

2019 sustainability report



FINANCIAL YEAR 2019

BAC Holdings Limited ACN 108 568 038

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REPORT DETAILS

The BAC Financial Year 2019 Sustainability Report is the fourth sustainability report produced by Brisbane Airport Corporation (BAC). This document reports the sustainability performance of BAC during the financial year 2019 (July 2018 to June 2019). This report has been developed in alignment with the Global Reporting Initiative (GRI) Standards “In Accordance: Core” framework and guidelines. If you would like more information, please email environment@bne.com.au.

CEO STATEMENT



I am pleased to present the financial year 2019 Annual Sustainability Report, the second since I commenced as CEO of Brisbane Airport Corporation in 2018.

Brisbane Airport saw steady passenger growth during the year with 4.5 per cent growth in international passengers and 0.5 per cent increase in domestic passengers with an overall growth of 1.5 per cent. BAC also demonstrated good financial results with total revenue of \$840 million.

BAC continued to demonstrate market leadership by investing more than \$400 million across 350 projects in FY2019. The most significant was the completion of the Dryandra Road Underpass, a key component of Brisbane's new runway. With the laying of asphalt and landscaping already underway and continuing into early 2019, we remain on track for a mid-2020 opening of the runway.

In May 2019, BAC released its preliminary 2020 Brisbane Airport Master Plan for public consultation. The Master Plan considers the forecast growth and development of Brisbane Airport to the year 2040. It also provides details on the proposed developments and initiatives scheduled to take place over the next five years to safeguard the growth and environment of Brisbane Airport.

One of my key objectives when I commenced as CEO in June 2018 was to ensure the company is on track to achieve growth and success. As such, I evolved BAC's existing corporate strategy into our new 'Connect the world. Create the future' strategy, designed to create value for our four bosses (employees, shareholders, customers and community) through our core revenue streams – supported by seven enablers – including environment and sustainability. This strategy can only be achieved by fostering a staff culture that focuses on what I call the four Cs: collaboration, care, courage and communication.

Our sustainability journey progressed in leaps and bounds this year with the setting of our 2030 Environmental Sustainability Targets.

In developing these targets, we benchmarked Brisbane Airport's sustainability performance against other national and international airports and developed meaningful targets based on the benchmarking results. We then identified a range of projects that can be delivered over the next decade, representing direct action being taken on Brisbane Airport to achieve our sustainability targets.

This year we undertook our first performance assessment against our 2025 Sustainability Targets, with great progress made across the board. We committed to achieve a 25 per cent reduction on Scope 1 and Scope 2 greenhouse gas emissions by 2025 in our 2018 Sustainability Report, and, I am proud to say, we are more than half way to achieving this target, with a reduction of 14.5 per cent achieved this year alone. This fantastic outcome is the result of the strong capabilities and motivation of BAC employees and contractors.

The impacts of climate change are a key consideration for the development of the airport. In September 2018, the Intergovernmental Panel on Climate Change (IPCC) released a special report outlining the impacts of a 1.5°C warming world. From this report, we assessed the impacts and included our management approach to address these issues in BAC's preliminary 2020 Airport Master Plan.

I am also very pleased that BAC continued to maintain Level 3 'Optimisation' under the Airports Council International Airport Carbon Accreditation program for the fourth year in a row. Certifying our emissions reduction program is another means by which we publicly demonstrate our commitment to environmental sustainability. This great achievement is not only due to BAC's ongoing emissions reduction program, but also includes how we, as an airport operator, assist our stakeholders in reducing their emissions. This type of collaboration is key to the successful, sustainable growth of Brisbane Airport.

Looking ahead to 2020 with the finalisation of the Airport Master Plan and the opening of our new runway, there will be some challenges that will arise. However, with challenges come opportunity and I'm very excited about what the next 12 months will deliver.

A handwritten signature in black ink, appearing to read 'Gert-Jan de Graaff'. The signature is fluid and cursive, written over a thin horizontal line.

Gert-Jan de Graaff
Chief Executive Officer

FY2019 SNAPSHOT



\$840M
REVENUE



23,782,623
PASSENGERS

47.9 GWh
ELECTRICITY USE FOR BAC



170.2 GWh
FOR WHOLE OF AIRPORT



935 ML
POTABLE WATER USED

428 ML
RECYCLED WATER USED



388 **82%**
WORKFORCE FULLTIME WORKFORCE % FTE



38%
FEMALE
GENDER BALANCE



129,220
TONNES
OF CARGO



39,910 tCO2
EMISSIONS
(SCOPE 1 AND 2)



1.1 GWh
ENERGY EFFICIENCY
PROJECT REDUCTIONS



5.8 GWh
RENEWABLE ENERGY
GENERATED

ABOUT US

Brisbane Airport Corporation Pty Limited (BAC), the operator of Brisbane Airport (BNE), is a private, unlisted Queensland company that proudly takes on the challenge of connecting Australia to the rest of the world every day. Our passion and perseverance has cemented BNE as Queensland’s most important transport hub, Australia’s third busiest airport, and a port that is well on its way to becoming Australia’s best gateway.

At BAC, we believe our role extends beyond simply providing effective and efficient aviation services and facilities. It is also about connecting people and building a place where our community can work and play – a precinct that fosters cultural growth and a hub that builds opportunities for our great city and state.

We create Queensland’s future, helping employ thousands of Queenslanders and creating economic benefit equating to more than \$4 billion annually, and we thrive on the knowledge that we are guiding BNE towards a bright future.

In connecting the world and creating the future, our customers, community, employees and shareholders take centre stage:

Community: what we do impacts our region – and vice versa. By focusing on balancing the benefits of our airport (connecting people and boosting our economy) with the challenges (the impact of growth on our neighbours), we earn our license to grow. An open and honest relationship with our community is key.

Customers: without our customers we wouldn’t be where we are today. By creating and innovating with them in mind, our services can be better, safer, more sustainable and future-focused.

Employees: their passion for building the future of BAC is the fuel in our engine.

Shareholders: our shareholders believe in us and want to see us succeed. By creating value for our employees, customers, and community, we create sustainable value for our shareholders as well.

VALUES

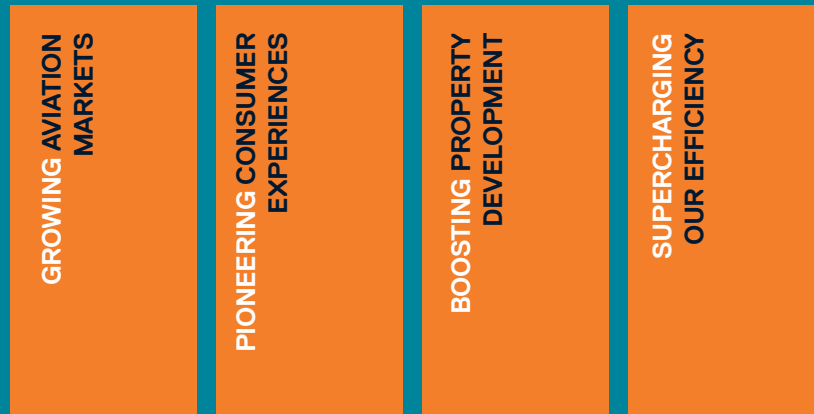
To deliver our vision we have anchored our culture in four values:

- Collaboration
- Communication
- Courage
- Care

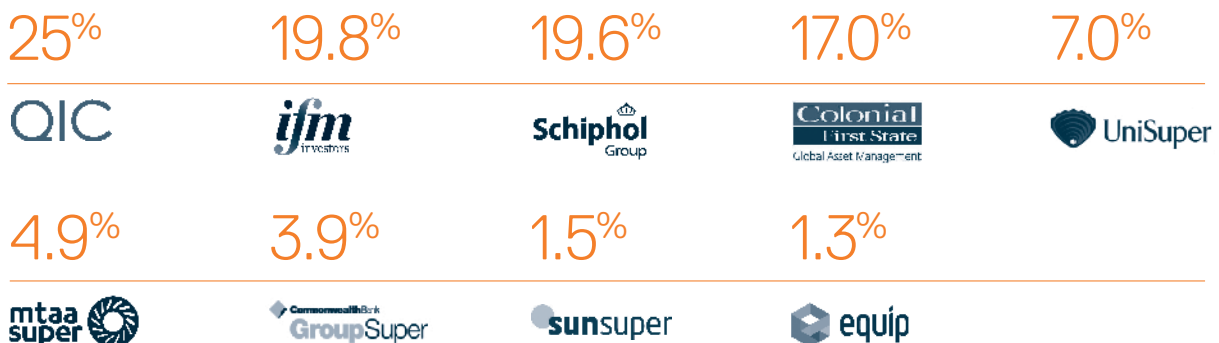
STRATEGY

As a business, BAC is driven by four strategic pillars that help us focus on the important activities that enable us to reach our strategic goals and create value today and in the future.

