **Accounting Judgement and Estimates**

##### *Development property inventory*

For development inventory sites, the net realisable value is based on the estimated gross selling price of the finished development, less forecasted completion and selling costs. Judgement is used to estimate the future costs, sales price assumptions, and timing of completion. Where the net realisable value is lower than the cost to date, the cost to date is written down by the value of the estimated loss.

### 13. Investment properties

|                                                | 2025             | 2024             |
|------------------------------------------------|------------------|------------------|
|                                                | \$'000           | \$'000           |
| <b>Investment properties</b>                   |                  |                  |
| Investment properties at cost                  | 4,357,824        | 3,945,891        |
| Less: accumulated depreciation                 | (1,380,662)      | (1,144,663)      |
|                                                | <b>2,977,162</b> | <b>2,801,228</b> |
| <b>Investment properties – impaired</b>        |                  |                  |
| Investment properties at cost                  | 989,802          | 923,734          |
| Less: accumulated depreciation                 | (496,186)        | (398,631)        |
| Less: accumulated impairment                   | (48,635)         | (53,616)         |
|                                                | <b>444,981</b>   | <b>471,487</b>   |
| <b>Total investment properties<sup>1</sup></b> | <b>3,422,143</b> | <b>3,272,715</b> |

1. Total investment properties include \$1,635,532,893 (2024: \$1,594,818,524) of right of use assets (measured at cost less accumulated depreciation and impairment), which meet the definition of investment properties under AASB 140 *Investment Properties*.

#### Accounting policy

The total fair value of Investment Properties as at 30 June 2025 is \$5,663,082,987 (2024: \$5,201,960,407). The fair value amount disclosed at 30 June 2025 includes \$1,635,532,893 (2024: \$1,594,818,524) of right of use assets measured at cost.

The fair value of DHA's investment properties as at 31 December 2024 and as at 31 December 2023 was on the basis of a valuation carried out on the respective date by external independent valuers. On 30 June 2025, DHA undertook a review of the fair values determined on 31 December 2024 and determined there is no material change from these values.

Independent valuers are members of the Institute of Valuers of Australia, hold appropriate qualifications and have recent experience in the valuation of properties in the relevant locations. The fair value of each property was determined based on the market comparable approach that reflects recent transaction prices for similar properties. In estimating the fair value of properties, the highest and best use of each property is its current use. There has been no change to the valuation technique during the year. The fair value level in accordance with AASB 13 *Fair Value Measurement* is level 2.

To calculate impairment, the net realisable value of DHA's right of use assets that meet the definition of investment properties in accordance with AASB 16 *Leases* as at 30 June 2025 has been determined based on a discounted cash flow. In determining the net realisable value, DHA applies the following assumptions:

- Capital growth rate by using state-level growth assumptions using a combination of Australian Bureau of Statistics indexes and other externally available economic data and estimates a rental growth rate by using long term historical average.
- CPI using a single national level assumption referencing external benchmark (Reserve Bank of Australia website) with a short-term/long-term split.

- A discount rate which is calculated internally on an individual asset basis, being the nominal pre-tax discount rate implied by the capital value of the individual property's expected future rent, determined in accordance with the requirement of *AASB 136 Impairment of Assets*.
- Cash inflow estimates including rental income and other Defence fees and charges paid to DHA in accordance with the DSA.
- Cash outflow estimates including annual repairs and maintenance based on historical data and judgements.

### Accounting Judgement and Estimates

DHA owned investment properties are assessed for indicators of impairment annually. Where there is an indicator of impairment, the recoverable amount of each investment property is estimated. *AASB 136 Impairment of Assets* requires that the recoverable amount is the higher of the property's fair value less costs of disposal (FVLCD) and its value in use (VIU). FVLCD is assessed annually by an independent valuer. VIU is calculated using various assumptions in relation to the cost of debt and equity and future rental income of the property (refer to *Note 8 Net reversal/write down and impairment of assets*). Where the recoverable amount is less than the carrying amount, the carrying amount of the investment property is impaired to the greater of the fair value less cost to sell and value in use.

DHA has applied judgement to determine the discount rate used in the calculation of the VIU. DHA has used a rate that reflects the nominal pre-tax discount rate implied by the capital value of related properties, the expected future rents from the properties and other cash flows for associated property related services.

DHA's right of use assets that meet the definition of investment properties are assessed for impairment as part of a cash generating unit (CGU). A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. DHA has determined that individual right of use asset for each property represents a CGU, as each property is capable of generating cash inflows which are largely independent of cash inflows of any other asset or CGU.

DHA has applied judgement to conclude that of the two methods available to determine the recoverable amount of right of use assets, the VIU will consistently generate a higher recoverable amount. DHA uses a VIU approach to assess and measure impairment on the right of use assets.

### 13. Investment properties (continued)

|                                                              | 2025             | 2024             |
|--------------------------------------------------------------|------------------|------------------|
|                                                              | \$'000           | \$'000           |
| <b>As at 1 July</b>                                          |                  |                  |
| At cost                                                      | 4,869,624        | 4,381,359        |
| Less: accumulated depreciation and impairment                | (1,596,909)      | (1,316,478)      |
| <b>Net book value at start of period</b>                     | <b>3,272,715</b> | <b>3,064,881</b> |
| <b>For the year ended 30 June</b>                            |                  |                  |
| Additions                                                    | 286,681          | 255,161          |
| Lease adjustments                                            | 264,124          | 290,396          |
| Transfer from inventory to investment property               | -                | -                |
| Depreciation charge                                          | (397,400)        | (362,864)        |
| Impairment write back/(loss)                                 | 3,396            | 27,437           |
| Transfer to assets held for sale                             | -                | -                |
| Other disposals or lease expiries                            | (72,803)         | (57,292)         |
| Depreciation/impairment written back on disposal or transfer | 65,430           | 54,996           |
| <b>Movement in net book value for the period</b>             | <b>149,428</b>   | <b>207,834</b>   |
| <b>As at 30 June</b>                                         |                  |                  |
| At cost                                                      | 5,347,626        | 4,869,624        |
| Less: accumulated depreciation and impairment                | (1,925,483)      | (1,596,909)      |
| <b>Total investment properties</b>                           | <b>3,422,143</b> | <b>3,272,715</b> |

#### Accounting policy

DHA accounts for investment properties under *AASB 140 Investment Property* and applies the cost model. Investment properties are properties held for strategic long-term provisioning requirements.

Investment properties are separated into the following categories:

- completed properties
- land held for future development; or
- work in progress – incomplete construction projects.

Transfers from inventory to investment are made when there is a change in use of a property in accordance with *AASB 140 Investment Property*.

Changes to the term of a lease or the weekly rental paid on a leased investment property is treated as a lease adjustment.

## 14. Property, plant and equipment

|                                             | 2025          | 2024          |
|---------------------------------------------|---------------|---------------|
|                                             | \$'000        | \$'000        |
| <b>Property, plant and equipment</b>        |               |               |
| Property, plant and equipment at cost       | 46,380        | 44,770        |
| Less: accumulated depreciation              | (32,592)      | (31,003)      |
| <b>Net property, plant and equipment</b>    | <b>13,788</b> | <b>13,767</b> |
| <b>Right of use assets</b>                  |               |               |
| Motor vehicles and office leases            | 52,081        | 47,765        |
| Less: accumulated amortisation              | (15,529)      | (13,247)      |
| <b>Net motor vehicles and office leases</b> | <b>36,552</b> | <b>34,518</b> |
| <b>Total property, plant and equipment</b>  | <b>50,340</b> | <b>48,285</b> |

### Accounting policy

#### Asset Recognition

Purchases of property, plant and equipment are recognised at cost in the statement of financial position, except for purchases less than \$5,000, which are expensed in the year of acquisition, unless they form part of a similar group of items.

Following initial recognition at cost, property, plant and equipment is measured at cost less accumulated depreciation.

#### Right of Use Assets

Right of use leased assets are capitalised at the commencement date of the lease and comprise the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received.

## 15. Trade and other payables

|                                                                | 2025          | 2024          |
|----------------------------------------------------------------|---------------|---------------|
|                                                                | \$'000        | \$'000        |
| Trade and other payables                                       |               |               |
| Trade creditors                                                | 1,975         | 11,707        |
| Accrued expenses                                               | 27,528        | 15,410        |
| Stamp duty and land tax payable                                | 5,036         | 3,480         |
|                                                                | <b>34,539</b> | <b>30,597</b> |
| Trade payables expected to be settled no later than 12 months: |               |               |
| Related entities                                               | 5,270         | 15,653        |
| External parties                                               | 29,269        | 14,944        |
| <b>Total trade and other payables</b>                          | <b>34,539</b> | <b>30,597</b> |

## 16. Borrowings

|                                                 | 2025           | 2024           |
|-------------------------------------------------|----------------|----------------|
|                                                 | \$'000         | \$'000         |
| <b>Loans from the Commonwealth</b>              |                |                |
| Current borrowings                              | 40,000         | -              |
| Non-current borrowings                          | 230,000        | 170,000        |
|                                                 | <b>270,000</b> | <b>170,000</b> |
| <b>Maturity schedule for borrowings payable</b> |                |                |
| Within one year                                 | 40,000         | -              |
| Between two and five years                      | 230,000        | 170,000        |
| <b>Total borrowings</b>                         | <b>270,000</b> | <b>170,000</b> |

### Accounting policy

DHA has an unsecured borrowing facility with the Commonwealth. On 1 October 2020, an amended and restated Loan Facility Agreement took effect, affording DHA the flexibility to borrow and repay loans within the maximum facility limit of \$509.6 million.

The facility affords DHA the flexibility to borrow at floating interest at market rates. The facility requires DHA to pay interest on the amounts drawn down from the Department of Finance.

All loans and borrowings drawn down under this facility are initially recognised at fair value less directly attributable transaction costs. Subsequent recognition of loans and borrowings is at amortised cost, and interest is charged as an expense as it accrues. The interest rate range on the borrowings is between 4.77% and 5.62% as at 30 June 2025.

Borrowings are classified as current liabilities unless DHA has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

## 17. Lease liabilities

|                                                  | 2025             | 2024             |
|--------------------------------------------------|------------------|------------------|
|                                                  | \$'000           | \$'000           |
| <b>Lease liabilities</b>                         |                  |                  |
| Current lease liabilities                        | 347,145          | 323,911          |
| Non-current lease liabilities                    | 1,346,384        | 1,313,897        |
|                                                  | <b>1,693,529</b> | <b>1,637,808</b> |
| <b>Maturity analysis – lease liabilities</b>     |                  |                  |
| Undiscounted operating lease payments cash flows |                  |                  |
| – Within one year                                | 406,796          | 381,221          |
| – One to two years                               | 364,573          | 348,661          |
| – Two to three years                             | 304,513          | 300,383          |
| – Three to four years                            | 248,937          | 247,707          |
| – Four to five years                             | 199,070          | 200,150          |
| – More than five years                           | 435,845          | 418,498          |
|                                                  | <b>1,959,734</b> | <b>1,896,620</b> |

### Accounting policy

#### (i) DHA's leasing activities

DHA leases residential and commercial properties, and vehicles. Rental contracts are typically made for fixed periods of 3 years to 15 years but may have extension options as described below.

Contracts may contain both lease and non-lease components. DHA allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right of use asset and a corresponding liability at the date at which the leased asset is available for use by DHA.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by DHA under residual value guarantees
- the exercise price of a purchase option if DHA is reasonably certain to exercise that option, and
- payment of penalties for terminating the lease, if the lease term reflects DHA exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that DHA would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, DHA:

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk, and
- makes adjustments specific to the lease, e.g. term and security

DHA is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right of use asset.

Lease payments are allocated between principal and finance cost. The finance cost is expensed over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right of use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right of use assets are depreciated over the lease term on a straight-line basis.

*(ii) Extension and termination options*

Extension and termination options are included in a number of property leases and are used to maximise operational flexibility in terms of managing the assets used in DHA's operations. The majority of extension and termination options held are exercisable only by DHA and not by the respective lessor.

## Significant accounting judgement

### (i) Lease term

DHA has used judgement in determining where options for extension or termination contained in lease arrangements would or would not be considered reasonably certain of being exercised. DHA makes this judgement on a lease-by-lease basis and considers all relevant facts and circumstances that create an economic incentive for DHA from the commencement date until the exercise date of the option.

For most property leases, DHA has concluded it is reasonably certain to exercise options to extend the lease, and accordingly has included the period covered by those lease extensions in the lease term. DHA's assessment reflects, in part, DHA's past experience in exercising a high proportion of extension options, expectations of the housing needs of the Department of Defence, and costs to source alternative properties.

General extension options for motor vehicle leases have not been included in the lease liability, because DHA could replace the assets without significant cost or business disruption.

The lease term is reassessed if an option is actually exercised (or not exercised) or DHA becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and is within the control of the lessee.

### (ii) Renewal of a lease arrangement

In some instances, DHA may renew a lease with an investor, often 1-2 years before the end of the lease term. DHA will typically incur legal costs to review the lease. DHA has used judgement to conclude that lease renewals are to be accounted for as lease modifications, rather than as new or separate leases under *AASB 16 Leases*. In the absence of specific requirements in *AASB 16 Leases* for costs associated with the modified lease, judgement is required to conclude that modification transaction costs, and associated recoveries will be capitalised by either including amounts in the lease payments, which forms an input to the cost of the right of use asset, or as an adjustment to the cost of the associated right of use asset.

### (iii) Make good costs

A liability is recognised for make good costs to be incurred on the expiry of long-term leases. Assumptions have been made, based on historical data, regarding the future economic outflows associated with the make good expenditure. DHA is required under many lease agreements to undertake prescribed maintenance (make good) at the end of the lease period.

At the time of entering into the lease agreement the lease agreement is assessed to determine if DHA has a present obligation to perform make good at the end of the lease, in accordance with *AASB 137 Provisions, Contingent Liabilities and Contingent Assets*. If a legal obligation is present in the lease agreement a provision is raised to recognise the make good obligation. The provision is based on an assessment of the present value of the necessary costs to make good properties at the end of their lease terms. The estimate includes an inflation factor of 2.50% (2024: 2.50%) and a discount rate of 3.47% (2024: 3.93%), being the five-year Australian Government bond rate as at 30 June 2025. Actual make good expenditure is charged, as incurred against the provision. The estimate of future make good maintenance is reviewed annually to ensure that the make good provision is adequate to meet the liability.

DHA's obligation to perform restoration activities at the end of the lease term vary depending on a number of factors including lease term and lease agreement.

## 18. Provisions

|                        | 2025    |             |         | 2024    |             |         |
|------------------------|---------|-------------|---------|---------|-------------|---------|
|                        | Current | Non-current | Total   | Current | Non-current | Total   |
|                        | \$'000  | \$'000      | \$'000  | \$'000  | \$'000      | \$'000  |
| Employee benefits      |         |             |         |         |             |         |
| Annual leave           | 6,188   | -           | 6,188   | 5,809   | -           | 5,809   |
| Long service leave     | 1,099   | 10,449      | 11,548  | 951     | 9,042       | 9,993   |
|                        | 7,287   | 10,449      | 17,736  | 6,760   | 9,042       | 15,802  |
| Other provisions       |         |             |         |         |             |         |
| Make good              | 13,479  | 55,928      | 69,407  | 12,151  | 67,122      | 79,273  |
| Lease capital upgrades | 8,905   | 21,458      | 30,363  | 24,857  | -           | 24,857  |
| Other general          | 11,068  | 1,002       | 12,070  | 7,627   | 365         | 7,992   |
|                        | 33,452  | 78,388      | 111,840 | 44,635  | 67,487      | 112,122 |
| Total provisions       | 40,739  | 88,837      | 129,576 | 51,395  | 76,529      | 127,924 |

### Movements in provisions

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

|                                       | Make good provision | Lease capital upgrades | Other general provision | Total    |
|---------------------------------------|---------------------|------------------------|-------------------------|----------|
|                                       | \$'000              | \$'000                 | \$'000                  | \$'000   |
| Carrying amount at 1 July 2024        | 79,273              | 24,857                 | 7,992                   | 112,122  |
| Additional provisions recognised      | 5,131               | 14,371                 | 4,653                   | 24,155   |
| Amounts used/reversed during the year | (14,997)            | (8,865)                | (575)                   | (24,437) |
| Carrying amount at 30 June 2025       | 69,407              | 30,363                 | 12,070                  | 111,840  |

### Accounting policy

#### Employee benefits

Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled.

Liabilities for 'short-term employee benefits' (as defined in AASB 119 – *Employee Benefits*) and termination benefits expected to be settled within twelve months of the end of the reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

#### *Leave liability*

A leave liability is recognised for benefits accruing to employees in respect of annual leave and long service leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by DHA in respect of services provided by employees up to the reporting date.

DHA applies the Australian Government Actuary shorthand model to calculate the long service leave liability.

#### *Make good provision*

DHA assesses each lease agreement to determine if it is required to undertake prescribed maintenance (make good) at the end of the lease period, where the lease term is more than six years. The make good provision provides for the cost of refurbishing the leased property as set out in the lease agreement.

#### *Lease capital upgrades provision*

DHA is required to undertake capital upgrades on leased properties which were agreed to at the time the lease was signed. The capital upgrade provision provides for the costs of these obligations as set out in the lease.

#### *Other general provisions*

Other general provisions include amounts set aside for:

- Fringe Benefits Tax and Goods and Service Tax

#### *Recognition of provisions*

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, considering the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received, and the amount of the receivable can be measured reliably.

## 19. Other liabilities

|                                      | 2025          | 2024          |
|--------------------------------------|---------------|---------------|
|                                      | \$'000        | \$'000        |
| <b>Current other liabilities</b>     |               |               |
| Revenue in advance                   | 29,773        | 13,806        |
|                                      | <b>29,773</b> | <b>13,806</b> |
| <b>Non-current other liabilities</b> |               |               |
| Revenue in advance                   | 8,920         | 26,511        |
|                                      | <b>8,920</b>  | <b>26,511</b> |

### Accounting policy

#### *Revenue in advance*

Rental and property management fee revenues are billed to Defence one month in advance, in line with the DSA. For the year ended 30 June 2025, 72.82% of revenue in advance was in relation to payments received from Defence (2024: 74.27%).

The majority of revenue in advance received from non-Defence sources relates to development project income.

## 20. Financial liabilities

|                                          | 2025         | 2024         |
|------------------------------------------|--------------|--------------|
|                                          | \$'000       | \$'000       |
| <b>Current financial liabilities</b>     |              |              |
| Deferred land sales                      | 3,184        | 2,814        |
|                                          | <b>3,184</b> | <b>2,814</b> |
| <b>Non-current financial liabilities</b> |              |              |
| Deferred land sales                      | 2,721        | 649          |
|                                          | <b>2,721</b> | <b>649</b>   |

### Accounting policy

DHA has entered into a number of contracts to sell land to an investor who is required to build a house to DHA specification. DHA has sold land to external investors and requires them to lease the property back to DHA once suitable housing has been provided. This house will be used to house Defence members and their families. In accordance with *AASB 16 Leases*, until control has passed to the purchaser, as determined in accordance with *AASB 15 Revenue from Contracts with Customers*, revenue cannot be recognised by DHA.

## 21. Cash flow reconciliation

|                                                                           | 2025           | 2024           |
|---------------------------------------------------------------------------|----------------|----------------|
|                                                                           | \$'000         | \$'000         |
| Reconciliation of operating results to net cash from operating activities |                |                |
| Profit for the period after tax                                           | 23,873         | 53,941         |
| Depreciation – plant and equipment                                        | 1,827          | 1,493          |
| Depreciation – investment properties                                      | 397,400        | 362,864        |
| Depreciation – right of use assets                                        | 4,561          | 4,283          |
| Amortisation – software                                                   | 15             | 25             |
| Impairment (write back)                                                   | (3,396)        | (27,437)       |
| Loss/(Gain) on disposal of investment properties                          | (975)          | 28             |
| Increase/(Decrease) in other non-operating cash flow expense items        | 1,282          | 556            |
| Increase/(Decrease) in supplier payments                                  | 3,938          | (7,240)        |
| Increase/(Decrease) in provisions                                         | 1,652          | (850)          |
| Increase/(Decrease) in other liabilities                                  | (1,624)        | (11,166)       |
| Increase/(Decrease) in tax liabilities                                    | 6,331          | (17,542)       |
| (Increase)/Decrease in net receivables                                    | 412            | 17,458         |
| (Increase)/Decrease in net deferred tax assets                            | (2,104)        | 8,869          |
| (Increase)/Decrease in inventories                                        | (83,656)       | (50,379)       |
| (Increase)/Decrease in prepayments                                        | (1,177)        | (2,159)        |
| <b>Net cash from operating activities</b>                                 | <b>348,359</b> | <b>332,744</b> |

## 22. Financial instruments

The main risks arising from DHA's financial instruments are interest rate risk, credit risk and liquidity risk. DHA uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring the level of exposure to interest rates and assessments of forecasts for interest rates. Ageing analysis and monitoring of specific credit tolerances are undertaken to manage credit risk. Liquidity risk is monitored through the development of rolling cash flow forecasts.

### Financial Assets at Amortised Cost

Financial assets included in this category need to meet two criteria:

- i. the financial asset is held in order to collect the contractual cash flows; and
- ii. the cash flows are Solely Payments of Principal and Interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

### Effective Interest Method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

### Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period based on expected credit losses, using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12 months expected credit losses where risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a de-recognition event where the write-off directly reduces the gross carrying amount of the financial asset.

## 22. Financial instruments (continued)

### Carrying value

The carrying value of DHA's financial assets and liabilities at the reporting date are as follows:

|                                                           | 2025           | 2024           |
|-----------------------------------------------------------|----------------|----------------|
|                                                           | \$'000         | \$'000         |
| <b>Financial assets</b>                                   |                |                |
| Cash and cash equivalents                                 | 106,819        | 108,073        |
| Trade and other receivables                               | 42,837         | 43,249         |
| <b>Carrying value of financial assets</b>                 | <b>149,656</b> | <b>151,322</b> |
| <b>Financial liabilities</b>                              |                |                |
| Borrowings – current                                      | 40,000         | -              |
| Borrowings – non-current                                  | 230,000        | 170,000        |
| Trade and other payables                                  | 34,539         | 30,597         |
| Deferred land sales (current)                             | 3,184          | 2,814          |
| Deferred land sales (non-current)                         | 2,721          | 649            |
| <b>Carrying value of financial liabilities</b>            | <b>310,444</b> | <b>204,060</b> |
|                                                           |                |                |
|                                                           | 2025           | 2024           |
|                                                           | \$'000         | \$'000         |
| <b>Net income from financial assets</b>                   |                |                |
| Interest                                                  | 4,495          | 5,112          |
| <b>Net gain on loans and receivables</b>                  | <b>4,495</b>   | <b>5,112</b>   |
| <b>Net expenses from financial liabilities</b>            |                |                |
| Interest on borrowings                                    | 11,268         | 5,174          |
| <b>Net loss on financial liabilities – amortised cost</b> | <b>11,268</b>  | <b>5,174</b>   |

## Accounting policy

### *Fair Value*

The Directors consider that the carrying amounts of all other financial assets and liabilities recorded at amortised cost in the financial statements approximates their fair values. In accordance with *AASB 7 – Financial Instruments: Disclosures*, the Government loans are executed using a floating or variable interest rate, therefore the carrying value is equal to fair value.