The pillars of our strategy are:



OWNERSHIP STRUCTURE



North Asia

- Beijing (PEK)
- Guangzhou (CAN)
- Hong Kong (HKG)
- Seoul (ICN)
- Shanghai (PVG)
- Shenzhen (SZX)
- Taipei (TPE)
- Tokyo (NRT)

South-East Asia

- Bangkok (BKK)
- Denpasar (DPS)
- Kuala Lumpur (KUL)
- Manila (MNL)
- Singapore (SIN)

Middle East

- Abu Dhabi (AUH)
- Dubai (DXB)

America/Canada

- Chicago (ORD)
- Honolulu (HNL)
- Los Angeles (LAX)
- San Francisco (SFO)
- Vancouver (YVR)

South Pacific

- Apia (APW)
- Espiritu Santo (SON)
- Honiara (HIR)
- Munda (MUA)
- Nadi (NAN)
- Nauru (INU)
- Noumea (NOU)
- Port Moresby (POM)
- Port Vila (VLI)

New Zealand

- Auckland (AKL)
- Christchurch (CHC)
- Dunedin (DUD)
- Queenstown (ZQN)
- Wellington (WLG)



Queensland (27 ports)

- | | | | | | | |
|------------------|-------------------|-----------------------|------------------|------------------|--------------------|------------------|
| Barcaldine (BCI) | Bundaberg (BDB) | Cunnamulla (CMA) | Hervey Bay (HVB) | Moranbah (MOV) | Rockhampton (ROK) | Toowoomba (WTB) |
| Biloela (THG) | Cairns (CNS) | Emerald (EMD) | Longreach (LRE) | Mount Isa (ISA) | Roma (RMA) | Townsville (TSV) |
| Blackall (BKQ) | Charleville (CTL) | Gladstone (GLT) | Mackay (MKY) | Proserpine (PPP) | St George (SGO) | Windorah (WNR) |
| Birdsville (BVI) | Cloncurry (CNJ) | Hamilton Island (HTI) | Miles (WLE) | Quilpie (ULP) | Thargomindah (XTG) | |

New South Wales (14 ports)

- Armidale (ARM)
- Coffs Harbour (CFS)
- Dubbo (DBO)
- Inverell (IVR)
- Lord Howe Island (LDH)
- Moree (MRZ)
- Narrabri (NAA)
- Newcastle (NTL)
- Norfolk Island (NLK)
- Orange (OAG)
- Port Macquarie (PQQ)
- Sydney (SYD)
- Tamworth (TMW)
- Wollongong (WOL)

Northern Territory

- Alice Springs (ASP)
- Ayers Rock (AYQ)
- Darwin (DRW)

South Australia

- Adelaide (ADL)

Australian Capital Territory

- Canberra (CBR)

Western Australia

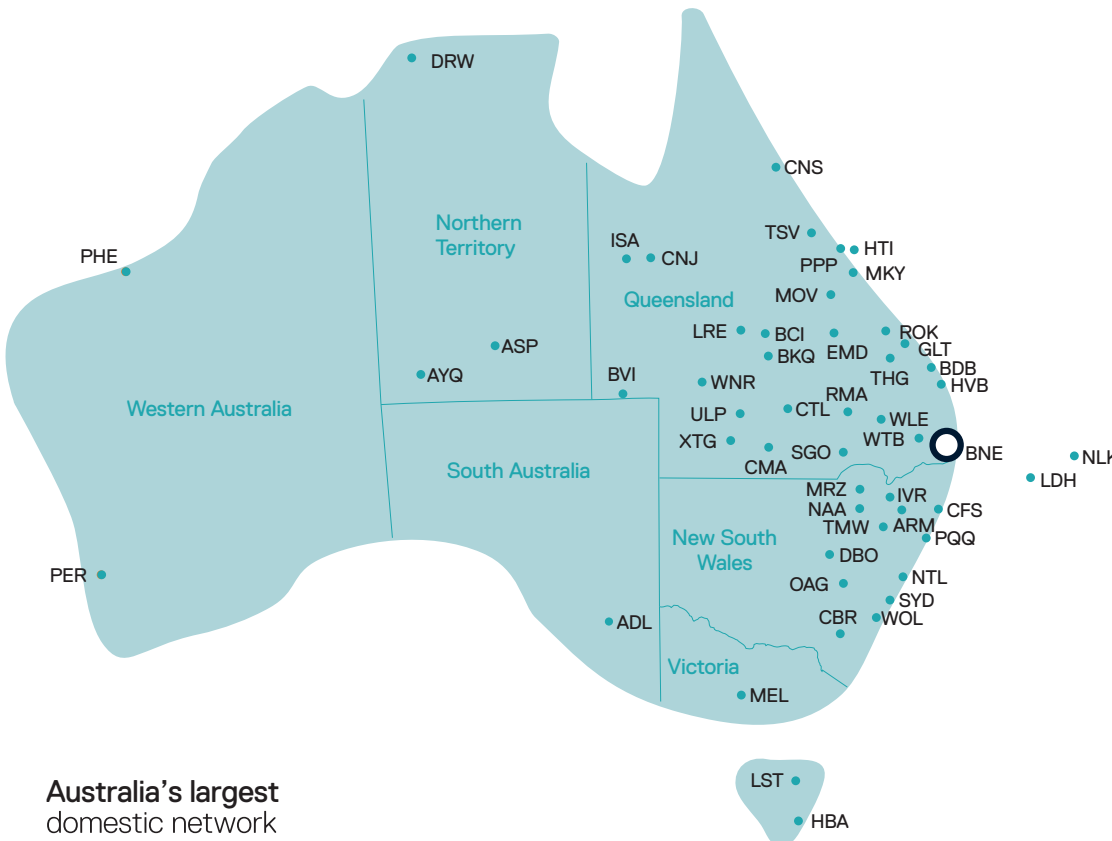
- Perth (PER)
- Port Hedland (PHE)

Tasmania

- Hobart (HBA)
- Launceston (LST)

Victoria

- Melbourne (MEL)



Australia's largest domestic network

PERFORMANCE TABLE

Indicator	FY2015	FY2016	FY2017	FY2018	FY2019	Change over time (FY2018- FY2019)
Passengers (pax)	22,280,050	22,685,486	22,880,676	23,435,252	23,782,623	+1.5%
EBITDA (\$'000)	452,320	475,022	504,114	571,676	618,276	+8%
LITFR	NA	9.1	1.61	9.3	1.39	-7.49
Turnover Rate	7.46%	5.75%	7.22%	9.3%	19%	+9.7%
Total Employees	293	304	328	349	388	+11.2%
% Female	35%	36%	36%	37%	38%	+1%
Total Spent on Training (\$)	NA	685,000	900,000	850,000	570,000	-33%
Community Investment (\$)	990K	2.14M	1.12M	1.62M	796K*	-50.9%
Carbon Intensity (kg CO2/pax) (Scope 1 and 2)	2.02	2.02	1.98	1.73	1.61	-0.12
Waste – Landfill Diversion (t)	NA	570	657	572	644	-13%

* Several additional community investments were made in the FY2018 period which normally would have been made in FY2019.

Passengers	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
International	4,817,882	5,080,867	5,273,748	5,638,186	5,930,090	6,196,078
Growth	5.9%	5.5%	3.8%	6.9%	5.2%	4.5%
Domestic	17,054,939	16,948,827	17,199,879	17,242,363	17,505,162	17,586,545
Growth	1.3%	-0.6%	1.5%	0.2%	1.5%	0.5%
Transits/Transfers	230,544	250,347	211,701	178,959	223,388	216,191
Growth	2.9%	8.6%	-15.4%	-15.5%	24.8%	-3.2%
Air Cargo (tonnes)	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Import	44,076	42,483	40,083	42,868	49,128	52,635
Export	51,055	59,787	66,865	69,621	73,222	76,585



SUSTAINABILITY

SUSTAINABILITY

BAC has continued to embed sustainability within the company’s culture. For BAC, the sustainability targets and requirements are set by the BACH Board and Executive Leadership Team. The Corporate Sustainability Strategy is developed and executed by the Environment and Sustainability Team whose purpose is to ensure sustainable operations of Brisbane Airport while becoming the best gateway into Australia

This is planned to be completed in three categories:

- Growing investor confidence
- Maintaining and growing our social license to operate; and
- Sustainable development.

Key Sustainability aspects covered in the Strategy include:

- Waste
- Emissions
- Learning and Development
- Community Engagement
- Sustainable Investment; and
- Ecologically Sustainable Design.

Sustainability performance is reported monthly to the CEO and Board, and bi-annually to BAC Shareholders.

SUSTAINABILITY GOVERNANCE

Brisbane Airport Corporation Board	Responsible for corporate governance and risk management policies and targets including those relevant to sustainability.	
BAC Executive Leadership Team	Review and approve the implementation of the Corporate Sustainability Strategy and oversee the sustainability performance of the company.	
BAC Leadership Team	<ul style="list-style-type: none"> • BAC Governance, Safety and Sustainability Group develops and implements the Corporate Sustainability Strategy and assists other groups on sustainability and governance performance. • BAC Communications and Public Affairs Group develops and implements the stakeholder engagement program and the sponsorship and philanthropic program. 	<ul style="list-style-type: none"> • BAC Infrastructure Development and Delivery Group manages and implements energy efficiency, renewable energy, waste and water reduction activities. • BAC Human Resources Group develops and maintains training and diversity.

SUSTAINABILITY LEADERSHIP AND PARTNERSHIPS

BAC's sustainability leadership was recognised internationally at the Airports Going Green conference in Atlanta, USA in November 2018. Our Corporate Sustainability Strategy was successful in winning an award for airport sustainability with its focus on economic, social and environmental sustainability aspects.