### *Credit Risk*

Credit risk arises from the financial assets of DHA, which comprise cash and cash equivalents and trade and other receivables. Exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable note.

DHA does not hold any credit derivatives to offset its credit exposure.

DHA trades only with recognised, creditworthy third parties. Department of Defence is the primary counterparty. As such collateral is not requested nor is it policy to securitise its trade and other receivables.

In addition, receivable balances are monitored on an ongoing basis with the result that DHA's potential exposure to bad debts is not significant.

There are no significant concentrations of credit risk within DHA and financial instruments are primarily with the Department of Defence.

### *Liquidity Risk*

DHA manages liquidity risk by maintaining an appropriate level of cash and cash equivalents on hand to meet outgoing commitments in the event of failure to receive any revenue from the normal course of business and ensuring capacity exists to borrow under the Cash Advance Facility based upon regular cash flow forecasts prepared by DHA. Refer *Note 16 Borrowings*.

### *Interest Risk*

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. DHA has exposure to interest rate risk arising from fluctuations in interest rates applicable to cash and borrowings.

DHA manages interest rate risk by ensuring that investments mature commensurate with cash flow requirements to maximise interest income. DHA also seeks to ensure an appropriate mix of maturities across the yield curve to avoid concentration of maturities on any given date and higher volatility inherent in longer dated investments. Interest rate risk on borrowings is managed by ensuring maturing loans are paid or rolled over, taking into consideration the interest rate outlook and the maturity profile of existing borrowings.

Financial Risk Management

DHA’s principal financial instruments comprise receivables, payables, government loans, leases, cash and cash equivalents.

DHA’s Treasury Policy provides a framework to manage core risks, including financial risk management, which pertain to DHA’s financial market investments, borrowings and associated activities.

Primary responsibility for the overall financial risk management rests with the Chief Financial Officer, supported by the Chief Risk Officer through the identification, assessment and regular reporting to the DHA Board.

Sensitivity analysis of the risk that DHA is exposed to in 2025 and 2024

The table below details the interest rate sensitivity analysis of the entity at the reporting date, holding all other variables constant.

| Interest rate risk | Risk Variable | Effect on               |              |                          |
|--------------------|---------------|-------------------------|--------------|--------------------------|
|                    |               | Change in risk variable | Average cash | Profit & loss and equity |
|                    |               | %                       | \$'000       | \$'000                   |
| 2025               | Interest      | 1.32                    | 104,296      | 2,187                    |
| 2024               | Interest      | 1.36                    | 103,992      | 898                      |

Interest rate sensitivity analysis has been calculated on a “reasonable possible” basis. The rate of 132 basis points (2024: 136 basis points) was determined by using the standard parameters issued by the Department of Finance.

23. Auditors remuneration

|                                                                                   | 2025    | 2024    |
|-----------------------------------------------------------------------------------|---------|---------|
|                                                                                   | \$      | \$      |
| Amount received or due and receivable by auditors                                 |         |         |
| Australian National Audit Office (ANAO) for the audit of the financial statements | 343,636 | 357,636 |

## **Unrecognised Items**

This section of the notes provides information about items that are not recognised in the financial statements as they do not (yet) satisfy recognition criteria.

24. Commitments

25. Contingent assets and liabilities

26. Events occurring after the reporting period

## 24. Commitments

|                                                  | 2025             | 2024             |
|--------------------------------------------------|------------------|------------------|
|                                                  | \$'000           | \$'000           |
| <b>Commitments receivable</b>                    |                  |                  |
| Undiscounted operating lease income receivable   |                  |                  |
| – Within one year                                | 570,149          | 518,717          |
| – One to two years                               | 546,134          | 502,407          |
| – Two to three years                             | 499,492          | 467,782          |
| – Three to four years                            | 453,612          | 423,967          |
| – Four to five years                             | 408,200          | 380,844          |
| – More than five years                           | 1,165,217        | 1,035,072        |
|                                                  | <b>3,642,804</b> | <b>3,328,789</b> |
| <b>Commitments payable – capital expenditure</b> |                  |                  |
| – Within one year                                | 45,950           | 74,040           |
| – Between two and five years                     | 23,503           | 60,693           |
|                                                  | <b>69,453</b>    | <b>134,733</b>   |
| <b>Total commitments payable</b>                 | <b>69,453</b>    | <b>134,733</b>   |
| <b>Net commitments receivable/(payable)</b>      | <b>3,573,351</b> | <b>3,194,056</b> |

Commitments are GST inclusive where relevant.

### Accounting policy

Commitments are GST inclusive where relevant.

#### *Operating Lease Income Receivable*

The operating lease income commitments receivable is the expected future lease rent to be received from the Department of Defence, taking into consideration the number of properties available for lease by the Department of Defence adjusted for the estimated vacancy based on historical data. DHA has determined that the Defence DSA is a lease agreement in accordance with AASB 16 Leases.

#### *Capital expenditure commitments*

Capital expenditure commitments refer to construction project commitments and the payable figures above represent outstanding contractual payments for buildings under construction.

### Accounting Judgement and Estimates

#### *Operating Lease Income Receivable*

DHA is reasonably certain that all options to extend the lease term will be exercised and applies judgement to estimate rental growth and property vacancy rates based on historical long-term averages.

## 25. Contingent assets and liabilities

|                                 | Guarantees      |                 | Total           |                 |
|---------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                 | 2025            | 2024            | 2025            | 2024            |
|                                 | \$'000          | \$'000          | \$'000          | \$'000          |
| <b>Contingent assets</b>        |                 |                 |                 |                 |
| Balance from previous period    | -               | -               | -               | -               |
| New                             | -               | -               | -               | -               |
| Expired                         | -               | -               | -               | -               |
|                                 | -               | -               | -               | -               |
| <b>Contingent liabilities</b>   |                 |                 |                 |                 |
| Balance from previous period    | 13,084          | 20,601          | 13,084          | 20,601          |
| New                             | 1,386           | 2,459           | 1,386           | 2,459           |
| Expired                         | (2,153)         | (9,976)         | (2,153)         | (9,976)         |
|                                 | <b>12,317</b>   | <b>13,084</b>   | <b>12,317</b>   | <b>13,084</b>   |
| <b>Net contingent liability</b> | <b>(12,317)</b> | <b>(13,084)</b> | <b>(12,317)</b> | <b>(13,084)</b> |

### Accounting policy

#### Quantifiable Contingencies

Contingent assets and liabilities take the form of bank guarantees and financial undertakings which arise as a result of DHA's normal business operations. The amount disclosed represents the aggregate amount of such guarantees and financial undertakings. No financial assets or liabilities are expected to arise from provisions of the guarantees or financial undertakings.

#### Unquantifiable Contingencies

As at 30 June 2025, DHA has no unquantifiable contingencies.

#### Remote Contingencies

As at 30 June 2025, DHA has no remote contingencies.

## 26. Events occurring after the reporting period

There are no events post 30 June 2025 which would have a material impact on the financial statements or operations of DHA.

## **Key management personnel and related parties**

This section of the notes provides other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

27. Key management personnel remuneration

28. Related party disclosures

27. Key management personnel remuneration

a. Director remuneration

The total remuneration of the Directors of DHA is set out below:

|                              | 2025    | 2024    |
|------------------------------|---------|---------|
|                              | \$      | \$      |
| Director remuneration        |         |         |
| Short term employee benefits | 471,179 | 493,860 |
| Post-employment benefits     | 56,642  | 58,934  |
| Total Director remuneration  | 527,821 | 552,794 |

Directors refers to non-executive Directors. Remuneration includes fees and benefits, including travel and motor vehicle allowances, as prescribed by the Remuneration Tribunal's determination for part-time public office holders and superannuation payable in accordance with applicable legislation and fund requirements.

## 27. Key management personnel remuneration (continued)

### b. Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of DHA, directly or indirectly. DHA has determined key management personnel include the Managing Director, General Manager – Service Delivery, Chief Financial Officer, General Manager – People and Compliance and Head of Provisioning, including in an acting capacity.

The aggregate remuneration of key management personnel of DHA during the financial year is set out below:

|                                          | 2025             | 2024             |
|------------------------------------------|------------------|------------------|
|                                          | \$               | \$               |
| <b>Short-term employee benefits</b>      |                  |                  |
| Base salary                              | 1,402,807        | 1,320,488        |
| Other benefits and allowances            | 34,480           | 27,500           |
|                                          | <b>1,437,287</b> | <b>1,347,988</b> |
| <b>Post-employment benefits</b>          |                  |                  |
| Superannuation                           | 236,866          | 242,059          |
|                                          | <b>236,866</b>   | <b>242,059</b>   |
| <b>Other long-term employee benefits</b> |                  |                  |
| Long service leave                       | 114,412          | 45,158           |
|                                          | <b>114,412</b>   | <b>45,158</b>    |
| <b>Total employment benefits</b>         | <b>1,788,565</b> | <b>1,635,205</b> |

### Accounting policy

#### KMP remuneration note

The total number of key management personnel that are included in the above table are 5 roles (2024: 4 roles).

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

## 28. Related party disclosures

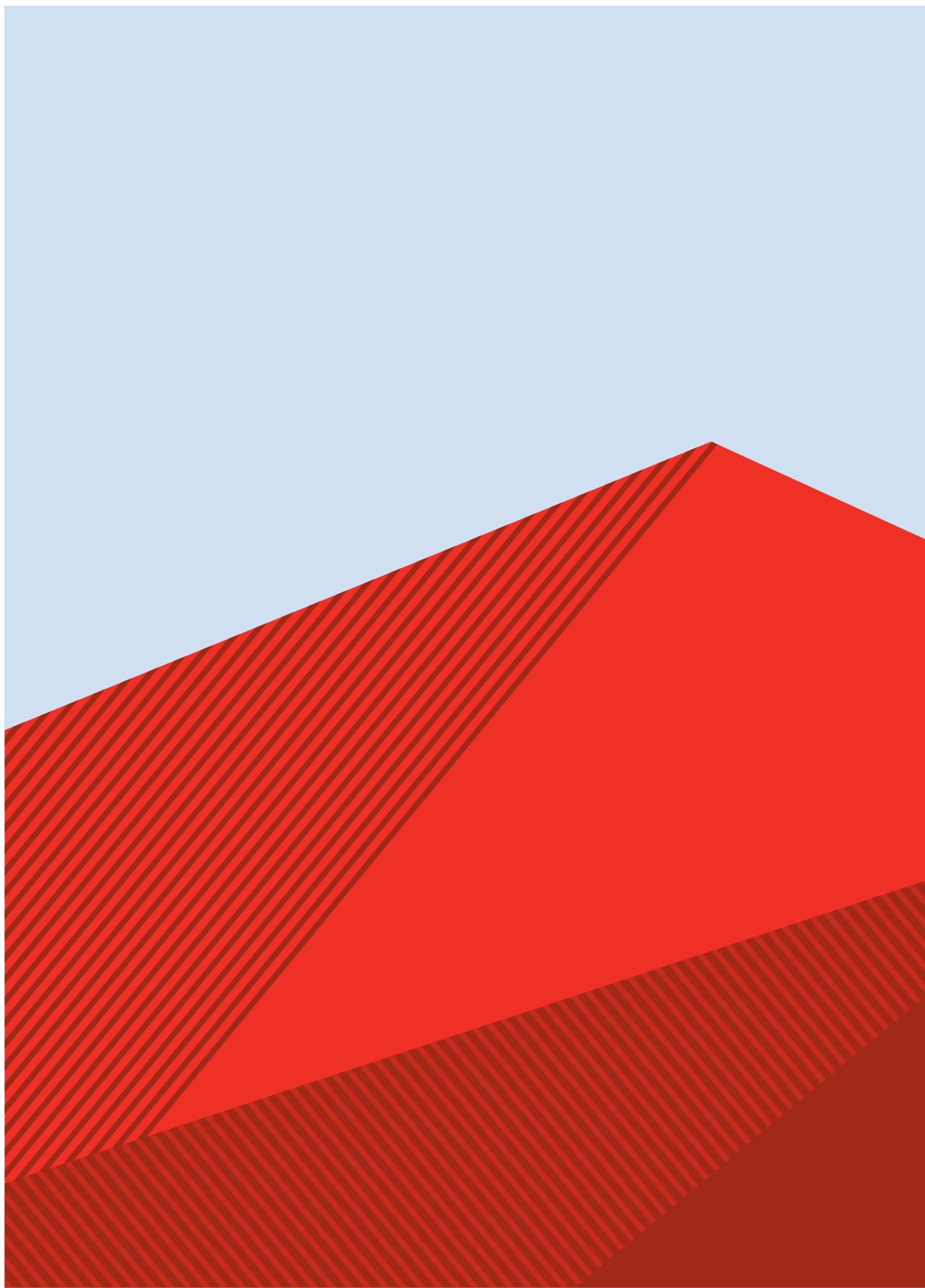
DHA is an Australian Government controlled entity. Related parties to this entity are the Directors, Key Management personnel and Executive, and other Australian Government entities. DHA forms part of the Defence Portfolio. DHA reports to two Shareholder Ministers: the Minister for Defence Personnel and the Minister for Finance.

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. These transactions have not been separately disclosed.

DHA and Defence have entered into a DSA on housing and related matters which details the provision of services to Defence. Transactions between Defence, Finance and DHA are highlighted throughout the financial statement notes.

There have been no financial transactions between the key management personnel and DHA outside the normal employment contracts under the *Public Service Act 1999*.





Part 5  
Management  
and  
Accountability

5

The Board, as the Accountable Authority for DHA, holds responsibility for ensuring robust risk management practices are in place. DHA has adopted a consolidated approach to risk management that encompasses governance, risk appetite, business continuity and crisis management, and compliance.

DHA fulfills its obligations under the PGPA Act and the Commonwealth Risk Management Policy by establishing and maintaining appropriate systems for risk management and internal control.

The Managing Director and the senior leaders play a pivotal role in integrating risk management into DHA's decision-making processes. DHA's Leadership Team participate as risk owners in deep-dive workshops to review DHA's strategic and enterprise risks.

# Risk management

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DHA continuously reviews its strategic and enterprise risks, including providing greater assurance over critical controls, and developing a program to enhance its risk management capabilities.

## **Fraud control and anti-corruption**

DHA's fraud and corruption control framework requires consistent monitoring and updating to ensure it remains compliant with the Commonwealth Fraud and Corruption Control Framework (section 10 of the PGPA Rule) and proportionate to manage DHA's fraud and corruption risk profile.

Fraud and corruption control is a subset of DHA's risk portfolio, and the disciplines reflect DHA's risk philosophy and principles. DHA prevents, detects, monitors and encourages its staff to report potential fraudulent or corrupt conduct to mitigate the damage fraud and corruption can have on the performance and reputation of the business. Improved staff awareness continues to result in increased reporting of potential fraudulent or corrupt conduct.

In 2024–25, there were no incidences of substantiated fraudulent or corrupt conduct by DHA employees.

Seven potential internal fraud matters were reported, which after triage and initial assessment were not deemed to meet a criminal standard. As a result, these matters were referred for line management or other administrative action, or held for intelligence, training and thematic assessment purposes.

There were no incidences of external fraudulent or corrupt conduct.

One potential fraud and corruption matter was reported to DHA by the National Anti-Corruption Commission. DHA is continuing to assist the Commission with their information gathering process.

In addition, DHA's Internal Audit Program did not identify any potential or actual instances of fraud between May 2024 to May 2025.

DHA is committed to the highest standards of ethical and accountable conduct. The *Public Interest Disclosure Act 2013* (PID Act) allows for investigations of alleged wrongdoing by public officials and provides protections for individuals who disclose, or report suspected wrongdoing. Public interest disclosures (PIDs) received by DHA are managed in accordance with DHA procedures, which meet the requirements of the PID Act, PID standard and Commonwealth Ombudsman guidelines.

During 2024–25, three disclosures were made to DHA (including one referral from Department of Defence). Each of those disclosures were assessed to meet the criteria under section 26 of the PID Act and allocated for investigation. One of those investigations was discontinued under section 48 of the PID Act. As of 30 June 2025, there were two active investigations engaged by DHA.

## **Internal Audit**

The Board Audit and Risk Committee reviews DHA's three-year internal audit program annually. The program is flexible and emphasises topics that relate to DHA's transformation or response to external environmental factors that best support DHA to manage its operating environment. DHA recognises that the continuous enhancement of its internal audit function is vital for upholding the highest standards of governance and risk management. As DHA moves forward, it remains committed to fostering a culture of integrity, transparency, and accountability. An external quality assessment was conducted in 2024–25 by the Institute of Internal Auditors to ensure that internal audit processes remain aligned with Global Internal Audit Standards.

# Workforce management

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At an operational level, the Managing Director and Leadership Team are accountable for DHA's workforce. They are committed to maintaining a skilled and productive workforce and a safe workplace contributing to high-quality, professional outcomes.

DHA is focused on building organisational culture and capability to deliver on its core purpose.

## Organisational culture

### Reconciliation

DHA is committed to reconciliation, building relationships with Aboriginal and Torres Strait Islander employees and stakeholders. Ongoing initiatives to continue DHA's reconciliation journey under DHA's 'Innovate' Reconciliation Action Plan 2023–25 include:

- Providing meaningful employment opportunities for Aboriginal and Torres Strait Islander peoples through participating in Services Australia's Indigenous Apprenticeship Program.
- Recognition of First Nations employees' connection to country and cultural obligations in the DHA Enterprise Agreement; and a commitment to build cultural capability across the EL2 workforce.
- Promote opportunities to participate in immersive opportunities such as the Jawun APS Secondment Program and Garma Festival of Traditional Cultures.
- Aligning DHA's Indigenous procurement strategy with the Australian Government's Indigenous Procurement Policy and continued partnership with Supply Nation to support Indigenous businesses (refer to Table 5.2).
- Acknowledging National Reconciliation Week and NAIDOC Week by promoting and providing opportunities for employees to attend local events and activities.

As a result of the work to date, there is strong engagement and involvement from staff. DHA acknowledges that continued effort is required to maintain representation of Aboriginal and Torres Strait Islander peoples in its workforce.

## Diversity and Inclusion

DHA is committed to providing a respectful and inclusive workplace where all its employees feel safe and confident to bring their whole selves to work and can perform to their best. DHA is driven by an authentic intent to deliver strategic and meaningful actions to make the workplace better for everyone. DHA's commitment is reflected in the Diversity and Inclusion Strategy 2022–25 which details actions the organisation will undertake to create a more diverse and inclusive workplace.

DHA's Diversity and Inclusion Working Group and employee affinity groups (which offer representation from various regions, business areas and sections of the workforce) provide professional networking, support and advocacy. DHA is a proud member of peak bodies including the Diversity Council Australia, Pride in Diversity, and Australian Disability Network.

**TABLE 5.1:** Workforce summary 2023–24 and 2024–25

| Indicator                                                       | 2023–24 | 2024–25 |
|-----------------------------------------------------------------|---------|---------|
| Headcount                                                       |         |         |
| Total number of staff employed <sup>1</sup>                     | 580     | 630     |
| Diversity (as a percentage of the workforce)                    |         |         |
| Identify as a male                                              | 32%     | 31%     |
| Identify as a female                                            | 68%     | 69%     |
| Identified as Aboriginal or Torres Strait Islander <sup>2</sup> | 1%      | 1%      |
| Identified as having a disability <sup>2</sup>                  | 3%      | 3%      |

Notes

1. Figures include ongoing and non-ongoing staff at their substantive classification as at 30 June 2024 or 30 June 2025. Inoperative staff (those on long-term leave), staff engaged through an employment agency and Board members are excluded.
2. Diversity figures as identified by staff. These figures exclude the Managing Director and Board members. No staff have identified as non-binary, prefers not to answer, or uses a different term.

## Flexible work culture

DHA fosters a contemporary flexible work culture, providing a variety of flexible work options to all employees, including home-based work, remote work, part-time work, and non-standard work patterns. Based on the 'if not, why not' principle, DHA ensures that all flexible work requests are given due consideration and accepted wherever possible.



Left to right: Natasha Mann, Erin Burke

## **Health and wellbeing**

DHA takes an early intervention approach to support its employees to achieve better health outcomes at work. DHA supports the psychosocial wellbeing of its staff through various health, safety and welfare strategies and practices, which are detailed in the Culture and Wellbeing Strategy 2023–26. DHA's employee assistance provider offers accessibility for regional, mobile, and scheduled staff, and DHA's core supporting policies and procedures ensure that employees are well supported to navigate both workplace and personal life challenges.

## **Reward and recognition**

DHA's reward and recognition framework includes formal recognition through annual rewards and provides guidance on local recognition. The approach is aligned with public sector and community expectations and provides forms of recognition that support career progression and advanced capability development.

## **Employee performance**

All employees are required to participate in the performance management framework which requires each employee to enter into an annual performance agreement. The framework operates to align individual performance with business requirements, provides regular objective feedback, and focuses on identifying learning and development opportunities.

Performance measures for Senior executive Service (SES) officers are aligned to the SES Performance Leadership Framework. Performance requirements of the Managing Director and related performance assessments are determined annually by the Board's Nomination and Remuneration Committee and referred to the Board for approval.

## Employment conditions

### Remuneration

DHA is the only Government Business Enterprise to employ under the *Public Service Act 1999*. DHA's remuneration strategy is aligned to market practice and supports the interests of the shareholders. Remuneration of DHA employees is determined based on level and role.

The remuneration and conditions of service of SES officers is set by the Managing Director in accordance with section 24(1) of the *Public Service Act 1999*.

The remuneration of the Managing Director is set by the DHA Board in accordance with the parameters of the Remuneration Tribunal's determination for Principal Executive Office holders (refer to section 50 of the DHA Act).

The remuneration of Board members is decided upon by the Remuneration Tribunal's determination for holders of part-time public office (refer to section 17 of the DHA Act).

Each remuneration package consists of a base salary (or fees in the case of Board members) and employer superannuation contributions in accordance with applicable legislation and fund requirements.