BAC continued to progress its leadership in the sustainability field by continuing to participate in domestic and international committees which have a focus on sustainable development. BAC believes that through collaboration and partnership, real sustainability goals and benefits can be established in the local community and across the globe. For example, BAC participated in an ACI Airport Exchange (APEX) in Environment at Surakarta, Indonesia in mid-2018 to assist developing airports to improve environmental and sustainability performance.

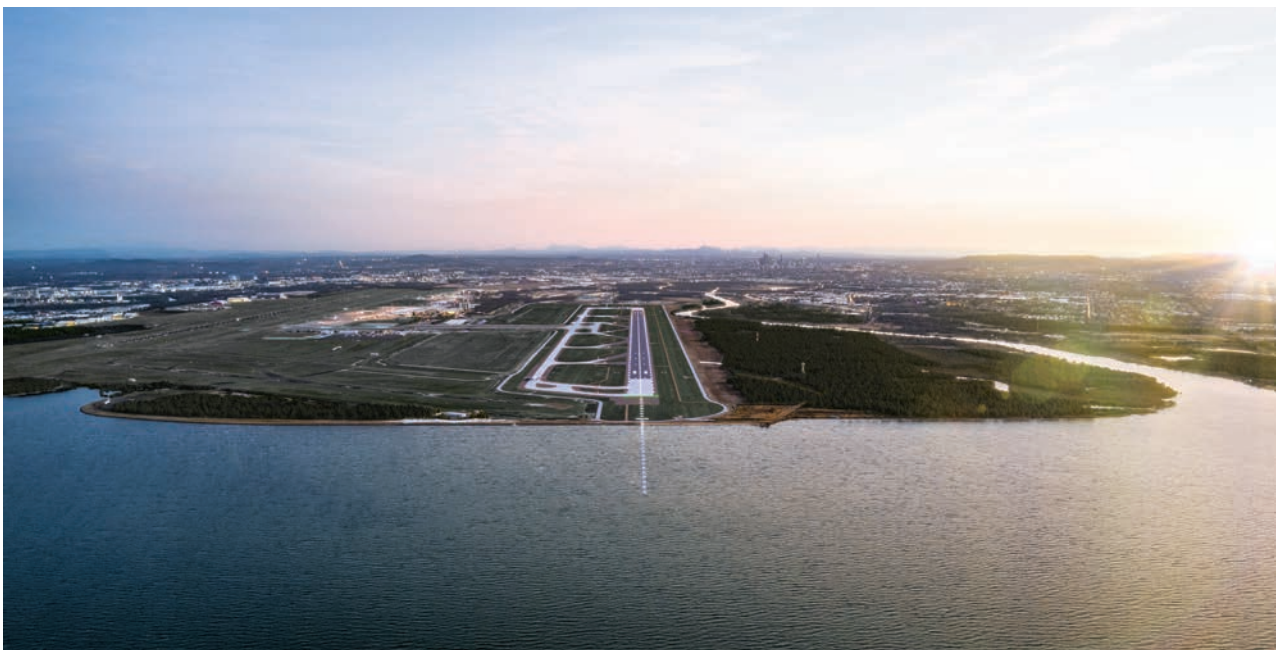
Internationally, BAC has members on the Airports Council International (ACI) Asia-Pacific Regional Environment Committee, ACI World Environment Standing Committee, and the ACI World Safety Committee. Through these committees, knowledge on international best-practice management in safety and environment can be shared. In Australia, BAC renewed its partnership with CitySmart, an organisation that drives greater sustainability outcomes for Brisbane, enabling the airport to influence locally.



UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

In 2019, BAC is evolving just as the world around us is evolving, addressing the ever growing societal trends and risks ranging from climate change, technological evolutions, 'closing the gap' in Indigenous disadvantage, demographic shifts, energy transitions, urbanisation just to name a few.

BAC is aligning our Corporate Sustainability Strategy to the United Nations Sustainable Development Goals (SDG). The SDGs are a comprehensive action plan for businesses, governments, and communities to support the shared prosperity of people and the planet. Globally, organisations are being asked to take ownership of this push for sustainability and develop long-term frameworks to realise the SDGs and create a better world. To this end, we have identified the following goals that align to our business:

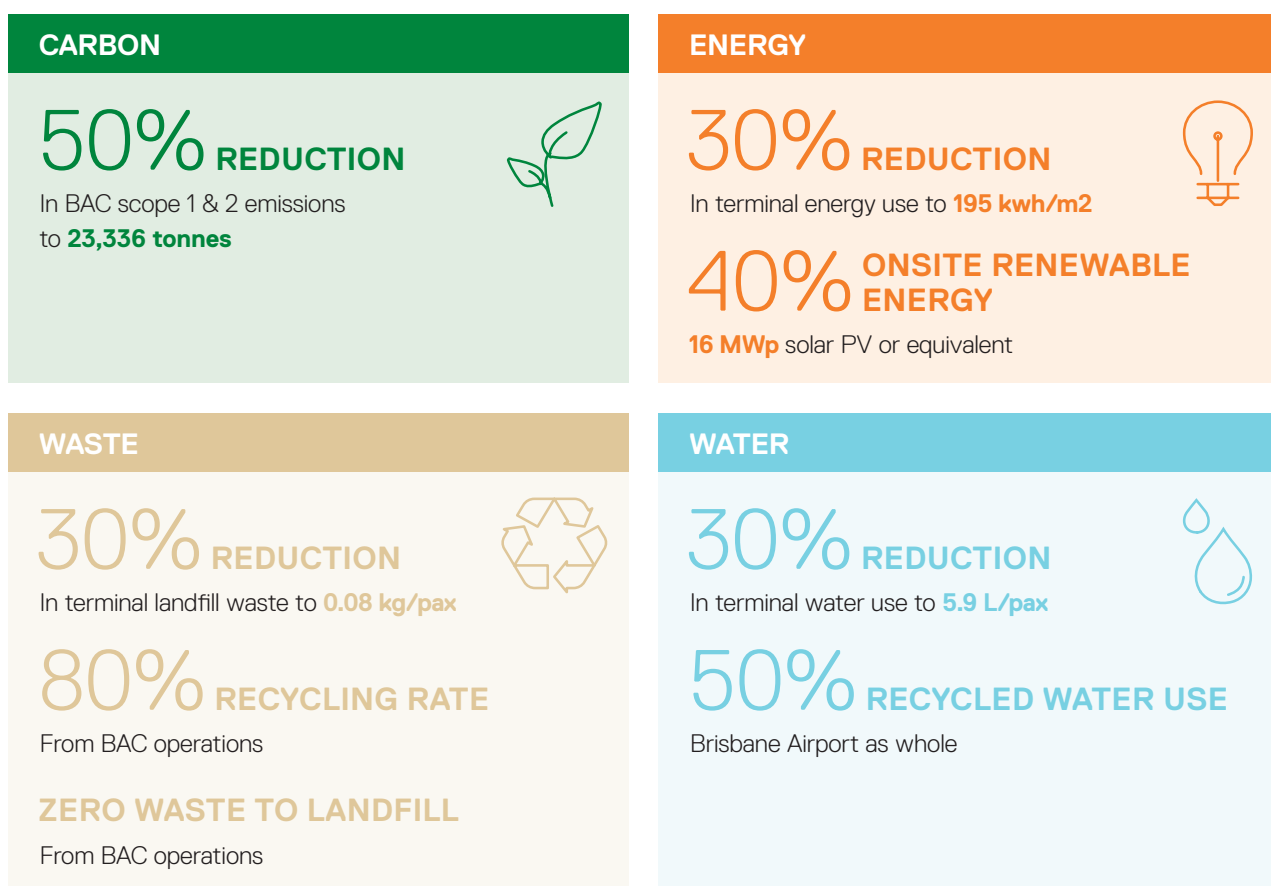


TARGETS AND COMMITMENTS

2030 SUSTAINABILITY TARGETS

In late 2018, BAC embarked upon a journey to measure and benchmark its sustainability performance in comparison to other airports. The aim of the benchmarking exercise was to set long term targets to align our sustainability strategy with the current commitments and goals of the aviation industry. The aviation industry has set one of the first international market-based mechanisms for carbon reduction named CORSIA – Carbon Offsetting and Reduction Scheme for International Aviation. In addition to this, in June 2019 at Airports Council International (ACI) Europe, the European airport industry committed to achieving net zero carbon emissions by 2050 without the use of carbon offsets.

BAC identified opportunities to grow and improve its sustainability performance by publicly committing to the 2030 Sustainability Targets outlined below.



BAC believes its 2030 sustainability targets are meaningful and achievable. In committing to these targets, BAC’s sustainability ambitions are to:

- **Carbon** – Progress a low carbon pathway by reducing our carbon emissions by 50 per cent from a 2017 baseline
- **Energy** – Ensure a reliable and sustainable network by delivering a 40 per cent renewable energy mix
- **Water** – Reduce impacts on local water supplies in the face of water scarcity by achieving a 50 per cent recycled water mix; and

- **Waste** – Progress towards a circular economy and drive economic benefits through environmental best practice and achieving an 80 per cent recycling rate.

With a mixture between intensity-based and volumetric targets, BAC has already begun planning the initiatives and projects that will be implemented to achieve these targets by 2030.

FY2018 COMMITMENTS

Below is the update on the commitments outlined in the FY2018 Sustainability Report.