Employees are paid allowances (e.g., travel and motor vehicle) in accordance with the Enterprise Agreement, or Remuneration Tribunal determinations for the Managing Director and Board members. Employees and the Managing Director accrue leave. Refer to *Appendix C: Workforce statistics* for more information about salary rates and full disclosure on executive remuneration.

### Strategic Commissioning Framework

DHA operates in line with the APS Strategic Commissioning Framework. Core work is done in-house in most cases, and any outsourcing of core work is minimal and aligns with the limited circumstances permitted under the framework.

### Gender equality

DHA is compliant with all requirements of the *Workplace Gender Equality Act 2010* and is committed to achieving balanced gender representation across its workforce.



## Case Study – Why employees choose DHA

In the past year, Defence Housing Australia recorded an increase in employee engagement, achieving a 73 per cent engagement score in the APS Census exceeding its corporate target of 70% and improving by 2 percentage points from the previous year. This uplift in sentiment was reflected across all APS Census indices including leadership, communication, innovation, and wellbeing.

Underscoring improved APS Census results is a continuing reduction in staff turnover. From a peak of 24% in 2021–22, DHA's turnover rate has trended downwards over three years to 12.3% for 2024–25. Exit survey data shows us that primary reasons for leaving DHA relates to attractive career and promotion opportunities, with departing talent often retained by the broader APS.

This success is closely linked to DHA's continued commitment to its employee value proposition, which defines why people choose to work with DHA and what DHA is known for as an employer. Built on three core pillars of Connect, Contribute, and Grow, DHA's employee value

proposition was developed in consultation with staff and underpins its approach to culture, benefits, and capability.

The pillars of DHA's employee value proposition are embedded in workplace initiatives valued by staff including progressive employment conditions, career development frameworks, culture building programs, and participative consultative forums, all enabled by ongoing investment in a digital workplace. Importantly, DHA's employee value proposition is underpinned by fostering connection to its purpose – *providing adequate and suitable housing for, and housing related services to members of the ADF and their families.*

Leveraging its geographic footprint, DHA is proud to have recognised the unique needs of ADF families in its workforce by strengthening its commitment to mobility. Where an employee is the partner of an ADF member who is posted to a different region, DHA may offer a transfer of employment to the new location on a temporary or ongoing basis. Not only does this flexibility support



Left to right: Sarah Gray, Dr. Robert Lang

career continuity for ADF partners and stability for their families, it also helps retain valuable skills and experience within the organisation.

**“As a Defence spouse, I feel incredibly privileged to work for an organisation that not only supports the Defence community but understands the challenges of frequent relocations and actively supports career continuity. Knowing that my career won't be held back while I support my partner's service to the nation is truly profound. It's given me and my family the stability and confidence to invest in my own growth, and the space to truly shine. I've already experienced the impact of that support having been recognised with a DHA Annual Award. That kind of trust and opportunity is rare, and it speaks volumes about what DHA stands for.”**

Sarah Gray, Defence spouse and DHA Employee

## Financial performance

As a Government Business Enterprise, DHA's principal financial objective is to provide value to the shareholders by operating efficiently and sustainably optimising revenue and profit to reinvest in DHA's operations. DHA does not receive funding through budget appropriations. DHA is self-funded through rents, fees, charges and revenue from maintaining its housing portfolio, including development land and product sales. At 30 June 2025, DHA reported net profit after tax of \$23.9 million. During the year, DHA implemented a range of strategies to support the agency's capital strength and financial capability.

DHA has ended the financial year with a higher-than-anticipated number of properties provisioned for Defence and higher-than-expected occupancy rates, driving increases in rental income. Higher than forecast rental valuations have also been realised, linked to an improving property market. DHA's annual valuations reflect an increase in property values at 31 December 2024 and growth in rental incomes from 1 January 2025. These factors have led to an increase in overall rental revenue and a net write back of impairment on owned and leased assets. In addition, DHA had lower-than-forecast operating expenditure due to timing of consultancies, projects, and recruitment activities.

DHA continued to pursue short-term initiatives and a capital efficient provisioning strategy to extend the life of its capital base, while Shareholders undertake a broader review of governance and associated funding arrangements. Short-term initiatives are limited in effectiveness and, as a result, DHA's ability to achieve its return on equity target for 2024–25 was negatively impacted. This was further exacerbated by the shift in revenue resulting from delays in land sales and higher repairs and maintenance expenditure.

During 2024–25, DHA pursued measures to improve operational effectiveness and financial sustainability, focussing on efficiencies created through improved internal practices and managing the use of assets to maximise capital strength.

In accordance with the Commonwealth Competitive Neutrality Policy Statement, DHA does not enjoy competitive advantages over private sector entities operating in the same or similar markets. DHA is a full tax paying entity in relation to Australian Government taxes e.g., corporate income tax, goods and services tax (GST), capital gains tax and fringe benefit tax and is subject to payment of state and territory-based tax equivalents (e.g., stamp duty, land tax and payroll tax).

## Returns to the Australian Government

DHA has a dividend moratorium in place for 2024–25. DHA has declared a nil dividend for 2024–25 with funds reinvested to support continuing investment in housing and housing activities.

**Taxation**

DHA makes tax equivalent payments with respect to State and Territory taxes that would apply were it not a Commonwealth entity. These taxes are paid in equivalence to the Commonwealth under arrangements set out in the DHA Act.

During 2024–25, tax paid to the Australian Taxation Office was \$5.7 million, whilst state tax equivalents paid to the Commonwealth totalled \$45.9 million.

**DHA loans**

In 2024–25, DHA borrowed \$100 million. DHA has access to a \$509.6 million loan facility, of which it has currently drawn down a total of \$270 million to invest in supporting ongoing investment in housing and housing activities. DHA currently has access to \$239.6 million of its facility with the Commonwealth to help fund future capital needs.

**Procurement**

DHA’s approach to procuring goods and services, including consultancies, reflects the core principles of the Commonwealth Procurement Rules. DHA advertises open approaches to the market via AusTender ([www.tenders.gov.au](http://www.tenders.gov.au)) to procure a range of goods and services. Interested parties can register their details with AusTender to receive push notifications about DHA’s tender opportunities.

**TABLE 5.2:** DHA’s Indigenous procurement

|                     | 2022–23     | 2023–24      | 2024–25      |
|---------------------|-------------|--------------|--------------|
| Number of suppliers | 24          | 28           | 30           |
| Number of contracts | 2,075       | 2,668        | 5,988        |
| Total value         | \$4,088,626 | \$11,104,050 | \$41,585,386 |

**Modern Slavery**

DHA will submit its 2024–25 Modern Slavery statement for publishing by 31 December 2025 in line with the requirements of the *Modern Slavery Act 2018*. DHA’s Modern Slavery Statements are available to view on the Modern Slavery Register (Statement #2024-3420 via the Modern Slavery Statements Register).

For the 2024–25 financial year, DHA has not identified any specific instances of modern slavery harm through a dedicated process for Modern Slavery grievance and remediation reporting and handling.

## Consultants

DHA engages consultants as required when specialist expertise is not available in house, or where there is a need for independent assessment, review or advice and the services are required for a defined period. In 2024–25, DHA's total consultancy contract value was \$6.7 million (GST inclusive).

Most of these contracts relate to property provisioning, asset management and construction activities, including asset advisory, architectural design, engineering and assessments. The remaining contracts relate to legal and corporate related items, including ICT advisory and security services, auditing and financial analysis.

## Senate Order on Entity Contracts

As a non-prescribed corporate Commonwealth entity, DHA complies with the Senate Order on Entity Contracts and publishes a list of contracts over \$100,000 (GST inclusive) on the agency's website for the relevant reporting period. Refer to DHA's website ([www.dha.gov.au/about-us/planning-and-reporting/procurement-and-consultancies](http://www.dha.gov.au/about-us/planning-and-reporting/procurement-and-consultancies)) to read the report.

## Related party transactions

DHA is an Australian Government controlled entity. Related parties to this entity are Ministers, DHA's Board members, Key Management personnel and Executive, and other Australian Government entities.

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. These transactions have not been separately disclosed.

DHA and Defence have entered into a Defence Services Agreement on housing and related matters which details the provision of services to Defence. Transactions between Defence, Finance and DHA are highlighted throughout the financial statement notes.

DHA reports to two Shareholder Ministers and has received advice that there are no related party disclosures for DHA. There have been no financial transactions between the key management personnel and DHA outside the normal employment contracts under the *Public Service Act 1999*.

# External scrutiny

## Reports from Auditor-General

During 2024–25, there have been no Auditor-General reports on DHA tabled. DHA remains proactive in collaborating with Defence and other agencies to address previous recommendations and maintain transparency across its operations.

## Australian National Audit Office (ANAO) performance audit

DHA continues to work in consultation with Defence to implement the four recommendations from the ANAO Report No. 31 (2019–20) Management of Defence Housing Australia (refer to table 5.3).

Work to address most of the recommendations is complete with recommendation one being progressed by Defence through amendments to the DHA Act, with support provided by DHA. DHA's Board Audit and Risk Committee continues to monitor progress and implementation of the recommendations on behalf of DHA's Board.

**TABLE 5.3:** ANAO identified recommendations from Report No. 31 2019–20  
Management of DHA

|                  |                                                                                                                                                                               |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Recommendation 1 | DHA and Defence align Defence requirements for housing philanthropic organisations assisting the ADF, and foreign exchange and visiting military personnel, with the DHA Act. |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## Parliamentary Standing Committee on Public Works

In accordance with subsection 6A(3) of the *Public Works Committee Act 1969*, DHA is exempt from scrutiny by the Public Works Committee for works it undertakes in providing housing for, and related services to, ADF members and their families.

DHA notifies or refers any projects it undertakes on behalf of Defence on Commonwealth land to the Public Works Committee as follows:

- Medium works with a proposed cost of over \$15 million but less than \$75 million.
- Major works with a proposed cost of more than \$75 million.

In 2024–25, DHA made two submissions to the Public Works Committee for:

- The repair, refurbishment and upgrade of housing at the Royal Military College, Duntroon, ACT which was approved on 12 September 2024.
- The redevelopment of housing at the Royal Military College, Duntroon, ACT which was approved on 6 February 2025.

## Commonwealth Ombudsman

DHA maintains a collaborative and productive working relationship with the Office of the Commonwealth Ombudsman. DHA reviews published reports and monitors the implementation of recommendations.

The Commonwealth Ombudsman did not publish any reports relating to DHA under section 15 of the *Ombudsman Act 1976* in the reporting period.

In 2024–25, the Commonwealth Ombudsman received 19 complaints relating to DHA. As at 30 June 2025, eight complaints were finalised: this includes both Category 1/2 (early resolution) and Category 3/4 (investigated) cases. At the end of the current reporting period, 22 matters remain open across various reporting years. In addition to seeking feedback via surveys, DHA invites general feedback from its customers, stakeholders and the public. DHA manages all complaints in accordance with the resolution process set out in the complaints management policy and framework, which has been developed in accordance with international standard ISO 9001:2018. Wherever possible, complaints are resolved at a local level. DHA uses customer feedback to drive business change and develop future initiatives to improve customer service.

## Office of the Australian Information Commissioner

DHA maintains a collaborative and productive working relationship with the Office of the Australian Information Commissioner (OAIC). DHA reviews all published reports, guidance material, determinations and decisions and regularly implements any relevant recommendations.

In 2024–25, DHA received notice of one complaint, and two requests were made to the Information Commissioner (IC) for review of two freedom of information decisions made in 2024–25. Additionally, three IC reviews were awaiting outcome at the beginning of 2024–25. Of these:

- one complaint was closed with no adverse finding
- two reviews were closed and the decisions upheld, and
- three reviews are currently under OAIC consideration.

No data breaches were found to be eligible under the Notifiable Data Breaches Scheme requiring reporting to the OAIC in 2024–25.

DHA is subject to the *Freedom of Information Act 1982* (Cth) (FOI Act) and *Privacy Act 1988* (Cth) (Privacy Act). Compliance with these legislative frameworks is overseen by the OAIC.

To date, the OAIC has not used their discretionary powers to:

- Commence a Commissioner initiated investigation into an act or practice that might breach the Privacy Act.
- Conduct a privacy assessment of whether DHA is maintaining and handling personal information in accordance with the Privacy Act.
- Ask DHA to develop an enforceable code and register codes that have been developed on the initiative of an entity.
- Direct DHA to give the OAIC a privacy impact assessment about a proposed activity or function.

DHA submits quarterly and annual statistical returns to the OAIC, in relation to freedom of information matters, within the statutory timeframes set out in the *Freedom of Information (Prescribed Authorities, Principal Offices and Annual Report) Regulations 2017*.

**Freedom of Information requests**

In 2024–25, DHA received 27 requests for access to documents under the FOI Act. Of these:

- access was granted in full for two requests
- access was granted in part for 12 requests with exceptions under sections 47F, 47E, and 45
- access was refused for two requests under sections 47E, 47F, 47G and 24A
- eight requests were withdrawn, and
- three requests are ongoing as at 30 June 2025.

In addition, two requests for internal review were received, with one decision upheld and one additional release of documents.

One notification of request for review by the IC has been received with no review initiated by the IC as at 30 June 2025.

**Privacy Act breaches**

In 2024–25, 118 privacy breaches were reported and recorded on the Privacy Breach Register with six requiring the attention of the Data Breach Response Team. Two eligible data breaches were reported to the OAIC under the Notifiable Data Breaches Scheme.

**Indemnities**

There were no indemnities that applied during the reporting period to the Accountable Authority, any member of the accountable authority, or any officer of the entity against liability, including insurance premiums for legal costs.

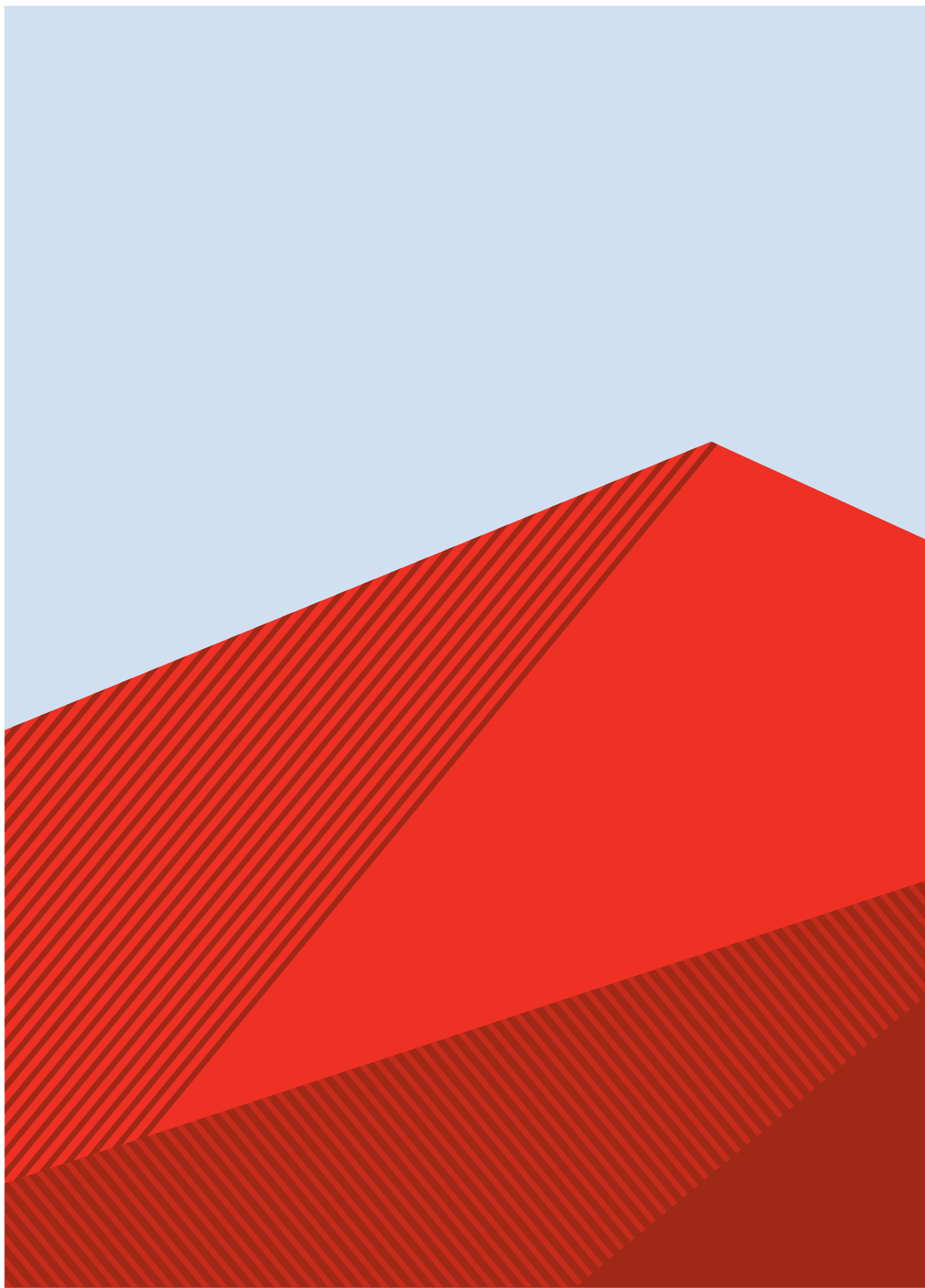
**Significant issues relating to non-compliance with finance law**

In accordance with section 19 of the PGPA Act, the Board (as the Accountable Authority of DHA) must notify the responsible Minister as soon as practicable after a significant non-compliance with finance law issue is identified. DHA must also include a statement of any significant issues reported to the responsible Minister in its Annual Report for that reporting period. To assist the Board in fulfilling this requirement, DHA conducts a biannual finance law compliance reporting process. Informed by this, the Board did not determine any instances of significant non-compliance with finance law for the 2024–25 reporting period.

**TABLE 5.4:** Significant non-compliance with the finance law<sup>3</sup>

| Description of non-compliance | Remedial action |
|-------------------------------|-----------------|
| N/A                           | N/A             |

3 Finance law incorporates the PGPA Act, any rules covered by the PGPA Act, any instrument under the PGPA Act and an Appropriation Act.



# Appendices and reference information

6

# Appendix A:

## Legislative Framework

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### Enabling legislation

#### Defence Housing Australia Act 1987

The DHA Act sets out DHA's functions, powers and corporate structure. In accordance with section 5 of the DHA Act, the main function of DHA is to provide adequate and suitable housing for, and housing related services to:

- members of the Defence Force and their families
- officers and employees of the Department of Defence and their families
- persons contracted to provide goods or services to the Defence Force and their families

in order to meet the operational needs of the Australian Defence Force (ADF) and the requirements of the Department of Defence.

Section 6 of the DHA Act states DHA may provide housing and housing related services to non-corporate Commonwealth entities other than Defence. DHA did not provide any such services in 2024–25.

#### Public Governance, Performance and Accountability Act 2013

The PGPA Act and its associated instruments, policies and guidance establish a coherent system of governance and accountability for Commonwealth entities and companies with an emphasis on planning, performance and reporting. The PGPA Act also imposes specific duties on DHA's Board members and officials relating to the use and management of resources.

### Other legislation

As a statutory agency, DHA must also operate in accordance with Commonwealth legislation including, but not limited to:

#### Public Service Act 1999

DHA's staff are employed under the *Public Service Act 1999*. As an Australian Government employer, DHA must adhere to the provisions and statutes of various Commonwealth employment related legislation.

## **Work Health and Safety Act 2011**

The *Work Health and Safety Act 2011* (Cth) (WHS Act), and associated regulations and practices, provides a balanced and nationally consistent framework to secure the health and safety of workers and workplaces. The WHS Act requires Commonwealth entities to give regard to the principle that workers and other persons should be given the highest level of protection against harm to their health, safety and welfare from hazards and risks arising from work as is reasonably practicable.

## **Freedom of Information Act 1982**

Individuals can submit a request to DHA under the *Freedom of Information Act 1982* (FOI Act) to access documents DHA holds. The responsibilities and functions under the FOI Act are delegated to a core group of staff. Consistent with the Information Publication Scheme, an agency plan and FOI disclosure log is published on the DHA website ([www.dha.gov.au/foi](http://www.dha.gov.au/foi)). DHA also submits quarterly and annual statistical returns to the Office of the Australian Information Commissioner (OAIC) within the statutory timeframes set out in the *Freedom of Information (Prescribed Authorities, Principal Offices and Annual Report) Regulations 2017*. All staff complete FOI Act training as part of their induction training and annually as part of mandatory refresher training and may be called upon to assist in document assessment and searches.

## **Privacy Act 1988**

Personal information relating to the administration of DHA's programs and services are protected by the *Privacy Act 1988* (Privacy Act). The Australian Privacy Principles outline the mandatory requirements for government agencies. Adhering to these principles is a responsibility for all staff. All staff complete Privacy Act training as part of their induction and annually as part of mandatory refresher training. When undertaking new projects and programs, privacy impact assessments are undertaken to minimise privacy risks and ensure compliance with statutory obligations. Three privacy impact assessments have been completed this financial year with the assistance of third-party services. Three privacy impact assessments have been completed this financial year with the assistance of third-party services.

## **Public Interest Disclosure Act 2013**

DHA is committed to the highest standards of ethical and accountable conduct. The *Public Interest Disclosure Act 2013* (PID Act) allows for investigations of alleged wrongdoing by public officials<sup>4</sup> and provides protections for individuals who disclose, or report suspected wrongdoing.

DHA's responsibilities and functions under the PID Act are delegated to a core group of staff. All staff are required to complete PID Act training as part of DHA's induction process and undertake mandatory refresher training annually.

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4 A public official includes current and former DHA staff and DHA contracted service providers

## **Modern Slavery Act 2018**

The *Modern Slavery Act 2018* prescribes a national modern slavery reporting requirement which applies to entities in the Australian market with an annual consolidated revenue of at least \$100 million. Entities are required to report annually on the risks of modern slavery in their operations and supply chains, as well as actions taken to address those risks.

DHA is committed to continuing reducing the risk of modern slavery through the implementation and ongoing review of effective policies and procedures that provide for transparent and accountable procurement and purchasing. DHA is dedicated to obtaining goods and services through ethical means and not supporting domestic or international businesses that exploit individuals for profit.