Aspect	Commitment	% Completion
Training	Implementation of leadership development framework focusing on empowering and enabling employees	 100% Framework planned to be reviewed in 2020
	Redevelopment of flexible work programs including the rollout of core IT functionality including remote access, BYOD, and flexible-desking	 100% Program to be reviewed in 2019
Community	Provide information to 100% of areas impacted by new noise paths before opening of Brisbane's new runway	 100% Include details of all community engagement activities
	Exceed legislated mandated community engagement requirements	 100%
	Development of a supplier diversity strategy	 100%
	Publish second Innovate Reconciliation Action Plan	 100% Released 2019
Sustainable Investment	All significant BAC assets undergo a sustainability benchmark internal assessment (NABERS, Green Star Performance, etc)	 25% Program has commenced
	Investigate the Task Force on Climate Related Financial Disclosures (TCFD)	 25% BAC has investigated the physical risks and opportunities
Sustainable Development	Develop and implement Ecological Sustainable Design guidelines for BAC Developments	 100%
Sustainable Operations	Carbon Neutral Growth from 2020	 100% BAC has maintained Carbon Neutral Growth since 2014 and this has continued into this reporting period (Scope 1 and Scope 2 emissions) BAC continued to influence airport stakeholders to reduce Brisbane Airport Scope 3 emissions – in particular through supporting Sustainable Aviation Fuels (SAF) and food waste initiatives
	Maintain Zero Waste to Landfill from BAC Offices from 2020	 10% A Zero Waste Strategy is planned for completion in 2019
	Implement Circular Economy principles into airport operations	 25%
	Install up to 10 MW of Solar PV by 2025	 60%



OUR BUSINESS

ECONOMIC CONTRIBUTION

Brisbane Airport is one of most important pieces of infrastructure in Queensland that drives economic growth to the region and Australia. Almost 24,000 employees and more than 425 businesses from enterprises such as airline catering and maintenance to supermarkets and shopping outlets all call the airport home. Employment at Brisbane Airport is estimated to provide \$1.5 billion annually in employee wages to Queensland families, with a further \$818 million earned through the associated supply chains.

The theme of growth is underlined by the economic projections that Pricewaterhouse Coopers provided as part of the 2020 master planning process. Brisbane Airport's total economic contribution to the Australian economy is forecast to grow from its current figure of \$4.7 billion per annum to an estimated \$8.7 billion by the year 2040, a real annual growth rate of 3.1 per cent.

Together, the direct and indirect economic contributions of Brisbane Airport are estimated to currently account for approximately 1.3 per cent of Queensland Gross State Product.

But there are many other businesses outside the airport that derive economic benefit from the airport's operations. These range from tourism providers, construction services, transport operators and freight organisations.

The three main components that make up Brisbane Airport's economic contribution include:

1. Direct inputs (in \$) from wages and added business values of the airport businesses
2. Indirect contributions or associated flow on benefits (in \$) from the business transactions between airport businesses and the broader economy; and
3. Provision of vital infrastructure which enables opportunities for greater access and connectivity to local and global markets (qualitative).

TABLE – FY2019 ECONOMIC SUMMARY

Financial Indicator	'\$000
Revenue	840,481
Operating Costs	181,453
Employees Wages and Benefits	39,955
Payments to Providers of Capital	372,573
Payments to Government	118,300
Community Investment	796
Economic Value Retained (Revenue – Costs)	127,403

Brisbane Airport revenue for the financial period is broken down in seven key areas:

354,000	151,000	101,000	105,000
AERONAUTICAL CHARGES (\$'000)	PARKING AND LANDSIDE TRANSPORT (\$'000)	RETAIL (\$'000)	PROPERTY INVESTMENT (\$'000)
39,000	47,000	44,000	
PROPERTY MANAGEMENT (\$'000)	GOVERNMENT MANDATED SECURITY CHARGES (\$'000)	OTHER (\$'000)	

INFRASTRUCTURE DEVELOPMENT

Spending on infrastructure and property development during the FY2019 period continued to position the airport as a hot spot for infrastructure and property development in the region. Since 2012, a total of \$1.2 billion was spent on infrastructure and an additional \$2 billion is planned to be spent by 2023. Brisbane Airport plans to not only grow the aeronautical capacity of the State, but enable new industries as well.

In FY2019, BAC privately invested more than \$402 million across 350 projects. The major highlights include:

- The completion of the \$120 million Dryandra Road Underpass in September 2018, delivering the first portion of the critical link taxiways connecting the new runway system with the existing system and terminals
- The opening of the \$18 million Skygate Home & Life Centre in November 2018, adding an additional 9,260m² of retail space to the Skygate precinct
- Completion of the 6 MWp solar photo voltaic system, consisting of 22,000 panels spanning an area of 36,000m² across six sites; and
- New car rental facilities and five new tenancies as part of the \$40 million Domestic Terminal Redevelopment.

SNAPSHOT



DOMESTIC TERMINAL REDEVELOPMENT

Timing: Mid-2018 to late 2020

Investment: \$40 million

Construction Jobs: 175+

BAC is undertaking a major \$40 million redevelopment of the Domestic Terminal. The work on both Levels 1 and 2 will create a world-class airport environment for travellers reflecting a unique sense of place that is distinctly Brisbane and Queensland in theme.

This project aims to deliver BAC's retail vision of creating "a liveable airport environment that provides retail, commercial and recreational experience that is uniquely Brisbane".

The project will result in more than 50 new tenancies including reconfigured and upgraded food halls, specialty retailers, premium bars and restaurants.

When complete, the redevelopment will deliver:

- New internal atrium facade and vault design
- Upgraded terminal facilities
- Upgraded gate lounges
- New retail tenancies
- Upgraded existing tenancies; and
- New food hall.

Benefits include:

- More space for passengers
- More seating for passengers; and
- More retail, food and beverage offerings.



ETHICAL BUSINESS

BAC fosters a culture of good corporate governance, transparency and accountability. To this end, BAC maintains a high standard of ethical operations to ensure we continue to improve the way we do business, provide the best possible service to our customers and keep our working environment safe, productive and healthy.

FY2019 saw a renewed focus on corporate culture underpinned by robust governance frameworks following the Banking Royal Commission, and the release of key new laws focussing on whistleblower protection and modern slavery. BAC has responded to that imperative and focussed this year on reviewing and updating its governance frameworks to ensure continued compliance with laws. The purpose is to connect the world and create the future. The BAC values, together with the Code of Conduct and policy framework, define the standards of behaviour the company expects of its employees as it delivers on its purpose.

POLICY FRAMEWORK AND KEY POLICIES

This year saw a comprehensive review of the BAC policy framework to better achieve consistency and accessibility amongst BAC's key governance documents. The review continues in FY2020 and will make BAC company policies and procedures easier for employees to access, understand and comply with.

In FY2019, the company launched a new Gifts, Benefits and Entertainment Policy with revised reporting and approval thresholds to increase transparency in this critical area.

Tools and training were provided to employees to support compliance. Other key integrity documents were also reviewed include the Conflict of Interest Policy and the Fraud and Corruption Policy.

BAC also reviewed requirements for external confidential reporting and re-promoted that channel to the business. In parallel, we commenced a comprehensive review of BAC's new whistleblower protection obligations to ensure the company was ready to comply from 1 July 2019.

BAC's Workplace Health and Safety Policy and other supporting documents were also reviewed and updated to ensure the company was compliant from 1 July 2019.

MODERN SLAVERY

During FY2019, BAC's Legal Services, Risk & Governance, Environment & Sustainability, and Procurement teams collaboratively engaged to commence developing and operationalising BAC's modern slavery strategy to ensure the company is on track to meet new modern slavery obligations.

COMPLIANCE TRAINING

Training is an integral element of our compliance framework to ensure our people are aware of their legal, regulatory and compliance responsibilities. Employees and contractors complete a suite of online compliance training courses when they start with BAC including BAC's Code of Conduct. Mandatory refresher training also occurs on a cycle throughout the year as needed.

AVIATION SAFETY

BAC is committed to ensuring the safety of aviation operations at Brisbane Airport. With a continual increase in aircraft movements and passengers, a safe and secure airside is a high priority. Airside escorts, foreign object debris, speed limit enforcement, spill clean-up supervision and wildlife hazard management are day-to-day activities undertaken by BAC's Airside Operations Centre to ensure aviation safety.

An aviation safety focus for BAC is wildlife hazard management. While the safety of aircraft at Brisbane Airport is paramount, it is not possible to prevent all wildlife strikes.

BAC implements active and passive management strategies aimed at reducing the frequency and severity of wildlife strikes by focusing management efforts on species and habitats that constitute significant hazards to aircraft that operate at Brisbane Airport. All these measures are outlined in the BAC Wildlife Hazard Management Plan (WHMP), which was revised in late 2018.