# Appendix B:

## Board Committees and meeting attendance

**TABLE 6.1:** Board committees 2024–25

| Committee                                    | Role                                                                                                                                                                                                                                                              | Members                                                                                           |
|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| <b>Board Audit and Risk Committee</b>        | Assist the Board to discharge its responsibilities by providing oversight, ensuring appropriateness and review of financial reporting, performance reporting, system of risk oversight and management, and system of internal control.                            | Geoff Knuckey <sup>1</sup> (Chair)<br>Gai Brodtmann<br>Andrea Galloway<br>Paul Logan <sup>1</sup> |
| <b>Property and Services Committee</b>       | Provide advice and assurance and, where appropriate, make recommendations to the Board on DHA's provisioning strategy, development projects, delivery of property related services, and to monitor residential property markets.                                  | Andrea Galloway (Chair)<br>Monique Hamilton <sup>2</sup>                                          |
| <b>People and Culture Committee</b>          | Assist the Board by providing oversight of DHA's people and culture arrangements and initiatives.                                                                                                                                                                 | Gai Brodtmann (Chair)<br>Leigh Wilton                                                             |
| <b>Nomination and Remuneration Committee</b> | Assist the Board to review the Managing Director's remuneration and performance, consider key appointments and inform Shareholder Ministers of impending reappointments or vacancies on the Board, including recommending possible candidates, where appropriate. | Robert Lang (Chair)<br>Leigh Wilton <sup>3</sup>                                                  |

Notes

1. Mr Knuckey and Mr Logan are independent members of the Board Audit and Risk Committee appointed by the Board.
2. Ms Hamilton was appointed to the Property and Services Committee on 14 August 2024.
3. BRIG Wilton was appointed to the Nomination and Remuneration Committee on 14 August 2024.

**TABLE 6.2:** Board and committee meeting attendance 2024–25

| Meeting                            | Board | Board Audit and Risk Committee (BARC) | Property and Services Committee (PSC) | People and Culture Committee (PCC) | Nomination and Remuneration Committee (NRC) | DHA Advisory Committee (DHA AC) |
|------------------------------------|-------|---------------------------------------|---------------------------------------|------------------------------------|---------------------------------------------|---------------------------------|
| Number of meetings held in 2024–25 | 12    | 4                                     | 4                                     | 4                                  | 1                                           | 4                               |
| Robert Lang <sup>1</sup>           | 12    | 1*                                    | 4*                                    | 1*                                 | 1                                           | 1*                              |
| Andrew Jagers <sup>2</sup>         | 4     | 2*                                    | 2*                                    | 2*                                 | n/a                                         | 2                               |
| Leigh Wilton                       | 11    | n/a                                   | 1*                                    | 4                                  | n/a                                         | 4                               |
| Andrea Galloway                    | 12    | 4                                     | 4                                     | n/a                                | 1                                           | n/a                             |
| Gai Brodtmann <sup>3</sup>         | 11    | 4                                     | 3                                     | 4                                  | 1                                           | n/a                             |
| Monique Hamilton <sup>4</sup>      | 11    | n/a                                   | 4                                     | n/a                                | n/a                                         | n/a                             |
| Paul Logan <sup>5</sup>            | n/a   | 4                                     | n/a                                   | n/a                                | n/a                                         | n/a                             |
| Geoff Knuckey <sup>6</sup>         | n/a   | 4                                     | n/a                                   | n/a                                | n/a                                         | n/a                             |
| Simon Lewis <sup>7</sup>           | 10    | 3                                     | n/a                                   | n/a                                | 1                                           | n/a                             |
| Robert Fisher <sup>8</sup>         | 8     | n/a                                   | 3                                     | n/a                                | n/a                                         | n/a                             |
| Barry Jackson <sup>9</sup>         | 1     | n/a                                   | n/a                                   | n/a                                | n/a                                         | 0                               |
| Brett Jorgensen <sup>10</sup>      | 5     | 2*                                    | 2*                                    | 2*                                 | n/a                                         | 1                               |

## Notes

\* Voluntary attendance. All members of the Board are able to attend committee meetings in an observer capacity.

1. Dr Lang was appointed as Chair of the Board on 13 November 2024.

2. Mr Jagers was appointed as Managing Director from on 4 February 2025. Mr Jagers attended all Board and Advisory Committee meetings following his appointment.

3. Ms Brodtmann attended one meeting of the PSC as a member and two meetings as an observer.

4. Ms Hamilton was appointed to the PSC on 14 August 2024. Ms Hamilton attended one meeting of the PSC as an observer and three meetings as a member.

5. Mr Logan is an independent member of the BARC appointed by the Board.

6. Mr Knuckey is an independent member of the BARC appointed by the Board.

7. Mr Lewis' term on the Board expired on 27 April 2025.

8. Mr Fisher's term on the Board expired on 3 May 2025.

9. Mr Jackson's term on the Board expired on 12 August 2024.

10. Mr Jorgensen was appointed as the Acting Managing Director from on 13 August 2024 until 3 February 2025.

Board member related party transactions 2024–25

A related party transaction is where a Board member approved payment for a good or service from another entity or provisioning of a grant to another entity where the member is a director of DHA’s Board and a director of the other entity, and the value of the transaction (or if more than one transaction, the aggregate value of those transactions) exceeds \$10,000 (GST inclusive).

DHA Board members did not disclose any related party transactions in 2024–25.

Board Audit and Risk Committee

Information on DHA’s Board Audit and Risk Committee is provided below in accordance with section 17BE(taa) of the PGPA Rule. The charter determining the functions of the Board Audit and Risk Committee is published on DHA’s website ([www.dha.gov.au/about-us/our-organisation/governance](http://www.dha.gov.au/about-us/our-organisation/governance)).

TABLE 6.3: Board Audit and Risk Committee membership 2024–25

| Member name                | Qualifications, knowledge, skills or experience (include formal and informal as relevant)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Number of meetings attended / total number of meetings | Total annual remuneration |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|---------------------------|
| Geoff Knuckey <sup>1</sup> | <p><b>Qualifications</b></p> <ul style="list-style-type: none"><li>• Bachelor of Economics (ANU)</li><li>• Fellow of the Institute of Chartered Accountants in Australia</li><li>• Registered Company Auditor (since 1995)</li><li>• Graduate Member of Australian Institute of Company Directors</li><li>• Member of Institute of Internal Auditors</li></ul> <p><b>Experience</b></p> <ul style="list-style-type: none"><li>• Significant Board and Audit Committee experience in the private and public sector</li><li>• Office Managing Partner of Ernst &amp; Young (retired 2009)</li></ul>                                                                                                                                                                          | 4/4                                                    | \$10,520                  |
| Andrea Galloway            | <p><b>Qualifications</b></p> <ul style="list-style-type: none"><li>• Bachelor of Business Administration</li><li>• Diploma of Computer Networks</li><li>• Graduate of the Executive Program (University of Michigan)</li><li>• Fellow of the Australian Institute of Company Directors</li><li>• Justice of the Peace</li><li>• Certified Chair</li></ul> <p><b>Experience</b></p> <ul style="list-style-type: none"><li>• 30+ years in executive management for national and multinational commercial organisations</li><li>• Former Managing Director and CEO of Evolve Housing</li><li>• CEO of Coleman Greig Lawyers</li><li>• Winner of the Australian and NSW Telstra Women’s Award 2014 (Business Innovation category)</li><li>• Other board appointments</li></ul> | 4/4                                                    | \$9,003                   |

| Member name                        | Qualifications, knowledge, skills or experience (include formal and informal as relevant)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Number of meetings attended / total number of meetings | Total annual remuneration |
|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|---------------------------|
| Gai Brodtmann                      | <b>Qualifications</b> <ul style="list-style-type: none"> <li>Bachelor of Arts (Politics, Sociology and English)</li> <li>Bachelor of Arts (Public Relations)</li> <li>Graduate Certificate in Business</li> <li>Graduate of the Australian Institute of Company Directors</li> <li>Fellow of the Public Relations Institute of Australia</li> <li>Fellow of the Australian Information Security Association</li> </ul> <b>Experience</b> <ul style="list-style-type: none"> <li>Federal Member for Canberra from 2010–2019</li> <li>Shadow Parliamentary Secretary for Defence from 2013–2016</li> <li>Shadow Assistant Minister for Cyber Security and Defence from 2016–2019</li> <li>Other Board appointments</li> </ul> | 4/4                                                    | \$9,003                   |
| Paul Logan <sup>2</sup>            | <b>Qualifications</b> <ul style="list-style-type: none"> <li>Bachelor of Commerce</li> <li>A Fellow Certified Practising Accountant</li> </ul> <b>Experience</b> <ul style="list-style-type: none"> <li>25+ years' experience in the air traffic management and civil aviation safety industry across finance, senior management and executive roles</li> </ul>                                                                                                                                                                                                                                                                                                                                                             | 4/4                                                    | \$0                       |
| Simon Lewis<br>AO PSM <sup>3</sup> | <b>Qualifications</b> <ul style="list-style-type: none"> <li>Bachelor of Arts (Economics, Statistics)</li> <li>Graduate Diploma of Computing Studies</li> <li>Graduate Diploma in Administrative Studies</li> <li>Graduate Diploma of Strategic Studies</li> <li>Completed the Harvard and Wharton Business School's Advanced Management Programs</li> <li>Graduate of the Australian Institute of Company Directors</li> </ul> <b>Experience</b> <ul style="list-style-type: none"> <li>Various executive and senior roles in the APS</li> <li>Secretary of the Department of Veterans' Affairs (2013–18)</li> <li>Other board appointments</li> </ul>                                                                     | 3/3                                                    | \$14,765                  |

#### Notes

- Mr Knuckey is an independent member of the Board Audit and Risk Committee and was appointed by the Board on 20 October 2020.
- The Commonwealth employs Mr Logan on a full-time basis. For this reason, in accordance with sub-section 7(11) of the *Remuneration Tribunal Act 1973*, he is not entitled to be remunerated as an independent member of the Board Audit and Risk Committee. He can receive travel allowance for official travel associated with fulfilling the requirements of the office.
- Mr Lewis' term on the Board Audit and Risk Committee ceased on 27 April 2025.

# Appendix C:

## Workforce Statistics

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This appendix provides statistics on DHA's workforce as at 30 June 2025 and 30 June 2024 for comparison (unless otherwise stated).<sup>5</sup>

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<sup>5</sup> Workforce statistics include ongoing and non-ongoing staff at their substantive classification as at 30 June 2024 or 30 June 2025. Inoperative staff (those on long-term leave), staff engaged through an employment agency and Board members are excluded.

Staffing Profile (by headcount)

TABLE 6.4: All ongoing employees current reporting period 30 June 2025

|                      | Man/Male  |           |       | Woman/Female |           |       | Non-binary |           |       | Prefers not answer |           |       | Uses a different term |           |       | Total |
|----------------------|-----------|-----------|-------|--------------|-----------|-------|------------|-----------|-------|--------------------|-----------|-------|-----------------------|-----------|-------|-------|
|                      | Full time | Part time | Total | Full time    | Part time | Total | Full time  | Part time | Total | Full time          | Part time | Total | Full time             | Part time | Total |       |
| NSW                  | 30        | 2         | 32    | 55           | 13        | 68    | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 100   |
| Qld                  | 28        | 2         | 30    | 83           | 18        | 101   | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 131   |
| SA                   | 33        | 1         | 34    | 55           | 14        | 69    | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 103   |
| Tas                  | 0         | 0         | 0     | 0            | 0         | 0     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 0     |
| Vic                  | 13        | 0         | 13    | 17           | 0         | 17    | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 30    |
| WA                   | 4         | 0         | 4     | 8            | 1         | 9     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 13    |
| ACT                  | 65        | 0         | 65    | 106          | 18        | 124   | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 189   |
| NT                   | 3         | 0         | 3     | 11           | 1         | 12    | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 15    |
| External Territories | 0         | 0         | 0     | 0            | 0         | 0     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 0     |
| Overseas             | 0         | 0         | 0     | 0            | 0         | 0     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 0     |
| Total                | 176       | 5         | 181   | 335          | 65        | 400   | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 581   |

**TABLE 6.5:** All non-ongoing employees current reporting period 30 June 2025

|                      | Man/Male  |           |       | Woman/Female |           |       | Non-binary |           |       | Prefers not answer |           |       | Uses a different term |           |       | Total |
|----------------------|-----------|-----------|-------|--------------|-----------|-------|------------|-----------|-------|--------------------|-----------|-------|-----------------------|-----------|-------|-------|
|                      | Full time | Part time | Total | Full time    | Part time | Total | Full time  | Part time | Total | Full time          | Part time | Total | Full time             | Part time | Total |       |
| NSW                  | 0         | 0         | 0     | 6            | 0         | 6     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 6     |
| Qld                  | 0         | 0         | 0     | 8            | 0         | 8     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 8     |
| SA                   | 6         | 0         | 6     | 4            | 0         | 4     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 10    |
| Tas                  | 0         | 0         | 0     | 0            | 0         | 0     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 0     |
| Vic                  | 1         | 0         | 1     | 4            | 0         | 4     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 5     |
| WA                   | 0         | 0         | 0     | 0            | 0         | 0     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 0     |
| ACT                  | 6         | 1         | 7     | 8            | 3         | 11    | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 18    |
| NT                   | 0         | 0         | 0     | 2            | 0         | 2     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 2     |
| External Territories | 0         | 0         | 0     | 0            | 0         | 0     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 0     |
| Overseas             | 0         | 0         | 0     | 0            | 0         | 0     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 0     |
| Total                | 13        | 1         | 14    | 32           | 3         | 35    | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 49    |

**TABLE 6.6:** All ongoing employees previous reporting period 30 June 2024

|                      | Man/Male  |           |       | Woman/Female |           |       | Non-binary |           |       | Prefers not answer |           |       | Uses a different term |           |       | Total |
|----------------------|-----------|-----------|-------|--------------|-----------|-------|------------|-----------|-------|--------------------|-----------|-------|-----------------------|-----------|-------|-------|
|                      | Full time | Part time | Total | Full time    | Part time | Total | Full time  | Part time | Total | Full time          | Part time | Total | Full time             | Part time | Total |       |
| NSW                  | 30        | 1         | 31    | 55           | 9         | 64    | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 95    |
| Qld                  | 30        | 0         | 30    | 75           | 19        | 94    | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 124   |
| SA                   | 28        | 1         | 29    | 51           | 9         | 60    | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 89    |
| Tas                  | 0         | 0         | 0     | 0            | 0         | 0     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 0     |
| Vic                  | 14        | 0         | 14    | 15           | 1         | 16    | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 30    |
| WA                   | 3         | 0         | 3     | 10           | 0         | 10    | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 13    |
| ACT                  | 60        | 2         | 62    | 101          | 11        | 112   | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 174   |
| NT                   | 2         | 0         | 2     | 13           | 1         | 14    | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 16    |
| External Territories | 0         | 0         | 0     | 0            | 0         | 0     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 0     |
| Overseas             | 0         | 0         | 0     | 0            | 0         | 0     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 0     |
| Total                | 167       | 4         | 171   | 320          | 50        | 370   | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 541   |

**TABLE 6.7:** All non-ongoing employees previous reporting period 30 June 2024

|                      | Man/Male  |           |       | Woman/Female |           |       | Non-binary |           |       | Prefers not answer |           |       | Uses a different term |           |       | Total |
|----------------------|-----------|-----------|-------|--------------|-----------|-------|------------|-----------|-------|--------------------|-----------|-------|-----------------------|-----------|-------|-------|
|                      | Full time | Part time | Total | Full time    | Part time | Total | Full time  | Part time | Total | Full time          | Part time | Total | Full time             | Part time | Total |       |
| NSW                  | 2         | 0         | 2     | 4            | 1         | 5     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 7     |
| Qld                  | 1         | 0         | 1     | 3            | 0         | 3     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 4     |
| SA                   | 1         | 0         | 1     | 1            | 0         | 1     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 2     |
| Tas                  | 0         | 0         | 0     | 0            | 0         | 0     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 0     |
| Vic                  | 1         | 0         | 1     | 1            | 0         | 1     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 2     |
| WA                   | 0         | 0         | 0     | 0            | 0         | 0     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 0     |
| ACT                  | 11        | 0         | 11    | 12           | 0         | 12    | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 23    |
| NT                   | 0         | 0         | 0     | 1            | 0         | 1     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 1     |
| External Territories | 0         | 0         | 0     | 0            | 0         | 0     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 0     |
| Overseas             | 0         | 0         | 0     | 0            | 0         | 0     | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 0     |
| Total                | 16        | 0         | 16    | 22           | 1         | 23    | 0          | 0         | 0     | 0                  | 0         | 0     | 0                     | 0         | 0     | 39    |

**TABLE 6.8:** Staff by gender 2023–24 and 2024–25

|       | 2023–24 |      |            | 2024–25 |      |            |
|-------|---------|------|------------|---------|------|------------|
|       | Female  | Male | Non-binary | Female  | Male | Non-binary |
| Total | 393     | 187  | 0          | 435     | 195  | 0          |

**TABLE 6.9:** Staff by employment type 2023–24 and 2024–25

|       | 2023–24   |           | 2024–25   |           |
|-------|-----------|-----------|-----------|-----------|
|       | Full-time | Part-time | Full-time | Part-time |
| Total | 525       | 55        | 556       | 74        |

**TABLE 6.10:** Ongoing staff by length of service and classification 2023–24 and 2024–25

| Length of service | 2023–24 |         |         | 2024–25 |         |         |
|-------------------|---------|---------|---------|---------|---------|---------|
|                   | DHA 1–4 | DHA 5–6 | EL 1–MD | DHA 1–4 | DHA 5–6 | EL 1–MD |
| <2 years          | 132     | 74      | 34      | 113     | 55      | 45      |
| 2-5 years         | 39      | 49      | 36      | 78      | 69      | 36      |
| 6-10 years        | 27      | 49      | 27      | 29      | 39      | 35      |
| ≥11years          | 25      | 47      | 41      | 23      | 67      | 41      |
| Total             | 223     | 219     | 138     | 243     | 230     | 157     |

**TABLE 6.11:** Staff by location 2023–24 and 2024–25

| State | Office type                              | 2023–24 | 2024–25 |
|-------|------------------------------------------|---------|---------|
| ACT   | Head Office                              | 197     | 207     |
| NSW   | Hunter regional office                   | 36      | 38      |
|       | Nowra regional office                    | 6       | 6       |
|       | Sydney regional office                   | 56      | 59      |
|       | Wagga Wagga regional office              | 4       | 3       |
| NT    | Darwin regional office                   | 15      | 14      |
|       | Tindal regional office                   | 2       | 3       |
| QLD   | Brisbane regional office                 | 63      | 74      |
|       | Cairns regional office                   | 1       | 1       |
|       | Canungra                                 | 1       | 0       |
|       | Toowoomba regional office                | 0       | 0       |
|       | Townsville regional office               | 63      | 64      |
| SA    | Adelaide regional office                 | 91      | 113     |
| VIC   | Cerberus regional office                 | 1       | 1       |
|       | Melbourne regional office                | 25      | 29      |
|       | Puckapunyal regional office <sup>1</sup> | 2       | 1       |
|       | Sale regional office                     | 1       | 1       |
|       | Wodonga regional office                  | 3       | 3       |
| WA    | Perth regional office                    | 13      | 13      |
| Total |                                          | 580     | 630     |

Note

1. Defence personnel only.

**TABLE 6.12:** Staff gross salary ranges by classification 2023–24 and 2024–25

|                | 2023–24               | 2024–25               |
|----------------|-----------------------|-----------------------|
| Classification | Salary range          | Salary range          |
| DHA1           | \$57,457 - \$64,304   | \$59,640 - \$66,749   |
| DHA2           | \$65,419 - \$70,685   | \$67,905 - \$73,371   |
| DHA3           | \$72,165 - \$79,961   | \$74,907 - \$83,000   |
| DHA4           | \$81,076 - \$87,667   | \$84,157 - \$90,998   |
| DHA5           | \$88,781 - \$96,474   | \$92,155 - \$100,140  |
| DHA6           | \$97,587 - \$112,189  | \$101,295 - \$116,452 |
| EL1            | \$118,461 - \$144,571 | \$122,963 - \$150,065 |
| EL2            | \$146,800 - \$180,630 | \$152,378 - \$187,494 |
| SES and MD     | \$180,630 - \$492,314 | \$187,495 - \$488,189 |

# Executive remuneration

## Information about remuneration for Key Management Personnel

During the reporting period ended 30 June 2025, DHA had seven non-executive Board members and seven senior executives, including those in an acting capacity, who met the definition of Key Management Personnel (KMP). In the notes to the financial statements for the period ending 30 June 2025, DHA disclosed the following KMP expenses.

**TABLE 6.13:** Key management personnel remuneration for the reporting period 2024–25

| Key management personnel remuneration for the reporting period | 2024–25   |
|----------------------------------------------------------------|-----------|
| Director remuneration                                          | \$        |
| Short-term employee benefits                                   | 471,179   |
| Post-employment benefits                                       | 56,642    |
| Total Director remuneration                                    | 527,821   |
| Key management personnel remuneration                          |           |
| Base Salary                                                    | 1,402,807 |
| Bonus                                                          | 0         |
| Other benefits and allowances                                  | 34,480    |
| Total short-term benefits                                      | 1,437,286 |
| Superannuation                                                 | 236,866   |
| Total post-employment benefits                                 | 236,866   |
| Other long-term benefits                                       |           |
| Long service leave                                             | 114,412   |
| Total long-term benefits                                       | 114,412   |
| Termination benefits                                           | 0         |
| Total key management personnel remuneration                    | 1,788,564 |

Notes

1. In accordance with the PGPA Rule, Tables 6.14 to 6.17 comply with GBE remuneration disclosure requirements specified in Resource Management Guide No. 138 Commonwealth entities Executive Remuneration Reporting Guide for Annual Reports.
2. Senior executive service roles are benchmarked with comparable roles in the market. External benchmarks are determined by researching disclosed data from relevant Australian listed companies, the Australian Public Service Commission, industry data and other Government Business Enterprises.

**Table 6.14: Details and length of term for key management personnel<sup>1</sup>**

| Name                          | Position                                        | Term as KMP             |
|-------------------------------|-------------------------------------------------|-------------------------|
| Robert Lang                   | Chair                                           | Full term               |
| Robert Fisher                 | Board member                                    | 01/07/2024 – 03/05/2025 |
| Andrea Galloway               | Board member                                    | Full term               |
| Simon Lewis                   | Board member                                    | 01/07/2024 – 27/04/2025 |
| Gai Brodtmann                 | Board member                                    | Full term               |
| Leigh Wilton                  | Board member                                    | Full term               |
| Monique Hamilton <sup>2</sup> | Board member                                    | Full term               |
| Barry Jackson                 | Managing Director                               | 01/07/2024 – 12/08/2024 |
| Andrew Jaggars                | Managing Director                               | 04/02/2024 – 30/06/2025 |
| Paul Groenewegen              | Chief Financial Officer                         | Full term               |
| Brett Jorgensen               | General Manager<br>Service Delivery             | Full term               |
| Shane West                    | Acting Head of Provisioning                     | 02/05/2025 – 30/06/2025 |
| Lisa Barlin                   | Acting General Manager<br>People and Compliance | Full term               |
| Michael Kelly                 | Acting General Manager<br>Service Delivery      | 13/08/2024 – 03/02/2025 |

**Notes**

1. As per the PGPA Rule, this information is further disaggregated in Table 6.15.
2. Ms Hamilton is remunerated by the Department of Defence.

**TABLE 6.15:** Details of executive remuneration for key management personnel 30 June 2025

| Short-term benefits           |                                              |             |         |                               |                              |                    |                          |                          |                      |                                 |  | Post-employment benefits |  |  | Other long-term benefits |  |  | Termination benefits | Total remuneration <sup>1</sup> |
|-------------------------------|----------------------------------------------|-------------|---------|-------------------------------|------------------------------|--------------------|--------------------------|--------------------------|----------------------|---------------------------------|--|--------------------------|--|--|--------------------------|--|--|----------------------|---------------------------------|
| Name                          | Position title                               | Base salary | Bonuses | Other benefits and allowances | Superannuation contributions | Long service leave | Other long-term benefits | Other long-term benefits | Termination benefits | Total remuneration <sup>1</sup> |  |                          |  |  |                          |  |  |                      |                                 |
| Robert Lang                   | Chair                                        | 131,399     | 0       | 0                             | 15,097                       | 0                  | 0                        | 0                        | 0                    | 146,496                         |  |                          |  |  |                          |  |  |                      |                                 |
| Robert Fisher                 | Board Member                                 | 55,592      | 0       | 0                             | 6,190                        | 0                  | 0                        | 0                        | 0                    | 61,781                          |  |                          |  |  |                          |  |  |                      |                                 |
| Andrea Galloway               | Board Member                                 | 65,699      | 0       | 9,003                         | 8,584                        | 0                  | 0                        | 0                        | 0                    | 83,286                          |  |                          |  |  |                          |  |  |                      |                                 |
| Simon Lewis                   | Board Member                                 | 54,328      | 0       | 14,756                        | 10,639                       | 0                  | 0                        | 0                        | 0                    | 79,724                          |  |                          |  |  |                          |  |  |                      |                                 |
| Gai Brodtmann                 | Board Member                                 | 65,699      | 0       | 9,003                         | 8,584                        | 0                  | 0                        | 0                        | 0                    | 83,286                          |  |                          |  |  |                          |  |  |                      |                                 |
| Leigh Wilton                  | Board Member                                 | 65,699      | 0       | 0                             | 7,548                        | 0                  | 0                        | 0                        | 0                    | 73,248                          |  |                          |  |  |                          |  |  |                      |                                 |
| Monique Hamilton <sup>1</sup> | Board Member                                 | 0           | 0       | 0                             | 0                            | 0                  | 0                        | 0                        | 0                    | 0                               |  |                          |  |  |                          |  |  |                      |                                 |
| Barry Jackson                 | Managing Director                            | 51,202      | 0       | 0                             | 7,140                        | 5,981              | 0                        | 0                        | 0                    | 64,323                          |  |                          |  |  |                          |  |  |                      |                                 |
| Andrew Jagers                 | Managing Director                            | 213,623     | 0       | 0                             | 32,583                       | 52,595             | 0                        | 0                        | 0                    | 298,800                         |  |                          |  |  |                          |  |  |                      |                                 |
| Paul Groenewegen              | Chief Financial Officer                      | 323,053     | 0       | 16,097                        | 61,195                       | 11,972             | 0                        | 0                        | 0                    | 412,317                         |  |                          |  |  |                          |  |  |                      |                                 |
| Brett Jorgensen               | General Manager Service Delivery             | 328,271     | 0       | 18,383                        | 59,880                       | 25,855             | 0                        | 0                        | 0                    | 432,388                         |  |                          |  |  |                          |  |  |                      |                                 |
| Shane West                    | Acting Head of Provisioning                  | 49,205      | 0       | 0                             | 6,977                        | 664                | 0                        | 0                        | 0                    | 56,845                          |  |                          |  |  |                          |  |  |                      |                                 |
| Lisa Barlin                   | Acting General Manager People and Compliance | 308,052     | 0       | 0                             | 51,355                       | 8,744              | 0                        | 0                        | 0                    | 368,151                         |  |                          |  |  |                          |  |  |                      |                                 |
| Michael Kelly                 | Acting General Manager Service Delivery      | 129,402     | 0       | 0                             | 17,737                       | 8,602              | 0                        | 0                        | 0                    | 155,740                         |  |                          |  |  |                          |  |  |                      |                                 |

Note

1. Ms Hamilton is remunerated by the Department of Defence.

## Information about remuneration for senior executives

During the reporting period ended 30 June 2025, DHA had eight senior executives who are not key management personnel.

**TABLE 6.16:** Details of remuneration for eight senior executive members who are not key management personnel 30 June 2025

| Total remuneration bands | Number of senior executives | Short-term benefits |                 |                                  | Average other benefits and allowances | Post-employment benefits | Other long-term benefits         |   | Termination benefits | Total remuneration <sup>1</sup> |
|--------------------------|-----------------------------|---------------------|-----------------|----------------------------------|---------------------------------------|--------------------------|----------------------------------|---|----------------------|---------------------------------|
|                          |                             | Average base salary | Average bonuses | Average other long service leave |                                       |                          | Average other long-term benefits |   |                      |                                 |
| \$0 - \$220,000          | 3                           | 124,430             | 13,333          | 1,911                            | 18,437                                | 3,134                    | 0                                | 0 | 161,246              |                                 |
| \$220,001 - \$245,000    | 0                           | 0                   | 0               | 0                                | 0                                     | 0                        | 0                                | 0 | 0                    |                                 |
| \$245,001 - \$270,000    | 2                           | 211,105             | 0               | 2,289                            | 41,405                                | 2,509                    | 0                                | 0 | 257,308              |                                 |
| \$270,001 - \$295,000    | 1                           | 244,547             | 0               | 1,874                            | 40,527                                | 0                        | 0                                | 0 | 286,948              |                                 |
| \$295,001 - \$320,000    | 2                           | 252,440             | 0               | 2,882                            | 38,038                                | 6,833                    | 0                                | 0 | 300,193              |                                 |
| \$320,001 - \$345,000    | 0                           | 0                   | 0               | 0                                | 0                                     | 0                        | 0                                | 0 | 0                    |                                 |
| \$345,001 - \$370,000    | 0                           | 0                   | 0               | 0                                | 0                                     | 0                        | 0                                | 0 | 0                    |                                 |
| \$370,001 - \$395,000    | 0                           | 0                   | 0               | 0                                | 0                                     | 0                        | 0                                | 0 | 0                    |                                 |
| \$395,001 - \$420,000    | 0                           | 0                   | 0               | 0                                | 0                                     | 0                        | 0                                | 0 | 0                    |                                 |
| \$420,001 - \$445,000    | 0                           | 0                   | 0               | 0                                | 0                                     | 0                        | 0                                | 0 | 0                    |                                 |
| \$445,001 - \$470,000    | 0                           | 0                   | 0               | 0                                | 0                                     | 0                        | 0                                | 0 | 0                    |                                 |
| \$470,001 - \$495,000    | 0                           | 0                   | 0               | 0                                | 0                                     | 0                        | 0                                | 0 | 0                    |                                 |
| \$495,001 +              | 0                           | 0                   | 0               | 0                                | 0                                     | 0                        | 0                                | 0 | 0                    |                                 |

### Notes

1. The sum of benefits may not equal the total remuneration for reach remuneration band due to total remuneration being calculated using unrounded numbers.
2. Senior executive service roles are benchmarked with comparable roles in the market. External benchmarks are determined by researching disclosed data from relevant Australian listed companies, the Australian Public Service Commission, industry data and other Government Business Enterprises.

## Information about remuneration for other highly paid staff

During the reporting period ended 30 June 2025, DHA had five other highly paid staff.

**TABLE 6.17:** Details of remuneration for five other highly paid staff 30 June 2025

| Total remuneration bands | Number of other highly paid staff | Short-term benefits |                              |                                       | Post-employment benefits             |                            | Other long-term benefits         |   | Termination benefits | Total remuneration <sup>1,2</sup> |
|--------------------------|-----------------------------------|---------------------|------------------------------|---------------------------------------|--------------------------------------|----------------------------|----------------------------------|---|----------------------|-----------------------------------|
|                          |                                   | Average base salary | Average bonuses <sup>3</sup> | Average other benefits and allowances | Average superannuation contributions | Average long service leave | Average other long-term benefits |   |                      |                                   |
| \$250,000 - \$270,000    | 0                                 | 0                   | 0                            | 0                                     | 0                                    | 0                          | 0                                | 0 | 0                    | 0                                 |
| \$270,001 - \$295,000    | 2                                 | 191,445             | 7,500                        | 40,187                                | 34,491                               | 5,565                      | 0                                | 0 | 0                    | 279,189                           |
| \$295,001 - \$320,000    | 1                                 | 204,296             | 25,000                       | 19,404                                | 40,432                               | 5,936                      | 0                                | 0 | 0                    | 295,069                           |
| \$320,001 - \$345,000    | 1                                 | 210,065             | 40,000                       | 33,862                                | 36,678                               | 6,685                      | 0                                | 0 | 0                    | 327,290                           |
| \$345,001 - \$370,000    | 0                                 | 0                   | 0                            | 0                                     | 0                                    | 0                          | 0                                | 0 | 0                    | 0                                 |
| \$370,001 - \$395,000    | 0                                 | 0                   | 0                            | 0                                     | 0                                    | 0                          | 0                                | 0 | 0                    | 0                                 |
| \$395,001 - \$420,000    | 1                                 | 231,153             | 70,000                       | 55,083                                | 43,669                               | 7,816                      | 0                                | 0 | 0                    | 407,720                           |
| \$420,001 - \$445,000    | 0                                 | 0                   | 0                            | 0                                     | 0                                    | 0                          | 0                                | 0 | 0                    | 0                                 |
| \$445,001 - \$470,000    | 0                                 | 0                   | 0                            | 0                                     | 0                                    | 0                          | 0                                | 0 | 0                    | 0                                 |
| \$470,001 - \$495,000    | 0                                 | 0                   | 0                            | 0                                     | 0                                    | 0                          | 0                                | 0 | 0                    | 0                                 |
| \$495,001 +              | 0                                 | 0                   | 0                            | 0                                     | 0                                    | 0                          | 0                                | 0 | 0                    | 0                                 |

### Notes

1. The sum of benefits may not equal the total remuneration for reach remuneration band due to total remuneration being calculated using unrounded numbers.
2. Consistent with Commonwealth entities' executive remuneration reporting guide for annual reports Resource Management Guide No. 138 total remuneration includes taxable value of fringe benefits tax which are not included elsewhere in the table.
3. Bonuses listed in this column are retention bonuses provisioned for in Individual Flexibility Agreements. Individual Flexibility Agreements are only used in select circumstances where DHA requires specialist skills from the employment market and where demand for those skills warrant varying the terms and conditions listed in the Enterprise Agreement beyond the existing salary ranges.
4. The Remuneration Tribunal is an independent statutory body established under the *Remuneration Tribunal Act 1973* that oversees the remuneration of key Commonwealth officers.

# Appendix D:

## Environmental performance and Heritage information

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DHA is committed to improving its environmental performance in accordance with government policy. DHA manages environmental impacts through policies, administrative controls and communication to mitigate environmental impacts.

### **Sustainability Report (Climate Disclosure Statement)**

This report is made under section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* (Cth). It provides the report for 2024–25 activities and contributions made in accordance with the principles of ecologically sustainable development.

### **Developing a new ESG Strategy and Environmental Policy**

In 2024, DHA commenced preliminary work for a new Environment, Social and Governance (ESG) Strategy, with expectations of it being finalised in late 2026. The new ESG Strategy will be aligned to Australian Government priorities such as the APS Net Zero Target by 2030; nature positive reforms; environmentally sustainable procurements and will support future sustainable developments. DHA is also developing its new Environmental Policy, tailored to provide clear environmental guidelines for DHA's construction and development activities.

### **Environmental improvement**

DHA recognises the importance of reducing its impact on the environment while undertaking its activities. In 2024, DHA commenced significant reforms to environmental tender evaluation criteria and requirements to improve evaluations on environmental performance by those contracted to work on development projects. In 2025, DHA commenced its annual review of its s with the outcome of this work expected to improve environmental risk management and support DHA's continuous efforts to identify critical downstream areas and controls that can be strengthened.

## Commonwealth Climate Disclosure

Commonwealth Climate Disclosure Policy (the Policy) requires Commonwealth entities like DHA to report on their exposure to climate risks and opportunities, as well as the actions they are taking to manage them.

Under the Policy, DHA is required to complete climate disclosures. As DHA meets Tranche 1 in the CCD Policy Architecture, DHA is required to start including disclosures in its Annual Report 2024–25. This climate statement has been prepared in accordance with the Year Reporting Provisions for Tranche 1 entities.

### Year 1 requirements

Tranche 1 entities under the Commonwealth Climate Disclosure (CCD) initiative must start reporting in their 2024–25 annual reports. Disclosures should address four key areas:

- **Governance:** Identification and oversight of climate risks and opportunities.
- **Strategy:** Risk management approaches and emissions reduction plans.
- **Risk Management:** Assessment and integration of climate risk practices.
- **Metrics and Targets:** Performance tracking towards climate objectives.

Entities can optionally report beyond Year 1 requirements.

### Governance

With a comprehensive governance framework already in place, DHA relies on its existing policies and procedures to manage enterprise risks, including the risks and opportunities relating to climate change. In accordance with Section 16 of the PGPA Act, the DHA Board as the Accountable Authority oversees DHA's functions considers organisational direction and strategy, which are articulated through DHA's Corporate Plan and Statement of Corporate Intent. In 2024–25, the Board focused on building climate capability and delivery of DHA's first Climate disclosure.

Refer to the Corporate Governance section and the Enterprise Risk Management section for further information on DHA's agency wide approach to governance. With increased and widespread climate events impacting operations, DHA has identified climate risk management as a priority area within the ESG strategic objective. DHA's strategy to reduce emissions aligns with the APS Net Zero in Government Operations Strategy and will be set out within a new ESG Strategy, which is currently being developed.

### DHA's approach to climate governance

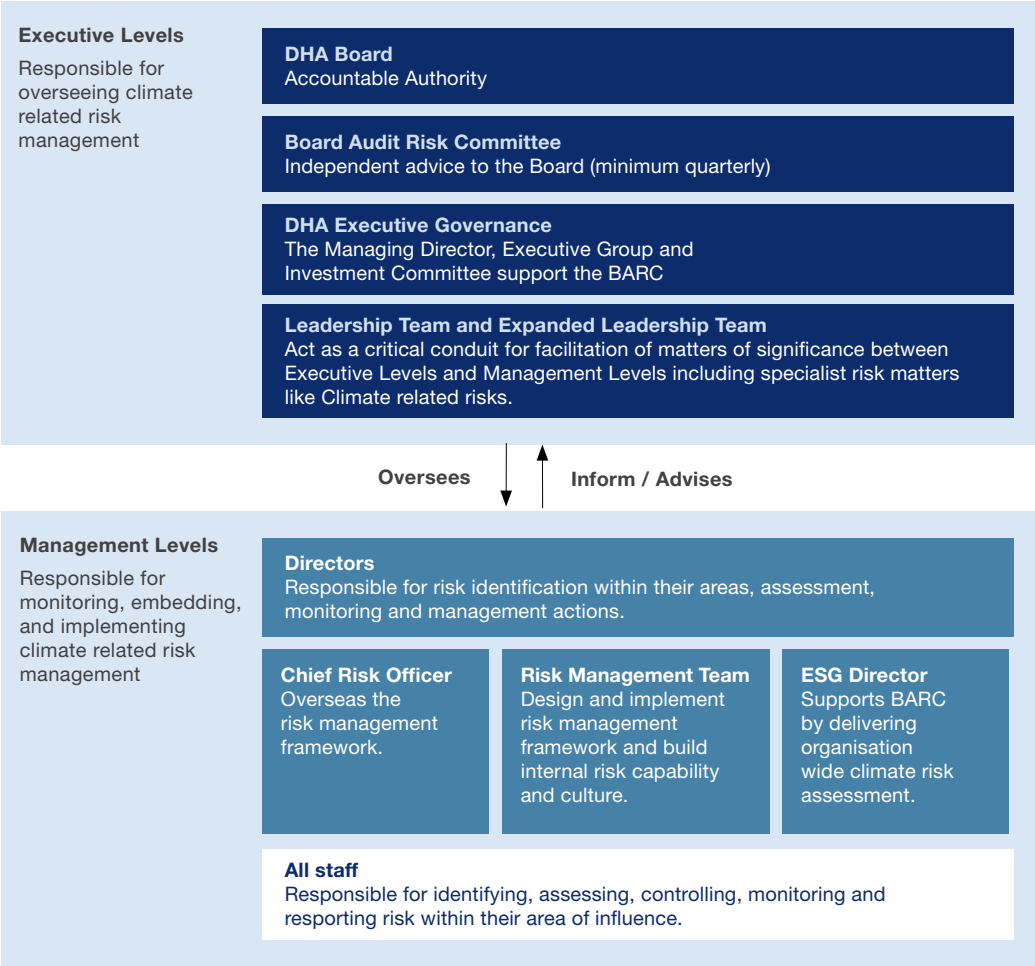
DHA's Risk Management Framework has been established to ensure alignment with Section 16 of the PGPA Act, which requires DHA's Board to establish and maintain internal systems for oversight and management of risk. Climate-related risks and opportunities are addressed in the framework as a specialist risk category. Figure 6.1 outlines DHA's climate governance structure at 30 June 2025.

At the Executive Level, DHA's Board is informed on enterprise risks by the Board Audit Risk Committee. This is carried out at least quarterly with serious risks escalated as needed. The Executive Group and Leadership Team work closely with the Board Audit and Risk Committee to oversee risk management including new enterprise risks such as climate risks. Climate-related and non-climate-related risks and opportunities are considered in entirety to inform the Board Audit and Risk Committee's overall risk management.

In 2024, the Executive Level established a new climate reporting capability with appropriate skills and competencies to drive DHA's first Climate Disclosure. The ESG Director provides strategic climate-related advice on climate risks and management to the Executive Level. In 2025, a comprehensive stakeholder engagement activity (Materiality Assessment) was undertaken on ESG activities, including emissions reduction and climate adaptation strategies. The outcome of this work will inform DHA's ESG Strategy in 2025–26, which will set out ESG metrics and targets for DHA.

At the Management Level, the ESG Director, Chief Risk Officer, and Risk Team ensure DHA's climate risk management practices align with the Climate Disclosure Year 1 Requirements using the Climate Risk and Opportunity Management Program (CROMP). The CROMP was developed for Commonwealth entities like DHA to ensure risks are appropriately identified, assessed, and prioritised.

**FIGURE 6.1:** Climate Risk Governance Structure as at 30 June 2025



Climate risk is managed within DHA through the governance structure and the roles and responsibilities outlined in Table 6.18.

**TABLE 6.18:** Climate related risk roles and responsibilities

| Role                              | Responsibility                                                                                                                                                                                                                                                                                                |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Board Audit Risk Committee</b> | Assist the Board to comply with governance and other obligations. Improve the effectiveness and efficiency of internal control framework and ensure appropriate risk identification and management practices are in place, including Climate risks.                                                           |
| <b>Executive Group</b>            | Advance matters of strategic significance including but not limited to resource allocations, progressing the Board's agenda and strategy, corporate plan objectives and financial sustainability.                                                                                                             |
| <b>ESG Director</b>               | Work cross functionally to deliver DHA's organisation wide climate risk assessment using CROMP tools and services and providing in-house climate risk expertise across the organisation.                                                                                                                      |
| <b>Chief Risk Officer</b>         | The Chief Risk Officer is responsible for ensuring there is a sound risk management framework in place and assisting risk owners to provide assurances to the Board, the Board Audit and Risk Committee and the Leadership Team that all risks, including climate risks, are managed within tolerance levels. |
| <b>Risk Management Team</b>       | The risk team is responsible for the development and upkeep of DHA's risk management policy and framework and supporting the business in managing risks. This includes promoting positive risk culture and supporting the ESG Director as required.                                                           |

## Climate risk capability

The Commonwealth Risk Management Policy requires that Commonwealth entities have an appropriate level of risk management capability. DHA identified the need for in-house expertise to drive DHA's first Climate Disclosure. Any future gaps in climate related skills and capability across the organisation will be identified and addressed in due course.

In preparation for DHA's first climate risk assessment, CROMP training modules were provided to DHA's Leadership Team and climate risk participants from nominated operational areas.

## Climate Risk Management

The risk assessment methodology applied to DHA followed the CROMP framework at an organisational level. This approach involved a qualitative high-level review of hazards and climate risk exposure on DHA's operations at a functional level.

## **DHA's approach to climate risk management**

Presence in disaster-prone areas like Northern Australia increases exposure to disaster risk and insurance costs. DHA's first climate risk assessment used DHA's rating framework to ensure the nature, likelihood and magnitude of effects aligned with how DHA internally assessed risk ratings. DHA engaged with nine key operational functions and delivered over 10 climate risk workshops facilitated through the CROMP digital tool. Each function is responsible for identifying risks and opportunities, and assessing, controlling, and monitoring these within their areas of influence. Management and monitoring of climate risks will be carried out using the CROMP digital tool and guidance materials.

To assist assessments, a high-level past impacts evaluation was carried out using internal DHA event data collected over the 2022–24 period together with publicly available data of historical significance to Australia.

Data from the global climate science community periodically update the climate scenarios that inform the assessment reports from the Intergovernmental Panel on Climate Change (IPCC). The data input to projections of physical risks in future scenarios used in the assessment were informed by three main generations of climate scenarios:

- Climate Change in Australia 2015
- Sixth IPCC Assessment Report referred to as the Shared Socio-economic Pathways
- Fifth IPCC Assessment Report referred to as the Representative Concentration Pathways.

For transitional risks, data input to inform DHA's assessments were taken from a range of data sources including IPCC, Australian National Outlook and Network for Greening the Financial System. For the next assessment, DHA plans to consider regional data sets with more detailed data input to assess with geographic (latitude and longitude) coordinates.

## **Strategy**

Identifying and prioritising material climate risks to DHA, allows us to focus efforts on developing mitigation and adaption plans. Climate risks are systemic in nature with many touch points along different parts of the organisation and requires a holistic approach for improving resilience. In consideration of this, DHA recognises the importance of cross functional collaboration and consultation as actionable solutions are developed.