FY2019 WILDLIFE HAZARD STATISTICS

147

TOTAL CONFIRMED STRIKES

212,301

TOTAL AIRCRAFT MOVEMENTS

6.9/10,000

CONFIRMED STRIKE RATE/ MOVEMENTS



CLIMATE CHANGE

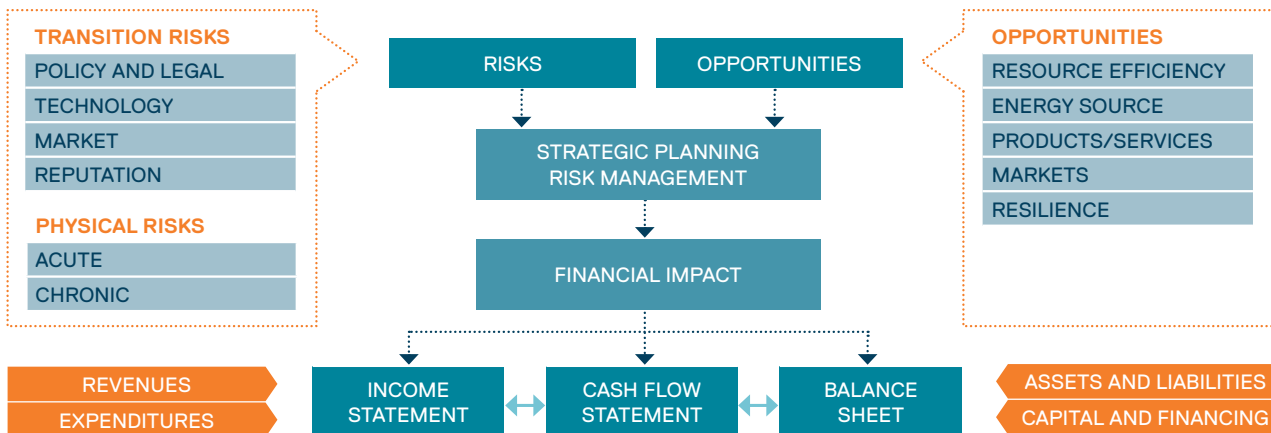
Every day, Brisbane Airport connects the city of Brisbane, the state of Queensland and Australia to the rest of the world. As the number of destinations offered grows in line with the increasing number of passengers using the airport as a gateway to domestic and international cities, Brisbane Airport becomes an increasingly vital contributor to both the Queensland economy and the future prosperity of the State. These considerations are the key drivers behind climate change adaptation work being undertaken by BAC.

BAC considers and accepts that the material risks associated with climate change will impact the airport and that its actions and decisions today need to account for the predicted impacts of climate change. Through the development of the Climate Change Adaptation Plan, the key physical risks and impacts to Brisbane Airport have been identified and BAC is currently investigating control measures and potential opportunities to reduce these impacts.

Risk	Impact
Precipitation Change	Airfield flooding, ground subsidence, reduction in airport throughput, inundation of underground infrastructure, inundation of ground transport access (passengers and staff), loss of local utilities provision.
Increasing Temperatures	Decreased aircraft performance, noise impact, heat damage to airport surfaces e.g. runways and taxiways, increased cooling loads, pressure on utilities providers (power and water), limitations for freight capacity.
Changes in Wind	Flight paths, route extensions due to convective weather, jet stream increasing en-route turbulence, changes to distribution of noise impact to surrounding areas.
Sea-level Rise	Loss of airport capacity, impacts on en-route capacity due to lack of ground capacity, loss of airport infrastructure and ground transport access.
Extreme Events	Disruption to operations, route extensions, disruption to ground transport access and supply of utilities.

TASKFORCE ON CLIMATE RELATED FINANCIAL DISCLOSURES (TCFD)

Climate - Related Risks, Opportunities and Financial Impact



CLIMATE CHANGE (CONTINUED)

BAC maintained its current position in alignment to the TFCDD, which was detailed in the FY2018 Sustainability Report, as outlined below.

Disclosure	Requirement	BAC Action
Governance	Disclose the organisation's governance around climate-related risks and opportunities.	Oversight and overall responsibility of the impact and opportunities of climate change sits with BAC Board of Directors. The BAC Executive Leadership Team has the responsibility of the development and implementation of climate action plans (mitigation and adaptation).
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	The BAC Climate Change Adaptation Plan, which was reviewed in 2017, included physical impacts assessment using the RCP 8.5 and RCP 4.5 scenarios. This was undertaken against the Company's enterprise risk assessment framework. Key risks are outlined in the table above and BAC is developing an action plan to reduce these risks.
Risk Management	Disclose how the organisation identifies, assesses, and manages climate-related risks.	The BAC Risk Management Framework was based on the Australian Standard Risk Management—Principles and Guidelines AS/NZS ISO 31000:2009 which defines the company's specific risk matrix. Physical climate risks and opportunities have been developed and assessed.
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	BAC uses a range of metrics to assess the impacts of climate-related risks and opportunities on our business. Principally, understanding our emissions profile for all Scope 1, Scope 2 and Scope 3 emissions from a carbon management perspective. From a resilience perspective, chronic climate-related impacts are considered during planning processes.

BAC plans to commence investigating its transitional risks in 2020. This will include the development of a 2 degree scenario.

BUSINESS RESILIENCE

RESILIENCE

BAC manages disruptions to its business and provides continuity of critical services to its customers and stakeholders, through the design and implementation of a fit-for-purpose business resilience approach. BAC's Resilience Framework comprises Emergency Management, Crisis Management, Business Continuity Management and IT Disaster Recovery. BAC maintains various plans to operationalise these elements of the Resilience Framework.

Business Continuity Management (BCM) focuses on developing appropriate workaround and recovery activities to ensure the continuous provision of Critical Business Functions in the event of a disruption. Each BAC Group is required to develop and maintain relevant BCM plans to ensure the continued provision of services at an appropriate/pre-determined level. BCM can operate independently of, and in conjunction with, the other elements of the Resilience Framework.



OUR ENVIRONMENT

ENVIRONMENTAL COMPLIANCE

Brisbane Airport continued to demonstrate a high level of environmental management during FY2019. No significant environmental incidents were observed, and all compliance reporting obligations were completed. These reports include:

- ◆ National Energy and Greenhouse Reporting Scheme (NGERS) to the Commonwealth Department of the Environment and Energy (DOEE)
- ◆ National Pollution Index (NPI) to DOEE; and
- ◆ Annual Environment Report (AER) to the Commonwealth Department of Infrastructure, Transport, Cities and Regional Development (DITCRD).

For context, Brisbane Airport is a federally leased airport which operates under the Airports Act 1996, Airports Regulations 1997 and the Airports (Environment Protection) Regulation 1997, administered by DITCRD.

It is under these legal instruments that BAC is required to develop an Airport Environment Strategy (AES) as part of the 2020 Brisbane Airport Master Plan. The latest AES was approved by the Commonwealth Department of Infrastructure and Regional Development in January 2015.

During 2019, BAC completed the development of the preliminary 2020 Master Plan and AES which outlines the key environmental objectives and action plans for the period 2020 to 2025. The preliminary document was released for public consultation on the 27 May 2019 and was open for comment for 90 days.

BAC manages these action plans within its Environmental Management System (EMS) which is consistent with the ISO 14001:2015 standard. BAC's EMS prescribes how the airport manages environmental issues.

CONTAMINATION MANAGEMENT

A significant contamination issue that continued to be managed during the reporting year at Brisbane Airport is the presence of per- and poly-fluoroalkyl substances (PFAS), in particular – perfluorooctane sulfonate (PFOS) and perfluorooctanoic acid (PFOA). PFOS and PFOA were common components of Aqueous Film Forming Foam (AFFF) used for fire suppression and fire training. Due to AFFF use by Airservices Australia (AsA) and other operators, PFOS and PFOA are now present at many civilian airports in Australia. At Brisbane Airport the majority of these sites are controlled by AsA which undertakes the Aviation Rescue and Fire Fighting (ARFF) service.

To ensure the ongoing environmental protection of Brisbane Airport and its workers, BAC has taken proactive measures to identify and mitigate PFAS contamination that is present across Brisbane Airport as a result of tenant activities. BAC has also continued to exercise its rights under tenant lease agreements to require entities responsible for pollution to monitor and remediate contamination on Brisbane Airport.



ENERGY AND EMISSIONS

2030 CARBON TARGETS

50% REDUCTION

In BAC scope 1 & 2 emissions to **23,336 tonnes**

2030 ENERGY TARGETS

30% REDUCTION

In terminal energy use to **195 kwh/m2**

40% ONSITE RENEWABLE ENERGY

16 MWp solar PV or equivalent

BAC manages an embedded electrical network which provides electricity to all airport users and tenants. In FY2019, a total of 170 GWh of energy was used by the airport site with 47.9 GWh consumed by BAC. Most of the consumption at Brisbane Airport is from the International (T1) and Domestic (T2) Terminals with the remainder used by airport tenants and transmission losses.

Approximately a third of the airport's energy consumption is under BAC's control. During the reporting year, a significant change to the operational boundary of energy consumption occurred with the return of the Qantas and Virgin Australia Domestic Terminal leases to BAC. While this has increased the potential energy consumption of BAC within the terminal, this has also allowed BAC to investigate and commence additional energy efficiency projects within these areas of the Domestic Terminal.

In addition, the Queensland Government passed legislation which allows airport tenants to obtain electricity from other retailers from within an embedded electrical network. This was changed to promote competition by giving more embedded network customers a choice between services from retailers or from their embedded network operators.

BAC aims to mitigate the airport's energy demand by utilising land and roof space for the installation of solar photovoltaic (PV) where available and to continually investigate and invest in commercially viable lighting and HVAC technology.