Future climate changes depend on a range of multiple drivers, including differences in the rate of global greenhouse gas emissions that arise due to different socioeconomic factors (e.g. population growth, technology, urbanisation, economic growth). Following the CROMP framework, two climate scenarios were selected against current conditions for DHA's first climate risk assessment, and their timeframes outlined in Table 6.19. Selections of a high emissions scenario compared to a medium emissions scenario was important in forward planning and made in consideration to current global warming temperatures experienced in Australia.

Near-term (2030) and mid-term (2050) timeframes were selected because both timeframes aligned well with the Australian Government APS Net Zero Emissions by 2030 Target and Paris Agreement Net Zero by 2050 Target. The likelihood of different scenarios eventuating depends on global adaptation efforts (to reduce impacts) and mitigation ambition (to reduce emissions and atmospheric greenhouse gas concentrations).

**TABLE 6.19:** Climate risk management assessment

| Climate Scenario | Overview                                                                                                                                                                                                                                                | Timeframes                          | Key Outcomes                                                                                                                                                                                 |
|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Present day      | Represents current conditions under today's climate.                                                                                                                                                                                                    | 2025                                | Australia is already feeling the effects of a changing climate. Additionally, transition risks and opportunities are already being realised such as changing policy, regulation and markets. |
| Low emission     | Represents a scenario where mitigation efforts to curb emissions are ambitious to limit warming at or below 1.5°C. It is likely that there will still be some physical impacts associated with this scenario that may be greater than those felt today. | Near-term (2030)<br>Mid-term (2050) | Transition risks and opportunities dominate.<br><br>Globally coordinated effort to reduce emissions to net zero around 2070, and accelerated transition to renewables and electrification.   |
| High emission    | Represents a scenario where emissions are curbed based on existing policies and commitments with a global warming level of 2-3°C. In this scenario, there are moderate challenges to both mitigation and adaptation.                                    | Near-term (2030)<br>Mid-term (2050) | Physical risks dominate.<br><br>Emissions reduction policies are limited, with continued use of fossil fuels and energy intensive activities and lifestyles.                                 |

DHA’s high-level screening of potential physical and transitional risks and opportunities material to DHA operations are summarised below.

**TABLE 6.20:** High-level screening of transitional risks and opportunities material to DHA operations

| Summary of Transition Risks                                                                                                                                                                                                                                                                                                                          |                     |                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------------|
| <b>TCR:</b> Transitional Climate Risk                                                                                                                                                                                                                                                                                                                | Time Horizon        | Risk area        |
| <b>TCO:</b> Transitional Climate Opportunity                                                                                                                                                                                                                                                                                                         | N: Near-term (2030) |                  |
|                                                                                                                                                                                                                                                                                                                                                      | M: Mid-term (2050)  |                  |
|                                                                                                                                                                                                                                                                                                                                                      | L: Long-term (2070) |                  |
| <b>TCR:</b> Policy and regulatory changes will increase scrutiny and potential changes to: <ul style="list-style-type: none"> <li>• building codes</li> <li>• energy efficiency standards</li> <li>• environmental regulations</li> </ul>                                                                                                            | N M L               | Policy and Legal |
| <b>TCR:</b> Technological shifts that result in transition to renewable energy sources and energy efficient technologies. In particular: <ul style="list-style-type: none"> <li>• electric vehicles and heat pumps</li> <li>• solar for housing</li> <li>• new technologies for managing climate risk</li> </ul>                                     | N M L               | Technology       |
| <b>TCR:</b> Member housing preferences changing with growing awareness of climate change influencing: <ul style="list-style-type: none"> <li>• sustainable low energy cost homes</li> <li>• property offerings adapted for climate change</li> </ul>                                                                                                 | N M L               | Market           |
| <b>TCR:</b> Financial risks with increased climate related insurance premiums: <ul style="list-style-type: none"> <li>• increase in climate related repair and maintenance cost claims</li> <li>• devaluation of assets due to climate impacts</li> <li>• under valuations of property insurance premiums not considering climate impacts</li> </ul> | N M L               | Finance          |
| <b>TCR:</b> Reputational risk due to failure to adequately address climate related risks including insufficient transparency regarding climate related issues.                                                                                                                                                                                       | N M L               | Reputation       |
| <b>TCO:</b> Improving accuracy and quality of quantitative event data for assessments to support DHA: <ul style="list-style-type: none"> <li>• accurately assess climate vulnerabilities</li> <li>• develop and implement effective mitigation and adaption strategies</li> <li>• improve climate risk decision making</li> </ul>                    | N M L               | Data             |

**TABLE 6.21:** High-level screening of physical risks and opportunities material to DHA operations

| Summary of Physical Risks                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                     |              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------|
| <b>PCR:</b> Physical Climate Risk                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Time Horizon        | Risk area    |
| <b>PCO:</b> Physical Climate Opportunity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | N: Near-term (2030) |              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | M: Mid-term (2050)  |              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | L: Long-term (2070) |              |
| <b>PCR:</b> Severe weather potential impacts on housing portfolio causing damage: <ul style="list-style-type: none"><li>physical damage to properties</li><li>repair and maintenance requests</li><li>emergency response requests</li><li>In particular:<ul style="list-style-type: none"><li>increased frequency and intensity of storm events</li><li>sea level rise and costal erosion</li><li>increased rainfall patterns in regions</li><li>increased temperatures and heatwaves across Australia</li><li>increased bushfire in regions</li></ul></li></ul> | N M L               | Housing      |
| <b>PCR:</b> Severe weather impacts on ADF Members and DHA staff safety and well-being: <ul style="list-style-type: none"><li>safety during property inspections</li><li>safety during work travel</li><li>member relocations with significant climate impacts</li></ul>                                                                                                                                                                                                                                                                                          | N M L               | Safety       |
| <b>PCO:</b> Key findings from past event data incorporated into provisioning and forward planning for improved housing climate resilience and adaption.                                                                                                                                                                                                                                                                                                                                                                                                          | N M L               | Provisioning |

Notes

- <https://www.legislation.gov.au/C2004A00485/2019-08-30/text>  
<https://www.finance.gov.au/government/climate-action-government-operations/commonwealth-climate-disclosure>  
Climate Risk Management: The Australian Government’s Approach to Climate Risk and Opportunity Management in the Public Sector 2024–2026  
Commonwealth Risk Management Policy | Department of Finance

## Operational model effects

The climate is projected to change for Australia in the next 100 years. Australia is expected to experience an increase in temperature and communities on the coast are expected to be faced with increased sea levels. Additionally, climate scenarios and analysis indicate that there will be variation in the frequency and intensity of rain events that will affect river flooding, storms and cyclones and changes to susceptibility to bushfire. For this disclosure, DHA recognises the increased hazard levels of its operations for the near and mid-term horizons. To accurately assess climate vulnerabilities, DHA will work on improving quantitative data analysis of risks for the next climate assessment. Identification of risk concentration will be included in the next reporting period.

## Metrics and Targets

### Climate related metrics

DHA reports its scope 1, scope 2 and select scope 3 emissions as part of the reporting requirements under the PGPA Act and s516A of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).

DHA's emissions are calculated using the APS Net Zero Emissions Reporting Framework. DHA has not deviated from this methodology.

In 2024–25, DHA's greenhouse gas emission tCO<sub>2</sub>e was significantly down on last year due to the following factors:

- improved methodologies for waste estimations
- reduction in travel and travel accommodations
- improved energy efficiency in office relocations
- increased use of hybrid efficient vehicles.

**TABLE 6.22: Emissions table**

| 2024–25 Greenhouse Gas Emissions Inventory– Location-Based Method |                                 |                                 |                                 |                               |
|-------------------------------------------------------------------|---------------------------------|---------------------------------|---------------------------------|-------------------------------|
| Emission Source                                                   | Scope 1<br>t CO <sub>2</sub> -e | Scope 2<br>t CO <sub>2</sub> -e | Scope 3<br>t CO <sub>2</sub> -e | Total<br>t CO <sub>2</sub> -e |
| Electricity (Location Based Approach)                             | N/A                             | 495.23                          | 49.63                           | 544.86                        |
| Natural Gas                                                       | -                               | N/A                             | -                               | -                             |
| Solid Waste                                                       | -                               | N/A                             | 224.33                          | 224.33                        |
| Refrigerants                                                      | -                               | N/A                             | N/A                             | -                             |
| Fleet and Other Vehicles                                          | 229.64                          | N/A                             | 58.41                           | 288.04                        |
| Domestic Commercial Flights                                       | N/A                             | N/A                             | 351.96                          | 351.96                        |
| Domestic Hire Car                                                 | N/A                             | N/A                             | 8.95                            | 8.95                          |
| Domestic Travel Accommodation                                     | N/A                             | N/A                             | 98.57                           | 98.57                         |
| Other Energy                                                      | -                               | N/A                             | -                               | -                             |
| <b>Total t CO<sub>2</sub>-e</b>                                   | <b>229.64</b>                   | <b>495.23</b>                   | <b>791.85</b>                   | <b>1,516.71</b>               |

| 2024–25 Electricity Greenhouse Gas Emissions              |                                 |                                 |                               |                    |
|-----------------------------------------------------------|---------------------------------|---------------------------------|-------------------------------|--------------------|
| Emission Source                                           | Scope 2<br>t CO <sub>2</sub> -e | Scope 3<br>t CO <sub>2</sub> -e | Total<br>t CO <sub>2</sub> -e | Electricity<br>kWh |
| Electricity (Location Based Approach)                     | 495.23                          | 49.63                           | 544.86                        | 805,404.29         |
| Market-based electricity emissions                        | 368.04                          | 49.98                           | 418.02                        | 454,364.40         |
| <b>Total renewable electricity consumed</b>               | <b>n/a</b>                      | <b>n/a</b>                      | <b>n/a</b>                    | <b>351,039.89</b>  |
| Renewable Power Percentage <sup>1</sup>                   | n/a                             | n/a                             | n/a                           | 146,543.31         |
| Jurisdictional Renewable Power Percentage <sup>2, 3</sup> | n/a                             | n/a                             | n/a                           | 204,496.58         |
| GreenPower <sup>2</sup>                                   | n/a                             | n/a                             | n/a                           | -                  |
| Large-scale generation certificates <sup>2</sup>          | n/a                             | n/a                             | n/a                           | -                  |
| Behind the meter solar <sup>4</sup>                       | n/a                             | n/a                             | n/a                           | -                  |
| <b>Total renewable electricity produced</b>               | <b>n/a</b>                      | <b>n/a</b>                      | <b>n/a</b>                    | <b>-</b>           |
| Large-scale generation certificates <sup>2</sup>          | n/a                             | n/a                             | n/a                           | -                  |
| Behind the meter solar <sup>4</sup>                       | n/a                             | n/a                             | n/a                           | -                  |

**Notes**

The table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods. CO<sub>2</sub>-e = Carbon Dioxide Equivalent. Electricity usage is measured in kilowatt hours.

1. Listed as Mandatory renewables in 2023–24 Annual Reports. The renewable power percentage accounts for the portion of electricity used, from the grid, that falls within the Renewable Energy Target.
2. Listed as Voluntary renewables in 2023–24 Annual Reports.
3. The Australian Capital Territory is currently the only state with a jurisdictional renewable power percentage.
4. Reporting behind the meter solar consumption and/or production is optional. The quality of data is expected to improve over time as emissions reporting matures.

Climate related targets

In 2024, DHA voluntarily committed to the APS Net Zero 2030 Target to align with key stakeholders like Defence and join the whole-government approach to emissions reduction through the new ESG policy approved by the Board. Details of the APS Net Zero 2030 Target can be found within the Net Zero in Government Operations Strategy and no deviation from the strategy and target is planned. In 2025, DHA commenced work on key activities towards a new ESG Strategy that will see DHA’s first emissions reduction plan developed, setting out planned activities to reduce emissions to net zero. Monitoring progress of these targets will be reported to the Executive Levels and the Board.

Heritage Management

Commonwealth Heritage Listed Properties

On behalf of Defence, DHA manages and conserves 72 Commonwealth Heritage Listed properties. These sites are located on ADF bases around the country and are managed in accordance with the EPBC Act.

Four development sites are identified as having Commonwealth Heritage Values and have been placed on the DHA’s Heritage Register in accordance with the DHA Heritage Strategy, and the EPBC Act.

DHA owns and manages five development sites with two of these having Commonwealth Heritage Listings located at Fort Wallace, Stockton NSW and Lawson North, ACT. Stockton Rifle Range NSW, Lee Point NT and Nirimba Fields, Schofield NSW are identified as having Commonwealth heritage values and are on the DHA Heritage Register, refer to Table 6.23. These sites are managed in accordance with the EPBC Act.

TABLE 6.23: DHA Heritage Registered and Commonwealth Heritage Listed sites

| DHA Heritage Register              | Commonwealth Heritage List |
|------------------------------------|----------------------------|
| Stockton Rifle Range, Fern Bay NSW | -                          |
| Stockton Fort Wallace NSW (CHL)    | 105,335                    |
| Lawson North ACT (CHL)             | 105,535 / 105,519          |
| Lee Point NT                       | -                          |

**Maintenance and conservation of any identified heritage property**

For the sites listed on the DHA Heritage Register, DHA invested \$576,204 on maintenance and \$728,848 on management and conservation activities across the 5 sites in 2024–25 (refer to Table 6.24).

**TABLE 6.24:** Maintenance work expenditure of any identified heritage property 2024–25

| Project/Site                       | Maintenance expenditure (\$) | Management Plans expenditure (\$) | Conservation / Refurbishment expenditure (\$) |
|------------------------------------|------------------------------|-----------------------------------|-----------------------------------------------|
| Stockton Rifle Range, Fern Bay NSW | 15,926                       | 57,723                            | -                                             |
| Stockton Fort Wallace NSW          | 89,622                       | 64,940                            | -                                             |
| Lawson North ACT                   | 460,656                      | 124,299                           | 419,938                                       |
| Lee Point NT                       | 10,000                       | 41,948                            | 20,000                                        |
| Total                              | 576,204                      | 288,910                           | 439,938                                       |

Heritage studies, conservation management planning and other activities relating to the identification, protection, conservation, presentation and transmission of any Commonwealth Heritage Values of a place.

DHA’s development projects have allowance for the establishment and review of Heritage Management Plans to ensure DHA meets its obligations under the EPBC Act. These plans enable the continued management of the sites during and after delivery. DHA has several development sites currently under various stages of planning and development. Each development project has allowed for the ongoing maintenance and protection of the heritage values identified.

DHA undertakes a review of Heritage Management Plans every five years in accordance with the EPBC Act or within two years of purchasing a known listed Commonwealth Heritage Listed place. DHA has engaged a Heritage Specialist to review Heritage Management Plans and sites for currency and compliance. The outcomes of that review have informed protection and conservation measures to help preserve indigenous and heritage significant items and places. In addition, DHA will produce Heritage Management Plans for its Lee Point and Stockton Rifle Range sites which have identified Commonwealth Heritage Attributes.

The DHA Heritage Register is updated when any change in heritage values is identified within an existing site, or when a new site is identified as having heritage values. The DHA Heritage Register is accessible on the DHA intranet and externally on the DHA website ([www.dha.gov.au/housing/heritage-properties](http://www.dha.gov.au/housing/heritage-properties)).

## **Identification of heritage values**

While DHA undertakes a management function across all dwellings in its portfolio, private landlord owned detached dwellings that are leased to DHA fall outside the effective control of DHA with respect to the EPBC Act. Further, the Defence owned dwellings are captured by the Defence Heritage Strategy and reviewed by its Environmental teams. Should DHA acquire or take control over any new property, an assessment is undertaken to identify any potential Commonwealth Heritage values in accordance with the strategies under Section 8B of the DHA Heritage Strategy. However, in the case of newly constructed property or developments on brown-field sites, it is expected that such assessments will be very minimal in nature, if any, notwithstanding the original reviews of the land prior to development being undertaken.

During 2024–25 one development site, Lee Point Northern Territory, was reviewed for Commonwealth Heritage Values and subsequently added to the DHA Heritage Register. An expert review informed DHA of heritage values associated with this site, including requirements for ongoing management and protection of those values identified. It also recommended DHA draft a Heritage Management Plan for the site.

On 10 June 2025, the Northern Territory Civil and Administrative Tribunal issued orders concerning the Northern Territory Heritage Council's approval for the relocation of artefacts from DHA's Lee Point development site. The orders refer the decision under review back to the Heritage Council and directs DHA to suspend all work (other than essential site maintenance activities) on Lot 4873 Town of Nightcliff, Lee Point until the final determination of the proceeding.

## **Development and maintenance of the DHA Heritage Register**

The DHA Heritage Register was created and maintained in accordance with the DHA Heritage Strategy. The DHA Heritage Register is available internally on the DHA intranet and externally via the [dha.gov.au](https://dha.gov.au) site.

Properties brought into the portfolio are reviewed to identify if heritage values are present. Newly constructed housing stock brought into the DHA portfolio does not undergo a heritage value review unless the allotment or estate have been identified to hold those values. Development sites undergo a comprehensive review to identify Heritage Values that may require the sites addition to the DHA Heritage Register. If any heritage values change on existing heritage listed properties, the status is reviewed and updated on the register.

## **Review of the DHA Heritage Strategy**

The DHA Heritage Strategy is currently undergoing a review as required under the EPBC Act.

## **Referrals made under the EPBC Act**

There were no referrals made under the EPBC Act in 2024–25.

## **Disposal or acquisition of property with heritage values**

The DHA-owned site at Mount Lofty in QLD was disposed in November 2024 and has been removed from DHA's Heritage Register.



## Case Study – Preserving Defence heritage: DHA's commitment to cultural stewardship

Since 2006, DHA has led a comprehensive heritage upgrade program across Commonwealth Heritage Listed properties, ensuring these historically significant sites continue to serve Defence needs while preserving their cultural and architectural value for future generations.

DHA manages and maintains 77 properties and development sites identified as having military heritage significance due to their historical, cultural and natural values with a significant number of these listed on the Commonwealth Heritage List. Of these 77 significant sites, 72 are managed on behalf of the Department of Defence and span key Defence locations including the Royal Military College – Duntroon, HMAS Creswell, Victoria Barracks, and Garden Island, among others. Each site plays a vital role in Australia's military tradition and contributes to the legacy of the nation's Defence Force Services.

The heritage program is guided by DHA's Heritage Strategy and adheres to the EPBC Act 1999. Through this framework, DHA ensures that



heritage-listed properties are not only preserved but also adapted to meet contemporary living standards required by Defence personnel. This includes sensitive upgrades to interiors, structural repairs, and ongoing maintenance that respects the historical integrity of each site.

One example of this work is Cliff House, located above Camp Cove at Sydney's South Head. Built in 1876 as part of the New South Wales Coastal Defence Strategy, Cliff House has served as naval accommodation for nearly 150 years. DHA's



restoration of the property included modernising living spaces and addressing structural and safety requirements, all while maintaining its heritage character. Today, it continues to serve as the residence for the Commander of the Australian Fleet.

Through careful stewardship and compliance with relevant legislation and conservation management plans, DHA ensures that places like Cliff House remain integral to Australia's military tradition and national heritage.

# Appendix E:

## Work health and safety

### Work Health and Safety performance

DHA is committed to a high-quality safety culture for all DHA workers and contractors. DHA's commitment goes beyond safety compliance to ensuring a *safety always* approach when we engaging with internal and external stakeholders and ADF members and their families. Table 6.25 compares DHA's WHS performance in 2023–24 and 2024–25.

**TABLE 6.25:** Work Health and Safety performance 2023–24 and 2024–25

| Indicator                                                 | 2023–24 | 2024–25 |
|-----------------------------------------------------------|---------|---------|
| <b>Incident reporting<sup>1</sup></b>                     |         |         |
| Total incidents reported                                  | 499     | 631     |
| WHS incidents                                             | 170     | 210     |
| Staff                                                     | 97      | 141     |
| Contractors                                               | 39      | 27      |
| Others <sup>2</sup>                                       | 34      | 42      |
| <b>Recordable injury rate</b>                             |         |         |
| Total recordable injury frequency rate                    | 8       | 7.0     |
| <b>Lost time rate</b>                                     |         |         |
| Lost time injury frequency rate                           | 3       | 2.8     |
| <b>Audits and office inspections</b>                      |         |         |
| Contractor and internal audits conducted                  | 391     | 194     |
| Desktop                                                   | 207     | 92      |
| Onsite                                                    | 184     | 102     |
| Safety interaction                                        | 252     | 149     |
| Office inspections conducted                              | 16      | 20      |
| <b>Workers' compensation</b>                              |         |         |
| Workers' compensation claims (accepted in financial year) | 2       | 2       |

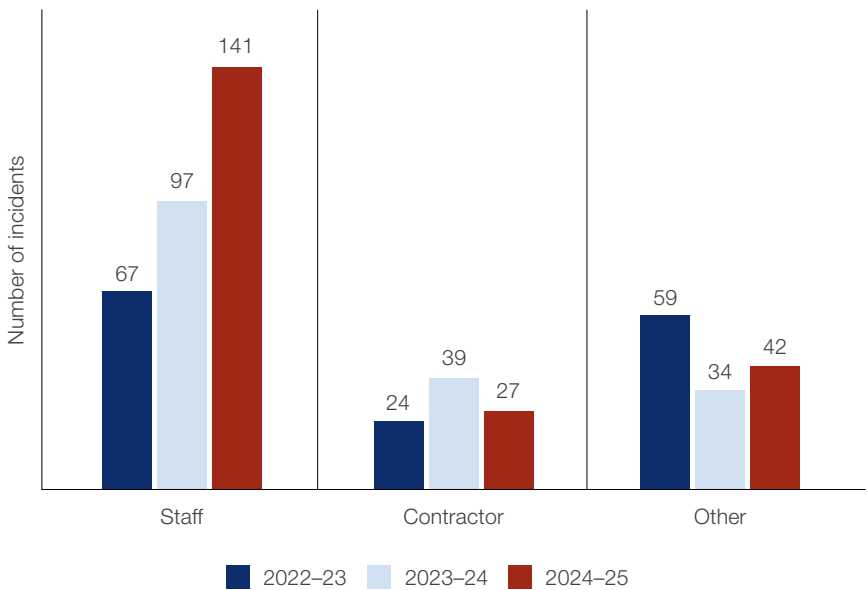
Notes

1. Incidents (WHS and non-WHS) are reported from the date of occurrence. Figures in this table can vary from previous DHA Annual Reports as incidents which occurred in one financial year may be reported in another year, incidents may be reclassified following investigation, or figures may be varied following greater data analysis (i.e., to remove duplicate reports). The variances are not considered material or statistically significant.
2. Under section 19(2) of the WHS Act, DHA has an obligation to ensure the health and safety of other persons is not put at risk from work carried out as part of DHA's business or undertaking. Others include visitors and DHA managed housing tenants.
3. This appendix outlines DHA's Work health and safety (WHS) performance in accordance with the WHS legislation.

Reported incidents and hazards

DHA is committed to continuous improvement of incident management systems and encourages an active reporting culture. The total number of WHS incidents and hazards has increased over successive years driven by a continued focus in education for staff and the ongoing awareness campaigns identifying and reporting of potential hazards and incidents. Reporting data shows an increase in incidents and hazards reported by staff and other persons, whilst there was a decrease in the number of incidents and hazards reported by contractors, see Figure 6.2.

FIGURE 6.2: Work health and safety incidents and hazards by person involved 2022–23 to 2024–25



Notifiable incidents

In 2024–25, DHA reported ten notifiable incidents to Comcare<sup>6</sup> as required under the WHS Act. Out of the total number of notifiable incidents reported – one remains open pending review/ action from Comcare. DHA has undertaken investigations of all notifiable incidents, and all corrective actions have been reviewed / monitored until completion.

Comcare Inspections

In 2024–25, the Commonwealth regulator Comcare undertook a proactive inspection into DHA's WHS Consultation, Cooperation and Coordination arrangements. DHA was provided a range of recommendations to adopt into the DHA Work Health and Safety Management System and will be captured in the broader Work Health and Safety Management System roadmap projects. Comcare did not undertake any Compliance Inspections related to any Notifiable Incidents DHA reported in 2024–25.

6 Comcare is the Commonwealth work health and safety regulator whose functions are set out in Part 8 of the WHS Act.

## **Work Health and Safety projects and initiatives**

### **Work Health and Safety Management System**

DHA maintains a certified Safety management system and to verify ongoing compliance with the ISO45001:2018 standards. A surveillance audit was conducted in May 2025 with DHA recommended to continue certification to this standard.

To support the uplift of DHA's Work, Health and Safety Management System, a three-year roadmap has been developed and endorsed and activities identified are underway.

### **Health and Safety Representatives**

The WHS team delivered a range of targeted messages and campaigns to the DHA workforce in 2024–25 to promote positive safety behaviours across the organisation.

### **Emergency Warden Training**

Emergency Warden training has been undertaken for all regional offices that had been scheduled for face-to-face training from March to April 2025 with other remaining offices scheduled for July 2025.

The WHS team have organised supplementary Emergency Warden training via DHA's learning management system to complement existing face-to-face training.

### **Work Health and Safety outcomes**

The Health and Safety Committee met four times, in accordance with the WHS Act, in 2024–25. The Health and Safety Committee's membership includes officers<sup>7</sup> of the Person Conducting a Business or Undertaking, managers, Health and Safety Representatives and employee representatives. The Health and Safety Committee's main function is to foster cooperation between the Person Conducting a Business or Undertaking and workers in identifying, developing and implementing health and safety measures affecting DHA workers (employees and contractors). The Health and Safety Committee meets quarterly with a focus on reviewing DHA's WHS risk profile in consultation with its workforce.

Several Safety Newsletters have been published in 2024–25 with each newsletter containing topical safety information and inviting contributions from employee and contractor cohorts in the spirit of consultation and collaboration. DHA's education strategy involving periodic safety newsletters supports an overall program to enhance the safety culture, contributing to its aim to mitigate (where possible) future workplace incidents and injuries.

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<sup>7</sup> An officer is defined in Section 247 of the WHS Act.

# Appendix F:

## Five-year financial performance

This appendix provides a comprehensive overview of DHA's key financial performance results for the last five financial years.

**TABLE 6.26:** Financial performance 2020–21 to 2024–25

|                                                          | 2020–21 | 2021–22 | 2022–23 | 2023–24 | 2024–25 |
|----------------------------------------------------------|---------|---------|---------|---------|---------|
| Financial performance                                    |         |         |         |         |         |
| Net profit after tax <sup>1</sup>                        | \$78.5  | \$130.3 | \$100.2 | \$53.9  | \$23.9  |
| Annual dividend <sup>1</sup>                             | \$47.1  | \$78.2  | \$0.0   | \$0.0   | \$0.0   |
| Return on equity                                         | 5.3%    | 8.5%    | 6.2%    | 3.2%    | 1.4%    |
| Property investment revenue <sup>1</sup>                 | \$155.9 | \$88.2  | \$2.7   | \$1.5   | \$0.0   |
| Disposal program revenue <sup>1</sup>                    | \$18.4  | \$10.8  | \$2.1   | \$0.6   | \$0.0   |
| Development land and property sales revenue <sup>1</sup> | \$156.6 | \$164.9 | \$139.7 | \$56.3  | \$44.9  |
| Business efficiency                                      |         |         |         |         |         |
| Return on capital employed                               | 11.0%   | 16.0%   | 12.2%   | 7.8%    | 5.9%    |
| Leverage/solvency                                        |         |         |         |         |         |
| Gearing ratio                                            | 11.0%   | 46.3%   | 47.9%   | 49.9%   | 51.7%   |
| Interest times cover                                     | 7.0     | 10.9    | 11.4    | 7.9     | 6.5     |
| Current ratio <sup>2</sup>                               | 1.2     | 0.6     | 0.5     | 0.8     | 0.5     |
| Liquidity ratio <sup>3</sup>                             | 0.5     | 0.5     | 0.4     | 0.2     | 0.2     |
| Portfolio management                                     |         |         |         |         |         |
| Value of portfolio under management <sup>4</sup>         | \$10.95 | \$12.56 | \$12.90 | \$13.4  | \$14.6  |
| Total properties under management <sup>5</sup>           | 17,503  | 16,955  | 16,929  | 17,104  | 17,353  |
| New constructions and acquisitions                       | 152     | 59      | 226     | 169     | 113     |

Notes

1. These results are reported in \$millions.
2. Prior year results have been restated to align with current year classification of inventory.
3. Liquidity ratio excludes current borrowings as borrowed items are rolled on maturity and not considered to be a risk.
4. These results are reported in \$billions.
5. Figures include all properties managed by DHA (leased and owned).

# Appendix G:

## Government Business Enterprise performance

**TABLE 6.27:** GBE key performance indicator results

| Key Performance Indicator                                                     | 2024–25 |                |          |
|-------------------------------------------------------------------------------|---------|----------------|----------|
|                                                                               | Actual  | Corporate Plan | Variance |
| <b>Financial Performance</b>                                                  |         |                |          |
| Total shareholder return                                                      | 5.8%    | 6.6%           | (0.8%)   |
| Dividend yield                                                                | -       | -              | -        |
| Dividend payout ratio                                                         | -       | -              | -        |
| Earnings before interest and tax <sup>1</sup>                                 | \$107.4 | \$127.9        | (\$20.4) |
| Earnings before net interest, tax, depreciation and amortisation <sup>1</sup> | \$509.0 | \$512.8        | (\$3.8)  |
| Net profit after tax <sup>1</sup>                                             | \$23.9  | \$46.1         | (\$22.2) |
| Underlying net profit after tax <sup>1</sup>                                  | \$23.9  | \$46.1         | (\$22.2) |
| <b>Business efficiency</b>                                                    |         |                |          |
| Operating margin                                                              | 65.1%   | 60.4%          | 4.6%     |
| Return on capital employed                                                    | 5.9%    | 6.8%           | (0.9%)   |
| Debtors age (days)                                                            | 19.5    | 18.9           | 0.6      |
| <b>Leverage/solvency</b>                                                      |         |                |          |
| Gearing ratio                                                                 | 51.7%   | 49.9%          | 1.8%     |
| Interest cover                                                                | 6.5     | 7.3            | (0.8)    |
| Current ratio                                                                 | 0.5     | 0.3            | 0.2      |
| Liquidity ratio                                                               | 0.2     | 0.2            | 0.0      |
| <b>Loan Agreement Benchmarks</b>                                              |         |                |          |
| Adjusted interest coverage                                                    | 6.8     | 8.1            | (1.3)    |
| Adjusted net debt ratio                                                       | 47.6%   | 45.9%          | 1.7%     |
| <b>Staffing</b>                                                               |         |                |          |
| Staff retention and turnover rate                                             | 12.3%   | <=22%          | 9.7%     |
| Staff satisfaction                                                            | 73%     | >70%           | 3%       |
| Wage expense ratio                                                            | 13.2    | 12.8           | 0.4      |
| Lost time injury frequency rate and OHS incident rate                         | 2.8     | 4              | 1.2      |

Note

1. These results are reported in \$millions.

# Appendix H:

## Advertising and market research

In accordance with section 311A of the *Commonwealth Electoral Act 1918*, this appendix discloses payments of \$16,900 or more (including GST) for advertising and market research services provided during the reporting period. There was no more direct mail expenditure to be reported against for 2024–25.

**TABLE 6.28:** Advertising expenditure 2024–25

| Organisation | Purpose of creative services                                      | Expenditure (\$ incl. GST) |
|--------------|-------------------------------------------------------------------|----------------------------|
| Kellaborate  | Creative and account management for Lee Point, Darwin development | \$20,633                   |
| Mude Pty Ltd | New creative assets and videos for the Provisioning program       | \$27,588                   |

**TABLE 6.29:** Direct mail expenditure 2024–25

| Organisation   | Purpose of creative services | Expenditure (\$ incl. GST) |
|----------------|------------------------------|----------------------------|
| Not applicable | Not applicable               | \$0                        |

**TABLE 6.30:** Media advertising expenditure 2024–25

| Organisation          | Purpose of creative services                                                        | Expenditure (\$ incl. GST) |
|-----------------------|-------------------------------------------------------------------------------------|----------------------------|
| Universal McCann (UM) | Media advertising placement to promote the Provisioning program                     | \$946,421                  |
| Kellaborate           | Media advertising placement to promote land sales for Lee Point, Darwin development | \$23,984                   |
| Indian Link           | Media advertising placement to promote the Provisioning program                     | \$32,093                   |

**TABLE 6.31:** Market research expenditure 2024–25

| Organisation               | Purpose of creative services                                   | Expenditure (\$ incl. GST) |
|----------------------------|----------------------------------------------------------------|----------------------------|
| Oxford Economics Australia | Independent research to quantify and compare DHA's service fee | \$32,450                   |

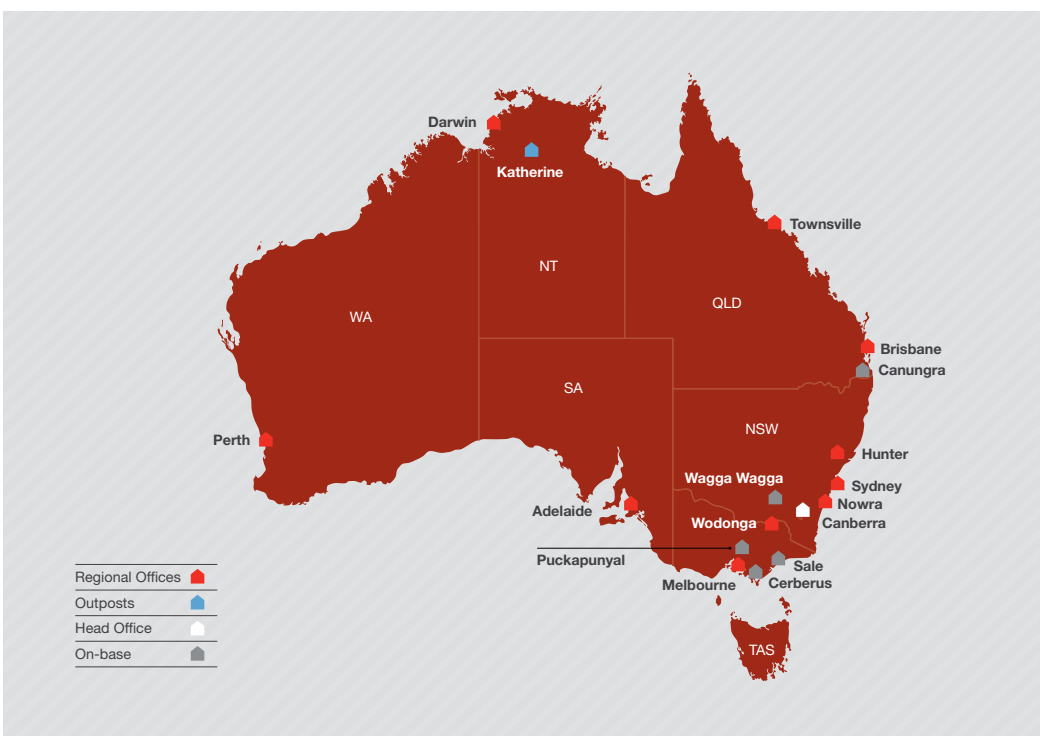
# Appendix I:

## Office directory

### Office Network

DHA has offices in 17 locations nationally (refer to Figure 6.3). DHA’s offices, in conjunction with its technology systems, support flexible working arrangements, a culture of collaboration, and individual staff needs through multi-faith and carers facilities. DHA staff are located in four on-base locations at Sale, Puckapunyal, Cerberus (Victoria) and Canungra (Queensland) in accordance with a license agreement with Defence. Staff in DHA’s regional offices deliver customer facing services to ADF members, their families, and the landlords. Regional office staff are supported by staff in contact centres, who are the first point of contact for housing services, maintenance services and the allocation of on-base Living-in-Accommodation. Staff in Canberra’s Head Office are responsible for overseeing strategy, operational programs, corporate governance and corporate support. The Canberra office also includes staff responsible for housing services in this region.

**FIGURE 6.3:** Office Network



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## **ACT**

### **Head office**

Levels 1 and 2  
35 Hinder Street  
Gungahlin ACT 2912

## **NSW**

### **Paramatta regional office**

Level 5, 111 Phillip Street  
Parramatta NSW 2150

### **Wagga Wagga regional office**

Ground Floor T3  
193–195 Morgan Street  
Wagga Wagga NSW 2650

### **Hunter regional office**

45D Fitzroy Street  
Carrington NSW 2294

### **Nowra regional office**

1/19 Nowra Lane  
Nowra NSW 2541

## **NT**

### **Darwin regional office**

Level 1, Building 631  
Stuart Highway  
Berrimah NT 0828

### **Tindal regional office**

By appointment only  
42 Katherine Terrace  
Katherine NT 0828

## **SA**

### **Adelaide regional office**

Levels 6 and 7,  
185 Pirie Street  
Adelaide SA 5000

## **WA**

### **Perth regional office**

Level 2, 1 Swan Street  
North Fremantle WA 6159

## **QLD**

### **Brisbane regional office**

Level 4, 76 Skyring Terrace  
Newstead QLD 4006

### **Townsville regional office**

Level 4, 7–13 Tomlins Street  
South Townsville 4810

### **Canungra outpost**

Defence personnel only  
Building No. 3, Papang Road  
Kokoda Barracks  
Canungra QLD 4275

## **VIC**

### **Melbourne regional office**

Level 3  
120 Bay Street  
Port Melbourne VIC 3207

### **Wodonga regional office**

83 Hume Street  
Wodonga VIC 3690

### **Cerberus outpost**

Defence personnel only  
Building 192, Cook Road  
HMAS Cerberus  
Cerberus VIC 3920

### **Puckapunyal outpost**

Defence personnel only  
Building A0548, Vivi Street  
Puckapunyal VIC 3662

### **Sale outpost**

Defence personnel only  
Building 115, Catalina Street  
RAAF Base East Sale  
VIC 3662

# Appendix J:

## Acronyms and abbreviations

| Acronym  | Description                                                          |
|----------|----------------------------------------------------------------------|
| AASB     | Australian Accounting Standards Board                                |
| ACT      | Australian Capital Territory                                         |
| ADF      | Australian Defence Force                                             |
| AM       | Member of the Order of Australia                                     |
| ANAO     | Australian National Audit Office                                     |
| AO       | Officer of the Order of Australia                                    |
| APS      | Australian Public Service                                            |
| Board    | Board of Directors                                                   |
| CFO      | Chief Financial Officer                                              |
| CROMP    | Climate Risk and Opportunity Management Program                      |
| Cth      | Commonwealth                                                         |
| Defence  | Department of Defence                                                |
| DHA      | Defence Housing Australia                                            |
| DHA Act  | <i>Defence Housing Australia Act 1987</i>                            |
| EPBC Act | <i>Environment Protection and Biodiversity Conservation Act 1999</i> |
| ESG      | Environmental, Social and Governance                                 |
| FOI Act  | <i>Freedom of Information Act 1982</i>                               |
| Hon      | Honourable                                                           |
| Integra  | Integra Service Dogs Australia                                       |
| IPCC     | Intergovernmental Panel on Climate Change                            |
| ISO9001  | International Organisation for Standardisation Quality Management    |

| Acronym   | Description                                                        |
|-----------|--------------------------------------------------------------------|
| KMP       | Key management personnel                                           |
| KPIs      | Key performance indicators                                         |
| MP        | Member of Parliament                                               |
| NPAT      | Net Profit After Tax                                               |
| NSW       | New South Wales                                                    |
| NT        | Northern Territory                                                 |
| OAIC      | Office of the Australian Information Commissioner                  |
| PID Act   | <i>Public Interest Disclosure Act 2013</i>                         |
| PGPA Act  | <i>Public Governance, Performance and Accountability Act 2013</i>  |
| PGPA Rule | <i>Public Governance, Performance and Accountability Rule 2014</i> |
| PSM       | Public Service Medal                                               |
| QLD       | Queensland                                                         |
| SA        | South Australia                                                    |
| SES       | Senior Executive Service                                           |
| TAS       | Tasmania                                                           |
| VIC       | Victoria                                                           |
| WA        | Western Australia                                                  |
| WHS       | Work, Health and Safety                                            |
| WHS Act   | <i>Work Health and Safety Act 2011</i>                             |

# Appendix K:

## Index of annual report requirements

| PGPA Rule Reference | Part of Report                                            | Page     | Description                                                                                                                                                                                                                                                                           | Requirement              |
|---------------------|-----------------------------------------------------------|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| 17BE                | Contents of annual report                                 |          |                                                                                                                                                                                                                                                                                       |                          |
| 17BE(a)             | Enabling legislation                                      | xii, 136 | Details of the legislation establishing the body                                                                                                                                                                                                                                      | Mandatory                |
| 17BE(b)(i)          | Enabling legislation<br>Appendix A: Legislative framework | xii, 136 | A summary of the objectives and functions of the entity as set out in legislation                                                                                                                                                                                                     | Mandatory                |
| 17BE(b)(ii)         | DHA's Purpose                                             | 12       | The purposes of the entity as included in the entity's corporate plan for the reporting period                                                                                                                                                                                        | Mandatory                |
| 17BE(c)             | Corporate governance structure                            | 1        | 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)             | Corporate Governance Structure                            | 2        | Directions given to the entity by the Minister under an Act or instrument during the reporting period                                                                                                                                                                                 | If applicable, mandatory |
| 17BE(e)             | Corporate Governance Structure                            | 2        | 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:<br>(a) a direction given to the entity by the Minister under an Act or instrument during the reporting period; or<br>(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                              | 46       | Annual performance statements in accordance with paragraph 39(1)(b) of the Act and section 16F of the rule                                                                                                                                                                            | Mandatory                |

| PGPA Rule Reference | Part of Report                                                 | Page    | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Requirement              |
|---------------------|----------------------------------------------------------------|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| 17BE(h),<br>17BE(i) | Significant issues relating to non-compliance with finance law | 133     | 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)             | Board of Directors                                             | 3       | Information on the accountable authority, or each member of the accountable authority, of the entity during the reporting period                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Mandatory                |
| 17BE(k)             | Organisational structure                                       | 6       | Outline of the organisational structure of the entity (including any subsidiaries of the entity)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Mandatory                |
| 17BE(ka)            | Appendix C – Workforce statistics                              | 143-155 | Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following:<br>(a) statistics on full-time employees;<br>(b) statistics on part-time employees;<br>(c) statistics on gender;<br>(d) statistics on staff location                                                                                                                                                                                                                                                                                                                                                           | Mandatory                |
| 17BE(l)             | Appendix I: Office directory                                   | 176     | Outline of the location (whether or not in Australia) of major activities or facilities of the entity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Mandatory                |
| 17BE(m)             | Corporate governance structure                                 | 7       | Information relating to the main corporate governance practices used by the entity during the reporting period                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Mandatory                |
| 17BE(n),<br>17BE(o) | Board member related party transactions 2024–25                | 141     | 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):<br>(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<br>(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 |

| PGPA Rule Reference | Part of Report                                      | Page    | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Requirement              |
|---------------------|-----------------------------------------------------|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| 17BE(p)             | Annual Performance Statement                        | 48-59   | 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                                      | –       | 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)             | External scrutiny                                   | 131     | Particulars of any reports on the entity given by:<br>(a) the Auditor-General (other than a report under section 43 of the Act); or<br>(b) a Parliamentary Committee; or<br>(c) the Commonwealth Ombudsman; or<br>(d) the Office of the Australian Information Commissioner                                                                                                                                                                                                          | If applicable, mandatory |
| 17BE(s)             | Not applicable                                      | –       | 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)             | Not applicable                                      | –       | 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)           | Appendix B: Board Committees and meeting attendance | 139-142 | The following information about the audit committee for the entity:<br>(a) a direct electronic address of the charter determining the functions of the audit committee;<br>(b) the name of each member of the audit committee;<br>(c) the qualifications, knowledge, skills or experience of each member of the audit committee;<br>(d) information about each member's attendance at meetings of the audit committee;<br>(e) the remuneration of each member of the audit committee | Mandatory                |
| 17BE(ta)            | Executive remuneration                              | 151     | Information about executive remuneration                                                                                                                                                                                                                                                                                                                                                                                                                                             | Mandatory                |

| PGPA Rule Reference | Part of Report                                              | Page | Description                                                                                                                                                                                                                         | Requirement              |
|---------------------|-------------------------------------------------------------|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| 17BF                | Disclosure requirements for government business enterprises |      |                                                                                                                                                                                                                                     |                          |
| 17BF(1)(a)(i)       | Financial performance                                       | 128  | An assessment of significant changes in the entity's overall financial structure and financial conditions                                                                                                                           | If applicable, mandatory |
| 17BF(1)(a)(ii)      | Financial performance                                       | 128  | An assessment of any events or risks that could cause financial information that is reported not to be indicative of future operations or financial conditions                                                                      | If applicable, mandatory |
| 17BF(1)(b)          | Returns to the Australian Government                        | 128  | Information on dividends paid or recommended                                                                                                                                                                                        | If applicable, mandatory |
| 17BF(1)(c)          | Not applicable                                              | –    | Details of any community service obligations the government business enterprise has including:<br>(a) an outline of actions taken to fulfil those obligations; and<br>(b) an assessment of the cost of fulfilling those obligations | If applicable, mandatory |
| 17BF(2)             | Not applicable                                              | –    | A statement regarding the exclusion of information on the grounds that the information is commercially sensitive and would be likely to result in unreasonable commercial prejudice to the government business enterprise           | If applicable, mandatory |