There are currently five energy sources used by BAC, tenants and other operators on Brisbane Airport. These energy sources comprise:

- Electrical reticulation
- Standby diesel generation sets
- Solar photovoltaic (PV) arrays
- Unleaded petrol, diesel or liquid petroleum gas (LPG) for vehicles and machinery; and
- Individual gas tanks at various locations.

ENERGY REDUCTION

Energy efficiency and increased use of renewable energies are the foundations of the BAC Emissions Reduction Strategy. With the takeback of the Domestic Terminal leases from the airlines in January 2019, an opportunity arose to identify and implement ongoing efficiency projects in the Qantas section of the Domestic Terminal, particularly within the lighting and HVAC areas.

In addition to the energy efficiency project, the 6 MW Solar PV project achieved practical completion in December 2018. In the six months of operations in FY2019, a total of 5.8 GWh was generated and consumed by the airport. This is equal to 12 per cent of BAC's energy total consumption for the year.

A total of 6.9 GWh was saved during the reporting period from energy reduction and renewable energy projects.

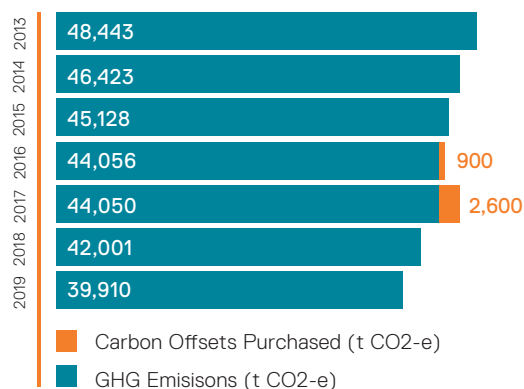
EMISSIONS

Ninety seven per cent of BAC's Greenhouse Gas (GHG) emissions profile is attributed to Scope 2 emissions (carbon dioxide emissions from the purchase of electricity) with the remainder fugitive emissions from refrigerant losses and various fuel uses. BAC is required to report Scope 1 and Scope 2 emissions under National Greenhouse Emissions Reporting Scheme (NGERS) which is administered by the Australian Clean Energy Regulator. BAC also reports GHG emissions voluntarily under the Airports Council International (ACI) – Airport Carbon Accreditation (ACA) program.

In the FY2018 BAC Sustainability Report, BAC committed to a 25 per cent reduction in Scope 1 and Scope 2 emissions by 2025 from a 2017 baseline.

In tracking our performance against this target, BAC's operations produced a total of 39,910t CO2e- for the FY2019 reporting year, which is a reduction of 14.5 per cent in emissions. This achievement is even greater when considering the increase in scope with the take back of the Domestic Terminal leases.

ANNUAL SCOPE 1 AND 2 EMISSIONS AND OFFSETS SINCE 2013



WATER

2030 WATER TARGETS

30% REDUCTION
In terminal water use to **5.9 L/pax**

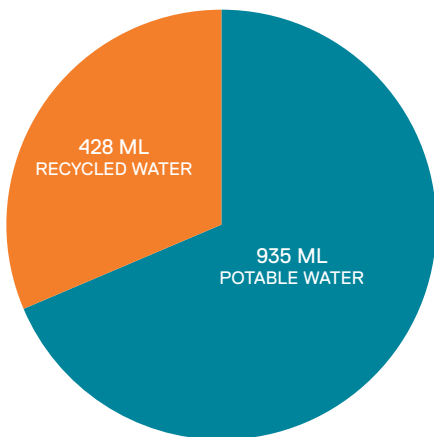
50% RECYCLED WATER USE
Brisbane Airport as whole

Sustainable water management has always been high on Brisbane Airport’s sustainability agenda. Significant growth in passenger numbers, infrastructure and property developments have led to an increase in water consumption. Sources of water for consumption include:

- Potable water
- Class A recycled water from the Queensland Urban Utilities (QUU) Gibson Island Wastewater Treatment Plant
- Recycled Water from the QUU Luggage Island Wastewater Treatment Plant; and
- On-site stormwater harvesting.

Reporting year FY2019 saw an increase in the use of water with a total of 1,363 ML of water consumed on Brisbane Airport, totalling 935 ML of potable water and 428 ML of recycled water.

WATER CONSUMED ON BRISBANE AIRPORT IN FY2019



BAC minimises potable water use on site by using the following approaches:

- Potable water is only to be used for human consumption, cleaning, food manufacturing or preparation purposes
- Irrigation water is acquired from non-potable sources where possible
- Water for dust suppression at construction sites only uses non-potable sources; and
- Toilet flushing and amenities utilise non-potable water sources where possible.

A key project that commenced in FY2019 was the installation of a new recycled water pipeline from QUU’s Luggage Point Wastewater Treatment Plant. This dedicated pipeline was installed to supply recycled water to Brisbane’s new runway project for concrete production and airfield landscaping, reducing the need for potable water of this project by 1.125 billion litres of water.



BIODIVERSITY

Brisbane Airport is a 2,700 hectare site located at the end of the lower Brisbane River and Kedron Brook catchments adjacent to Moreton Bay Marine Park. Prior to its development in 1988, farmland and various communities inhabited the area. Since BAC took over the site in 1997 and planning began for Brisbane's new runway in 2005, Brisbane Airport has designated a Biodiversity Zone to maintain sites of high biodiversity conservation value whilst considering the ongoing master planning for airport developments. As such, approximately 285 hectares of Brisbane Airport's landmass (equating to approximately 10 per cent of the airport site) was designated as a Biodiversity Zone in the 2009 Master Plan and all subsequent master plans.

In addition, a 40 metre buffer zone has been established around key areas of the biodiversity zone to restrict commercial development and conserve biodiversity features.

The implementation of a Biodiversity Management Strategy, which includes the monitoring and management of flora and fauna, will continue to inform future decision-making processes at Brisbane Airport. Key biodiversity elements to be maintained over time include:

- ♦ Mangrove and saltmarsh assemblages and communities
- ♦ Phragmites wetland/unmanaged grasslands and fauna assemblages. These grasslands retain locally significant species such as the Lewin's Rail and Eastern Grass Owl
- ♦ Intertidal sandflats which provide feeding grounds for wader birds and migratory shorebirds; and
- ♦ Casuarina plantations.

In addition, BAC also has close to 30 European honey bee hives on site. These hives not only provide honey for sale but also enhance the biodiversity values of the airport.



WASTE

2030 WASTE TARGETS

30% REDUCTION

In terminal landfill waste to **0.08 kg/pax**

80% RECYCLING RATE

From BAC operations

ZERO WASTE TO LANDFILL

From BAC operations

BAC annually monitors these sites in an effort to maintain a healthy and sustainable ecosystem which will support and foster existing fauna and flora across Brisbane Airport.

BAC CONTROLLED WASTE

General Waste	Cardboard/paper for recycling	Comingled recycling
Quarantine Waste	Hazardous/regulated waste	Trade waste
Sharps/Clinical Waste	Sanitary waste	Construction and demolition waste

Brisbane Airport has adopted a sustainable approach to the management of waste including the following key components:

- Avoid, reuse, recycle and recovery of waste
- Efficient segregation of waste by smart design and education; and
- Appropriate storage of waste.

The operational scope of waste management changed during the reporting year with take back of the northern and southern areas of the Domestic Terminal.

In total, 2,941 tonnes of waste was generated by BAC and its operations with a total of 644 tonnes being diverted from landfill through various waste management training incentives and improved facilities focussed on cardboard recycling.

During the FY2019 reporting year, BAC commenced its experimentation with Circular Economy principles by commencing a food waste project. By partnering with our suppliers, enRich360 and In2Foods, food waste that is generated by food and beverage retailers in the Skygate precinct is collected and transformed into fertiliser by dehydration. The fertiliser is then transported by the local fruit and vegetable distributor to local farmers for soil conditioning. The end goal is to influence the retailers to purchase produce from these farmers to complete the circular model. In the six months of operations, a total of 3,000 kg of waste was diverted from landfill.

SNAPSHOT



QUEENSLAND CIRCULAR ECONOMY LAB

Brisbane Airport Corporation (BAC) was proud to be a founding member of Australia's first Circular Economy Lab held from March to June 2019 in Brisbane, Queensland. We are even prouder that our team won \$20,000 in prize money at the pitch night.

BAC's team consisted of five organisations aligned in the purpose of valuing the circular economy in the built environment, including BAC, JLL, Madaster, EarthCheck and BlockTexx. It was a fantastic example of industry collaboration and like-minded organisations coming together to kick start new ideas and develop innovative approaches that will enable circular economy thinking to penetrate Australia's built environment. BAC will continue to work with our partner organisations to further develop and test the concept to enable it to be market ready in the near future.

NOISE

A common impact felt by communities surrounding airports is noise. Aircraft noise is an unavoidable consequence of airport operations. Brisbane Airport currently operates without any curfew restrictions. To ensure this is maintained, BAC works with airlines, governments and communities to minimise noise, striking a balance with community amenity and the effective operations of Brisbane Airport.

Since the planning and environmental impact assessment of Brisbane's new runway began in 2005, BAC has continued discussions with the community through its Community Engagement Program. Through this program, BAC understands the information most sought by our community relates to:

- Flight paths
- Noise levels likely to be experienced as a result of aircraft using those flight paths
- Frequency of overflights; and
- The effect the opening of Brisbane's new runway will have on flight paths, noise and the overall operation of the Brisbane Airport runway system.