# Alphabetical index

---

## A

- abbreviations, 178–9
- Aboriginal and Torres Strait Islander
  - employees, 123, 124
- accommodation booking *see* booking services
- accommodation portfolio *see* housing
  - portfolio
- accountable authority, 2, 157
  - indemnities, 133
- Acknowledgement of Country, *inside front cover*
- address and contact details, i
- ADF
  - growth, 13, 54
  - policy outcomes, 14
- ADF members, iii
  - demographics, 29
  - DHA services to, xii, 12, 14, 28–31, *see also* Defence Services Agreement; housing
    - portfolio
  - employee value proposition, 14
  - housing preferences, 13, 36
  - recruitment and retention, 14
  - satisfaction with services, 29, 49, 50–1
- administrative burden reduction, iii
- advertising and market research, 175
- Advisory Committee, 2, 140
- Annual Occupant Survey, 14, 29, 50, 51
- annual performance statement *see* performance
- annual report
  - description and purpose, 44, 45
  - link to digital report, 1
  - award, 41
- annuity properties, 22
- APS *see* Australian Public Service
- asset management, 35, *see also* housing
  - portfolio; maintenance and repairs
- Auditor-General reports, 131, *see also* Australian National Audit Office
- auditors remuneration, 141–2
- audits
  - financial statements, 63–4
  - internal, 121, 122
  - performance audit of DHA by ANAO, 131
  - work health and safety, 172
  - see also* Board Audit and Risk Committee (BARC)
- AusTender, 129
- Australasian Reporting Awards, 41
- Australian Defence force *see* ADF
- Australian Disability Network, 124
- Australian Government, DHA dividends to, 128
- Australian Government Data and Digital Strategy 2030, 13
- Australian Information Commissioner, 132–3, 137
- Australian Military Wives Choir, 39
- Australian National Audit Office
  - financial statements audit, 63–4
  - performance audit of DHA, 131
- Australian Privacy Principles, 137
- Australian Public Service
  - APS Net Zero 2030, 13, 156, 157, 160–6
  - Employee Census, 57, 127
  - see also* Public Service Act 1999
- awards, 41

## B

- Barlin, Lisa, 6, 152, 153
- Beyond Blue, 39
- Board Audit and Risk Committee (BARC), 3, 122, 131, 139, 157, 159
  - membership and meeting attendance, 140–2

- Board of Directors
  - accountable authority, 2, 157
  - appointments, 2
  - Chair *see* Chair of the Board
  - committees, 3, 139–42
  - key management personnel, 151–2
  - meeting attendance, 140
  - members, 2, 3–5
  - related party transactions, 130, 141
  - remuneration, 126, 151–3
  - retiring directors, *iv*
  - role, 2
- booking services, 14, 28, 35, 50, *see also*
  - Online Services
- Brodthmann, Gai, 4, 139, 140, 142, 152, 153
- Build to Lease program, 26
- business efficiency, 58–9, 173, 174, *see also*
  - financial performance
- business operating model *see* Corporate Plan

## C

- Cancer Council, 39
- capability, *iii*, 36, 54–5
- capital position, 23, 58–9, *see also* financial performance
- carbon dioxide emissions, 164–5
- case studies
  - Cyclone Alfred response, 31
  - New Build Volume Leasing Program, 25
  - Partnering for purpose: Defence Families Roundtable, 38
  - Preserving Defence heritage, 169
  - Revitalising Puckapunyal: A Community Reimagined, 39
  - Why employees choose DHA, 127
- certification
  - ISO standards, 10, 35, 49, 57, 59, 132
  - WHS standards, 172
- Chair of the Board, 2, 5, 140, 152
  - Chair and Managing Director's review, *iii–iv*
  - letter of transmittal, *ii*
  - statement of preparation, 47
  - statement on financial performance, 65
  - see also* Board of Directors
- Chief Financial Officer, 6, 152, 153
  - statement on financial performance, 65
- Chief Information Officer, 41
- Cliff House, Sydney, 169
- Climate Disclosure Statement, 37, 156–66
- Comcare, 171
- Command Activation Team, 7
- committees
  - Board, 3, 139–42
  - executive or national, 7
- Commonwealth Competitive Neutrality Policy Statement, 128
- Commonwealth Fraud and Corruption Control Framework, 121
- Commonwealth Government Business Enterprise Governance and Oversight Guidelines*, *ii*, 1, 46
- Commonwealth Government Business
  - Enterprise status (DHA), *xiii*, 71, 126, 128, 151, 154
  - performance indicators, 174
- Commonwealth Heritage Listed properties, 166–9
- Commonwealth land, 131
- Commonwealth Ombudsman, 132
- Commonwealth Performance Framework, 44–5
- Commonwealth Procurement Rules, 129
- Commonwealth Risk Management Policy, 120, 159
- community service partnerships, 39
- complaints handling, 132
- consultants, 130
- contact details (DHA), *i*
- contracts, 130
- corporate governance, 1–7, 157, 176, *see also*
  - Board of Directors
- Corporate Plan, *i*, *ii*, *v*, 2, 18, 34, 44, 45, 157
  - objectives, 10
  - performance indicator results, 174, *see also*
    - financial performance
  - and provisioning plans, 18, 26
- corruption control, 121
- Culture and Wellbeing Strategy 2023–26, 125
- Customer Experience Program, 34, 50, 52
- customer satisfaction, 29, 49, 50–1, *see also*
  - complaints handling
- customer service, *iii*, 29, 49, 50–1
- Cyclone Alfred, 31

## D

- Data and Digital Strategy 2030, 13
- data breaches, 132, 133
- Defence *see* Department of Defence
- Defence Families of Australia, 38
- Defence Families Roundtable, 36, 37, 38

Defence Heritage Strategy, 168  
 Defence Housing Australia (DHA)  
     accountable authority see Board of Directors  
     awards, 41  
     environment, 14–17  
     executives see senior executives  
     funding model, 13, 23, 58, 59, 128  
     GBE status, xiii, 71, 126, 128, 151, 154, 174  
     legislative framework, xii, 136–7  
     objectives, 10, 12–13, 48  
     office directory, 176–7  
     organisational structure, 6  
     performance audit by ANAO, 131  
     performance results see performance  
     property ownership, 22, 168  
     purpose, vi, 12–13  
     role, 14  
     Shareholder Ministers, 1, 58, 130, 139  
     staff see workforce  
     Statement of Corporate Intent, i, ii, v, 2, 11, 12, 46, 48, 157  
*Defence Housing Australia Act 1987*, xii, 2, 28, 126, 129, 131, 136  
 Defence Housing Forecast, 18  
 Defence Housing Support Review, 36  
 Defence Member and Family Services, 38  
 Defence Relocations and Housing, 38  
 Defence Services Agreement, 28, 30, 46  
 Defence Strategic Review (2023), 14, 38  
 Defence Workforce Plan 2024–2034, 14  
 Department of Defence, iii, 130  
     Defence Housing Forecast, 18  
     Defence-owned properties, 15, 22  
     DHA services to, 28–31, 36, see also Defence Services Agreement  
     future housing needs, 52  
     housing policy, 18, 28, 36  
     National Defence Strategy (2024), 14  
     outcomes and Portfolio Budget Statement see Portfolio Budget Statements  
     see also National Defence Strategy (2024)  
 Department of Finance, iii, 37, 46, 130  
 Deputy Prime Minister, 1  
 development sites and projects, 26, 156  
     sites with heritage values, 166–9  
 DHA Advisory Committee, 2, 140  
 DHA Community program, 39

digital platforms, iii, 34, 35, see also information technology; Online Services  
 Directors see Board of Directors  
 disability employment, 124  
 disposals of property, 168, 173  
 diversity and inclusion, 41, 124  
 Diversity Council Australia, 41, 124  
 dividends to Australian Government, 128, see also financial performance

## E

emergency management capability, iii  
 emergency response, 31  
 Emergency Warden training, 172  
 emissions, 37, 164–6  
 Emissions Reporting Working Group, 36, 37  
 employee value proposition (EVP)  
     ADF members, 14  
     DHA workforce, 127  
 enabling legislation see legislative framework  
 enterprise agreement, 123  
 Enterprise Performance Framework (EPF), 48  
 Enterprise Project Management Office, 34  
 enterprise risks see risk management  
 Environment, Social and Governance (ESG)  
     Policy, 11, 12, 13, 48, 56–7, 59, 156, 157–8, 166  
*Environment Protection and Biodiversity Conservation Act 1999*, 156, 164, 166–8  
 environmental performance, 156–66  
 ethical standards, 122, 137, 138, see also fraud control  
 Executive Group, 6–7  
 external scrutiny, 131–3

## F

finance law compliance, 133  
 financial performance, 128  
     Board and CFO statement on, 65  
     five year summary, 173  
     funding model, 13, 58, 128  
     Government Business Enterprise performance, 174  
     loan facility, 129  
     net profit after tax (NPAT), 10, 59, 128, 173, 174  
     return on equity, 49, 58, 59, 128, 173  
     returns to Australian Government, 128  
     summary, 10  
     taxation, 128, 129

- financial statements, 61–116
  - auditor's report, 63–4
  - notes, 70–116
  - statement of cash flows, 69
  - statement of changes in equity, 68
  - statement of comprehensive income, 66
  - statement of financial position, 67
- Fisher, Robert, iv, 140, 152, 153
- flexible housing solutions, 13, 23, 25, 38
- flexible work culture, 39, 124, 176
- Fort Wallace, NSW, 166–7
- fraud control, 121, *see also* ethical standards
- Fred Hollows Foundation, 39
- Freedom of Information Act 1982*, 137
- freedom of information requests, 132, 133, 137
- funding model, 13, 23, 58, 59, 128, *see also* financial performance

## G

- Gallagher, Hon Katy, 1
- Galloway, Andrea, 4, 139, 140, 141, 152, 153
- Garma Festival of Traditional Cultures, 123
- gender (workforce), 126, 144–8
- governance structure *see* corporate governance
- Government Business Enterprise status *see* Commonwealth Government Business Enterprise status
- greenhouse gas emissions, 164–6
- Groenewegen, Paul, 6, 152, 153

## H

- Hamilton, Monique, 5, 139, 140, 152, 153
- Health and Safety Committee, 172
- Health and Safety Representatives, 172, *see also* work health and safety
- Heritage Management Plans, 167
- heritage properties, 166–9
- housing market, 13, 54, 128
- housing needs, 52, 58, *see also* provisioning plans
- housing portfolio, iii, 14–17, 128
  - demand, iii, 13, 55
  - development projects *see* development sites and projects
  - disposals of property, 168, 173
  - flexible housing solutions, 13, 23, 25, 38
  - locations, 17
  - overview, 15

- ownership type, 22–3
- performance results, 49, 50–2, 173
- property types, 15, 19–22
- property upgrades, 27
- property values, 128
- statistics, 10, 15, 16, 55, 173
- value, 174
  - see also* leasing; maintenance and repairs; property management services
- housing preferences, 13, 36

## I

- ICT *see* information technology
- incident reports (WHS), 170, 171
- inclusion *see* diversity and inclusion
- indemnities, 133
- Indigenous Apprenticeship Program, 123
- Indigenous heritage, 167
- Indigenous Literacy Program, 39
- Indigenous procurement, 123, 129
- Individual Flexibility Agreements, 126, 155
- industry partnerships, iii, 16
- Information Publication Scheme, 137
- information technology, 13, 34, 41, 52
  - IT Steering Committee, 7
  - see also* Online Services
- insurance premiums, 133
- Integra Service Dogs Australia, 39
- internal audit, 121, 122
- International Organisation for Standardisation
  - standards
  - ISO9001, 10, 49, 57, 132
  - ISO55001, 35, 59
- Investment Committee, 6, 7
- investors
  - demographics, 33
  - DHA services to, 32–8
  - satisfaction with services, 33
- IT *see* information technology

## J

- Jackson, Barry, iv, 140, 152, 153
- Jaggers, Andrew, 2, 5, 6, 140, 152, 153
  - Chair and Managing Director's review, iii–iv
  - statement of preparation, 47
  - see also* Managing Director
- Jawun Australian Public Service Secondment Program, 123
- Jorgensen, Brett, iv, 6, 140, 152, 153

## K

Kelly, Michael, 152, 153  
Keogh, Hon Matt, 1  
key activities, 45, 48  
    performance against see performance  
key management personnel, 130, 152  
    remuneration, 151, 153  
key performance indicators see performance measures  
Knuckey, Geoff, 140, 141

## L

Landlords, DHA services to, 32–8  
Lang, Robert, 5, 139, 140, 152, 153  
    Chair and Managing Director's review, iii–iv  
    letter of transmittal, ii  
    statement of preparation, 47  
    see also Chair of the Board  
Lawson North, ACT, 26, 166–7  
Leadership Team, 6, 120, 123, 157  
learning and performance management, 36  
leasing, 23  
    Build to Lease program, 26  
    DHA services to investors, 32–8  
    flexible lease terms, 32  
    leased properties, iii, 22  
    New Build Volume Leasing Program, iii, 24–5  
    statistics, 15  
Lee Point, NT, 26, 166–8  
Legacy Australia, 39  
legislative framework, xii, 136–7  
letter of transmittal, ii  
Lewis, Simon, iv, 140, 142, 152, 153  
LifeUnleashed, 39  
Living Environment Accommodation Precinct accommodation, 15  
Living in Accommodation (LIA), iii, 10, 14, 15, 28, 35, 176  
loan facility, 129  
Logan, Paul, 139, 140, 142

## M

maintenance and repairs, iii, 28, 31, 35, 50, 59, 166–9, see also financial statements  
*Management of Defence Housing Australia* (ANAO report), 131  
Managing Director, 2, 5, 6, 7, 120, 125, 152  
    Acting Managing Director, iv, 140  
    appointment, 5, 140

    Chair and Managing Director's review, iii–iv  
    Jackson retirement, iv  
    remuneration, 126, 153  
    role, 6, 123, 126  
    statement of preparation, 47  
    statement on financial performance, 65  
market research, 175  
Marles, Hon Richard, 1  
Member Choice Accommodation (MCA), 15, 17, 19, 20, 21–2, 23  
Minister for Defence, 1, 2  
Minister for Finance, 1, 2  
Minister for Veterans' Affairs and Defence Personnel, 1  
ministerial directions and policy orders, 2  
Ministers (Shareholder Ministers), 1, 58, 130, 139  
*Modern Slavery Act 2018*, 138  
Modern Slavery Statements, 129, see also slavery reporting requirements  
Mount Lofty, Qld, 168

## N

National Defence Strategy (2024), 14  
net profit after tax (NPAT), 10, 59, 128, 173, 174  
Net Zero 2030, 13, 156, 157, 160–6  
New Build Volume Leasing Program (NBVLP), iii, 24–5  
New Zealand Defence Force Defence Estate and Infrastructure team, 37  
Nirimba Fields, Schofield NSW, 26, 166  
Nomination and Remuneration Committee (NRC), 3, 125, 139, 140  
northern Australia, iii, 13  
Northern Australia Housing Working Group, 37  
Northern Australia Ministerial Forum Working Group, 36, 37  
Northern Territory Civil and Administrative Tribunal, 168  
Northern Territory Heritage Council, 168  
Notifiable Data Breaches scheme, 132, 133  
notifiable incidents (WHS), 171

## O

Oasis Townsville, 39  
objectives of DHA, 10, 12–13, 48  
occupancy rates, 128  
Occupant Survey see Annual Occupant Survey

- Office of the Australian Information Commissioner, 132–3, 137
- Office of the Commonwealth Ombudsman, 132
- offices of DHA
  - locations, 176–7
  - staff by location, 149
- Ombudsman, 132
- Online Services, 31, 34, *see also* information technology
- operating context, 14–17, 128
- operational effectiveness, 128, *see also* performance
- organisational culture, 123, *see also* diversity and inclusion; workplace culture
- organisational structure, 6
- outcome (PBS), 48
- outsourcing, 126

## P

- parliamentary committees, 131
- Parliamentary Standing Committee on Public Works, 131
- partnerships *see* industry partnerships; stakeholder engagement
- People and Culture Committee (PCC), 3, 139, 140
- People Strategy 2022–25 *see* workforce
- performance
  - dividends to Australian Government, 128
  - environmental, 156–66
  - financial *see* financial performance
  - Objective 1: Aligned housing solutions through a modern, customer-centric operating model, 50–2
  - Objective 2: Build an agile and scalable housing capability, 54–5
  - Objective 3: Commitment to environmental, social, and governance (ESG) excellence, 56–7
  - Objective 4: Fiscal responsibility and financial stability, 58–9
  - planning and reporting framework, 44–5
  - results summary, 49
  - review, 11–13
  - statement of preparation, 47
  - work health and safety, 170–2
  - year in summary (statistics), 10
- performance audit of DHA by ANAO, 131
- Performance Logic Model, 48
- performance management framework (workforce), 125
- performance measures, 10, 48, 49
- planning and reporting framework *see* Corporate Plan; performance
- Policy and Advice Project, 35
- policy orders, 2
- portfolio (housing) *see* housing portfolio
- Portfolio Budget Statements, 44, 45, 46
  - outcome, program and key activities, 48
- portfolio membership *see* Shareholder Ministers
- privacy, 132–3
- Privacy Act 1988*, 132, 137
  - breaches, 133
- procurement (corporate), 129–30
- procurement (housing) *see* housing portfolio; leasing
- profit *see* financial performance
- program objectives, 48
- project management, 34–5
- Property and Services Committee (PSC), 3, 139, 140
- property management services *see*
  - heritage properties; housing portfolio;
  - maintenance and repairs
- property market conditions, 54, 128
- property values, 128
- provisioning plans, 18, 26, 54–5, *see also* housing portfolio
- provisioning schedule, 14, 19, 49, 55
- Public Governance, Performance and Accountability (Financial Reporting) Rule 2015, 1
- Public Governance, Performance and Accountability Act 2013*, i, ii, xii, 1, 2, 47, 65, 120, 133, 136, 00136, 157, 164
- Public Governance, Performance and Accountability Rule 2014, i, ii, v, xii, 1, 44, 71, 121, 141, 151
- Public Interest Disclosure Act 2013*, 122, 137
- Public Service Act 1999*, 2, 126, 130, 136, *see also* Australian Public Service
- Public Works Committee Act 1969*, 131
- purchasing *see* procurement (corporate)
- purpose of DHA, vi, 12–13

## Q

quality standards certification (ISO), 10, 35, 49, 57, 59, 132

## R

Reconciliation Action Plan, 123  
related party transactions, 130, 141  
remuneration, 126–7  
    allowances, 126  
    auditors, 141–2  
    Board, 126, 151–3  
    key management personnel, 151–3  
    Managing Director, 126, 153  
    other highly paid staff, 155  
    senior executives, 126, 154  
    staff, 150  
rent allowance, iii, 14, 28, 55, 58  
    access to, 36  
    application process, 34  
    statistics, 10, 15, 55  
Rent Band Choice Housing, 15, 19, 20, 21, 22, 23  
rental revenue, 128  
repairs and maintenance *see* maintenance and repairs  
reporting framework, 44–5, *see also* performance  
residences *see* housing portfolio  
responsible minister *see* Shareholder Ministers  
return on equity, 49, 58, 59, 128, 173, *see also* financial performance  
returns to shareholders *see* dividends to Australian Government  
revenue, 66, *see also* financial statements  
reward and recognition, 125  
risk management, 120–2  
    climate risk, 156–64  
role and functions of DHA *see* performance; purpose of DHA  
Royal Military College, Duntroon, ACT, 131, 169

## S

safety *see* work health and safety  
salaries and salary packaging *see* remuneration  
self-service options *see* Online Services  
Senate Order on Entity Contracts, 130

senior executives, 6–7, 120, 130  
    key management personnel, 152  
    remuneration *see* remuneration  
service residences, 15, 17, 19, 20, 21, 23, *see also* housing portfolio  
Services Agreement *see* Defence Services Agreement  
Shared Benefits Scheme, 39  
Shareholder Departments *see* Department of Defence; Department of Finance  
Shareholder Ministers, 1, 58, 130, 139  
shareholder returns *see* dividends to Australian Government  
slavery reporting requirements, 129, 138  
stakeholder engagement, 36, 37, 38, 52  
Statement of Corporate Intent, i, ii, v, 2, 11, 12, 46, 48, 157  
Stockton Rifle Range, Fern Bay NSW, 166–7  
Strategic Asset Management Program, 34, 35, 59  
Strategic Commissioning Framework, 126  
Strategic Objectives, 12–13, 48  
    drivers, 13  
Strategic Provisioning Program *see* leasing  
Supply Nation, 123  
Sustainability Report (Climate Disclosure Statement), 156–66

## T

taxation, 128, 129  
technological change, 13, *see also* information technology  
tenancy management, 34, 50, *see also* leasing  
training (staff), 36, 137, 172  
travel and transport (DHA), 164, 165  
Tropical Cyclone Alfred, 31  
trusted advisor, 51

## V

vacancy management, 32  
vehicle fleet, 164, 165  
veterans' support services, 39  
Vinning, Katsiche, 41  
volunteering, 39

## W

waste minimisation, 164  
West, Shane, 6, 152, 153  
Western Australia, iii, 13  
whistle-blowing *see* *Public Interest Disclosure Act 2013*  
WICked Woman of the Year Award, 41  
Wilton, Brigadier Leigh, 2, 3, 139, 140, 152, 153  
women's achievements, recognition of, 41  
work health and safety, 137, 170–2  
*Work Health and Safety Act 2011*, 137, 170  
Work Health and Safety Management System, 171, 172  
workers compensation, 170  
workforce, 7

- charitable donations, 39
- classification, 148, 150
- diversity and inclusion, 41, 124
- employee engagement (APS Census), 49, 57, 127
- employee value proposition (EVP), 127
- employment arrangements, 126, 136
- enterprise agreement, 123
- flexible work culture, 39, 124, 176
- gender, 126, 144–8
- health and wellbeing, 125, *see also* work health and safety
- location, 149
- organisational culture, 123
- performance management, 125
- remuneration *see* remuneration
- retention and turnover, 127, 174
- reward and recognition, 125
- satisfaction, 174
- Shared Benefits Scheme, 39
- statistics, 7, 124, 143–9
- training, 36, 137, 172
- volunteering, 39

workforce management, 123–30  
workplace culture, 123 *see also* diversity and inclusion  
*Workplace Gender Equality Act 2010*, 126  
Workplace Giving Program, 39

## Y

year in summary (statistics), 10