Management of aircraft noise is principally held by the Australian Government, namely Airservices Australia, however, BAC proactively engages with local businesses and communities to educate and inform on the issue. In addition to this, as part of the development of the 2014 Brisbane Airport Master Plan, we developed an information booklet titled Current and Future Flight Path and Noise Information Booklet (located on our website).

In 2019, BAC released the Brisbane Airport Flight Path Tool. This online tool shows the jet arrival and departure flight paths from Brisbane Airport, both current and when the new runway opens in mid-2020. It allows people to search any address in Brisbane in relation to these flight paths, to understand specific information for the selected address.

The tool also shows noise mapping for jet and non-jet arrivals and departures, highlighting areas that will experience aircraft noise of 70 decibels or more. This can be accessed <https://flightpathtool.bne.com.au/bac/map>.





11 SUSTAINABLE CITIES AND COMMUNITIES



8 DECENT WORK AND ECONOMIC GROWTH



OUR PEOPLE

EMPLOYEES

COMPANY PROFILE

BAC is a values-based company that values partnerships and people. At BAC, we believe that a diverse and inclusive workforce is essential for business success.

BAC aims to create an environment that encourages diverse perspectives and where every member of our direct and indirect workforce is valued for their skills, perspectives and ideas, and is able to work to their potential. The company endeavours to build greater diversity in the workforce – with a particular focus on representation of women and Indigenous people in the workforce.

BAC's Diversity and Inclusion Program focuses on providing a satisfying, healthy and productive work environment. This is supported by the Bullying, Harassment and Unlawful Discrimination Policy which:

- Provides guidance for the development and implementation of programs and initiatives aimed at promoting diversity and inclusion across all levels including staff, management and the Board. BAC's definition of diversity extends beyond gender and also includes origin, age, race, cultural heritage, lifestyle, education, physical ability, appearance, language and other factors
- Requires the establishment of clear measurements and reporting to management, the Board and the HRR Committee
- Encourages the adoption of diversity and inclusion strategies and incorporates flexible approaches to the individual needs of the workforce; and
- Prohibits any form of bullying, harassment or unlawful discrimination.

GENDER DIVERSITY

The company has increased the representation of women in the workforce from 37 per cent in 2018 to 38 per cent as of 30 June 2019.

Employment Contract Type	M	F
Maximum Term Contract	46	21
Permanent	194	127
Total	240	148

Employment Type	M	F
Part-time	5	22
Full-time	235	126
Total	240	148

BAC is also a culturally diverse company with employees from more than 26 countries across the world, an increase from 21 countries last year.

Nationality	Number	Percentage
Argentina	1	0.26%
Australia	189	48.71%
Canada	1	0.26%
China	5	1.29%
Czech Republic	2	0.52%
Fiji	4	1.03%
Finland	1	0.26%
Has Not Identified	97	25.00%
India	6	1.55%
Iran, Islamic Republic Of	2	0.52%
Ireland	7	1.80%
Japan	1	0.26%
Kenya	1	0.26%
Korea, Republic Of	1	0.26%
Lebanon	1	0.26%
Malaysia	1	0.26%
Netherlands	3	0.77%
New Zealand	19	4.90%
Russian Federation	2	0.52%
South Africa	8	2.06%
Sri Lanka	2	0.52%
Tanzania, United Republic of	1	0.26%
Taiwan, Province Of China	1	0.26%
Timor-Leste	1	0.26%
United Kingdom	28	7.22%
United States	1	0.26%
Zimbabwe	2	0.52%

EMPLOYEES (CONTINUED)

TRAINING AND PERFORMANCE

Learning and Development (L&D) of employees is a key area of focus for BAC with a full time resource dedicated to managing the personal and professional development of our people. More than \$570,000 is spent on an annual basis on L&D activities, where all BAC employees attend at least one training and development activity each financial year. Outlined below are the main features of our L&D program.

MENTORING

BAC’s mentoring program is designed to provide opportunities for employees to be mentored by highly experienced managers in a relevant field. The mentors may be from within BAC or external to BAC.

EXECUTIVE COACHING

The coaching methodology is a structured framework designed to facilitate positive change within any individual. Coaching is an interactive process of observation and reflection. In this process the coach encourages self-observation, self-correction, and an ongoing refinement of the learner’s knowledge and skills. Coaches focus on empowering the individual to develop their own answers, maintain a firm focus on solutions and then challenge them to be the best they can be. The coaching process itself consists of a series of one-on-one conversations. BAC’s coaching program is used to assist high potential employees in clarifying career goals and unlocking their leadership potential. An average of 20 staff per year participate in a professional coaching program.

INTERNATIONAL EXCHANGE PROGRAM

BAC partners with Amsterdam Airport Schiphol to provide an opportunity for up to four employees per year to participate in a three-month secondment to Schiphol Airport. These secondments provide individuals with professional and personal development opportunities to expand their knowledge and experience. It also provides value to BAC through exposure to other methodologies and approaches and provides value to Schiphol Airport through the provision of a high calibre employee with specialist knowledge developed at BAC.

FORMAL STUDY PROGRAM

BAC’s Formal Study Program encourages and supports participants by funding between 50 and 100 per cent of course fees.

CONFERENCE AND SEMINARS

BAC recognizes the need to provide opportunities for our employees to attend conferences (including seminars or meetings) of direct relevance to their work. Attendance and participation can assist employees in keeping abreast of developments in their fields and establish valuable professional contacts.

MEMBERSHIP

To encourage involvement in professional associations to ensure BAC employees remain up to date in their field of activity, each employee is entitled to reimbursement of one membership of a Professional Association per year.

Hours Trained	Male	Female
Total	2257	1296

Hours Trained By Profession		
Administrative Staff		391
Operational Staff		361
Technical Staff		504
Professional Staff		814
Manager		956
Senior Manager		434
Senior Executive		93

Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.

	Less than 30 years old	30-50 years old	Greater than 50 years old
Male	87%	91%	91%
Female	95%	96%	96%

COMMUNITY

ENGAGEMENT

Brisbane’s new runway is planned to commence operations in mid-2020. As such, BAC has increased its community engagement and consultation activities. This year saw the introduction of ‘Benny’, BAC’s mobile information centre. With this, visitors can look back at 45 years of runway planning and find out what it means for Brisbane’s future. It also shares the facts on flight paths and aircraft noise and showcases some of the less-known contributions our airport makes to our community.

In addition, BAC maintains a Community Engagement Program dedicated to generating informed, ongoing and interactive discussion on the airport and its operations. The approach of the program is focused on:

Truth – Providing accurate information to the public about Brisbane Airport.

Clarity – Providing clear and understandable information to the public.

Understanding – Understanding that for some people aspects of the operation of Brisbane Airport is a significant annoyance and that they deserve to know that we will do the best we can to minimise that.

Advocacy – Promoting the community benefits of the airport.

BAC considers community engagement a company wide responsibility and, as such, has centred the program around involving all employees. The program involves:

- **Community Exchanges** that allow community members to ask questions and learn about all of Brisbane Airport operations
- **Brisbane Airport online Discovery Centre** to learn about airport operations, flight paths and aircraft noise
- **Brisbane Airport Community Aviation Consultation Group (BACACG)** that provides an independently chaired forum for community members to raise issues
- **Attendances at fairs and festivals** to show a physical presence in the local community while facilitating two-way communication between the organisation and the community; and
- **Community and educational tours** to inform and teach community groups about our operations, key projects, and complexities of operation.

ENGAGEMENT IN NUMBERS:

1,138

FEEDBACK

498

QUESTIONS

171

COMPLIMENTS

NUMBER OF HOURS SPEND ON ENGAGEMENT:

78hrs

TOURS

40hrs

FAIRS AND FESTIVALS

42hrs

PRESENTATIONS



COMMUNITY (CONTINUED)

INVESTMENT

BAC is proud to support, promote and give back to our community.

This year, BAC's philanthropic program has:

- Donated more than \$600,000 to more than 35 organisations including the Royal Flying Doctor Service, Crime Stoppers, Surf Life Saving Queensland and Life Flight
- Donated more than \$69,000 to 68 local charities, community groups and schools
- Partnered with Travelex to donate \$40,000 from charity currency collection globes located in and around Brisbane Airport terminals to Burnie Brae's Project Pantry, a food support program; and
- Donated more than \$15,000 raised from the annual Lost Property Auction to the Courier Mail Children's Fund who selected QATSIF (Queensland Aboriginal and Torres Strait Islander Foundation) as this year's worthy beneficiary.

BAC also actively supports a number of local sports organisations, cultural institutions and the not-for-profit arts sector, with the shared goal of making Brisbane a world-class tourism destination.

This year, BAC's partnership program distributed more than \$501,000 to 22 partners including: Brisbane Roar Womens-League Football Club, Brisbane Festival, Museum of Brisbane, Queensland Theatre, Brisbane Powerhouse, La Boite Theatre Company, Brisbane Writers Festival, and Brisbane Philharmonic Orchestra.

Every year, BAC participates in the internationally recognised London Benchmarking Group (LBG). LBG is the global standard in measuring and managing corporate community investment. It is the perfect tool to track and measure the positive impact BAC's Sponsorship and Philanthropic Program has on our community.



WORKPLACE HEALTH AND SAFETY

The workplace health and safety (WHS) focus for BAC this year has been the roll-out of the WHS Culture Program. With extensive participation from all levels of staff (184 BAC workers participated in 31 workshops) to review our WHS culture and develop action plans targeting specific initiatives to improve this.

Through the delivery of the WHS Culture Program, the following key successes have already been achieved:

- A significant focus on expanding the use of our WHS technology systems; allowing greater and easy access to WHS data, and the analysis of WHS information
- A heavy emphasis on increasing the number of WHS inspection and observations across all BAC workers saw tremendous results, with total inspections increase as well as an increase in WHS observations undertaken by non-WHS team members

- This effort on proactive inspections and observations saw an increase in the number of hazard reports across FY2019, with our actual injury numbers decreasing from Q3 onwards; and
- Increased efforts in the worker wellbeing space, with a new, holistic WHS vision: *BWell & BSafe...every person, every day.*

BAC's WHS management system and practices were externally audited by SAI Global and Norton Rose Fulbright Australia during 2019 with positive results achieved.

Overall, 2019 was a busy year for BAC and the WHS function, with health and safety performing strongly against all nominated measures. FY2020 will see a continued focus on our WHS culture and behavioural safety elements where we need to really look at how we can make things healthier, safer and easier for our people, whilst ensuring our significant risk areas continue to be appropriately managed.

Occupational Health and Safety Indicators: (All severity included)

2019

Number of Fatalities	0
Lost Time Injuries (BAC Employees) ¹	1
Lost Time Injury Frequency Rate (LTIFR) Employees (BAC permanent employees)	1.39
Total Recordable Injury Frequency Rate (TRIFR) ³ Employees (BAC permanent employees)	12.58
Contractors (includes service providers and construction contractors) ⁴	4.48
Safety Training Hours	494.80 hours
Workplace Inspections	964
Passenger Incident Rate ⁵	0.99
Absenteeism Rate (%)	2.1%

1. Lost Time Injuries (LTI) is a work-related injury or illness that results in at least one full day or shift being lost after the day on which the injury or illness occurred, incurred by employees, internal consultants and contractors.
2. LTIs per one million hours worked.
3. Total Recordable Injury Frequency Rate (TRIFR) represents the number of Medical Treatment Injuries (MTIs) and LTIs per million hours worked. An MTI is a work-related injury or illness that requires treatment by a medical practitioner and does not result in lost time but can result in restriction of work duties, incurred by employees and contractors.
4. Service providers (including cleaning, security, kerbside management, waste management, parking and trolleys and bussing) and construction contractors engaged by BAC.
5. Passenger Incident Rate is the number of first aid and medical treatment injuries per 100,000 passengers. Medical conditions and inflight medicals are excluded from this rate.

WORKPLACE HEALTH AND SAFETY (CONTINUED)



SNAPSHOT

BAC BWell PROGRAM

BAC recently amalgamated our health and wellbeing program (BWell) and our BAC Safe program, creating a single WHS strategy and program (BWell & BSafe).

The BWell & BSafe program is designed to build and promote a positive and holistic health and safety culture with BAC workers and our business partners.

To complement this program, BAC updated its vision to: **BWell & BSafe... every person, every day** with a goal to reduce serious harm incidents to zero for everyone working at, or visiting, Brisbane Airport.

In order for **every person** to BWell and BSafe **every day**, BAC is working to create a high-reliability WHS culture that supports healthy and safe behaviours and decisions by leaders, workers, customers and others in our airport community.

The diagram demonstrates how these two programs are merged and integrated with BAC's core values – collaborate, communicate, courage and care.

There are three distinct levels to this diagram:

Self – Recognising the responsibility of the individual to take control of their health and safety.

Leadership – Ensuring leaders are equipped to appropriately support each other and workers.

Culture – Providing systems and organisational behaviours that promote a positive WHS environment.

Within each of these levels are three stages: **Promote awareness, Intervene early, Support recovery and improvement**, which BAC develops specific initiatives around.



MATERIALITY

STAKEHOLDER MANAGEMENT

As part of 'Connect the world. Create the future', BAC identified and categorised its stakeholders into four bosses: **Employees, Community, Customers and Shareholders**. These bosses have various levels of influence on the company which is demonstrated below.



Bosses	Stakeholder	Normal Method of Engagement	Key Aspects
Employees	Internal Staff and Contractors	BAC employs more than 380 staff. Weekly newsletters provide staff with regular updates on the company's activities as well as regular 'Staff Talks' sessions, and annual surveys.	Employees choose BAC as an employer as the Company provides a sustainable and safe work environment. In addition to the above, professional development and equitable remuneration is expected by BAC employees.
	BAC Board	The Board of BAC Group of Companies meets at regular intervals during the reporting periods. Board sub-committees have been established to oversee key areas of interest including finance, audit, risk, human resources, sustainability and WHS matters. Both the Board and sub-committees regularly engage with BAC management.	The Board looks to ensure shareholder expectations as described below are met, including ensuring good governance principles are embedded within the company in all key areas.
Shareholders	BAC Shareholders	76% of BAC group's shares are held by Australian superannuation funds with the remainder held by foreign entities including Schiphol, the owner, and operator of Amsterdam airport. Regular financial and sustainability reporting is also provided to shareholders.	Shareholders expect financial returns on a sustainable basis and continued good standing of the company as a responsible and respected corporate citizen.
Customers	Airport Tenant and Service Operators	Tenants across the airport range from airline maintenance facilities to service stations, from a childcare centre to a golf driving range and supermarkets. With this diversity, individual departments within BAC communicate to tenants through various means from weekly newsletters and meetings to quarterly themed workshops.	BAC is expected by its tenants to provide essential utilities, access, and infrastructure. It is also expected that progressive precinct planning and airport business growth is conducted by BAC.
	Passengers	Every day tens of thousands of travellers from across the region, the nation and the world transit through BNE. In FY2019, more than 23.8 million passengers travelled through Brisbane Airport. With this volume of people annually, the principal communication method to passengers is via traditional and social media and the BNE website. Also, service quality and passenger satisfaction surveys are completed through various methods.	Passengers expect BAC to provide fast, efficient, safe and sustainable facilities and retail operations.

Bosses	Stakeholder	Normal Method of Engagement	Key Aspects
Customers (continued)	Airlines	33 domestic and international airlines operated out of BNE during the 2018/2019 period. Information collaboration and formal meetings and workgroups are used to engage with all the airlines that operate out of BNE.	Airlines have a clear expectation of BAC providing a high-quality terminal and airport operations facilities to ensure their customers have a high-quality experience.
Community	Local Community	BAC proudly continues to lead the way in engaging with our community through our multifaceted Community Engagement Program. This program is dedicated to generating informed, ongoing and interactive discussions about airport development, aircraft technologies, potential impacts from increased aircraft operations and airspace management.	These stakeholders want to know that we've heard and understood their concerns and that we're doing what is within our power to find solutions that benefit all parties involved. Key topics often discussed include noise and infrastructure development.
	Government Agencies	BAC maintains relationships with various levels of government and seeks to comply with all legislation. Communication with government agencies is undertaken by BAC through various methods including formal written correspondence, regular informal meetings, and workgroups.	Government agencies have a clear expectation that BAC must maintain compliance with the various pieces of legislation which the airport operates under. Key legislation relating to environmental sustainability, master planning, airport operations and workplace health and safety are of high value to these stakeholders.

MATERIALITY ASSESSMENT

2019 will see the fourth iteration of BAC's annual sustainability performance under the Global Reporting Initiative (GRI) framework. This year, BAC engaged Zood, a sustainability consultant, to undertake a formal materiality assessment to confirm aspects to be considered and included this report.

To prepare for the compilation of BAC'S FY2019 Sustainability Report, and to inform the company's sustainability strategy, a formal materiality assessment was completed using a customised version of the online Materiality Assessment Tool (MAT). The MAT assessed 49 sustainability topics and identified the top 15 sustainability issues which are most material to BAC and to respondents themselves. The MAT was supplemented by a series of interviews with respondents from key stakeholder groups.

In customising the MAT specifically for BAC, in addition to topics deemed material for all organisations by the Global Reporting Initiative (GRI) Standards, and the GRI's G4 Sector Disclosure for Airport Operators, the consultant worked with BAC's Head of Environment and Sustainability to determine any further topics that may be relevant to BAC.

The MAT was customised for four (4) distinct stakeholder groups, and the question set modified according to each group. The stakeholder groups were: (1) Community representatives; (2) Customers; (3) Employees and (4) Shareholders.

A summary of the various stakeholders who participated in the survey is summarised below.

Boss	Employee	Shareholders	Customers	Community
Subgroup	Board	Shareholders	Airlines	Community Groups
	BAC Leadership Team	Investors	Contractors	Industry
		Rating Agencies	Tenants	Academic
			Retailers	Non Government Organisations
			Consultants	Government Departments
			Industry Associations	Indigenous

STAKEHOLDER MANAGEMENT (CONTINUED)

STEP 1: DECIDE ON THE PROCESS

Sustainability staff completed GRI reporting training to make sure we structured the materiality process correctly and followed best practices like those outlined in the Accountability AA1000 Standards and the Global Reporting Initiative (GRI). This year, it was decided an external assessment was required to ensure stakeholder inclusivity.

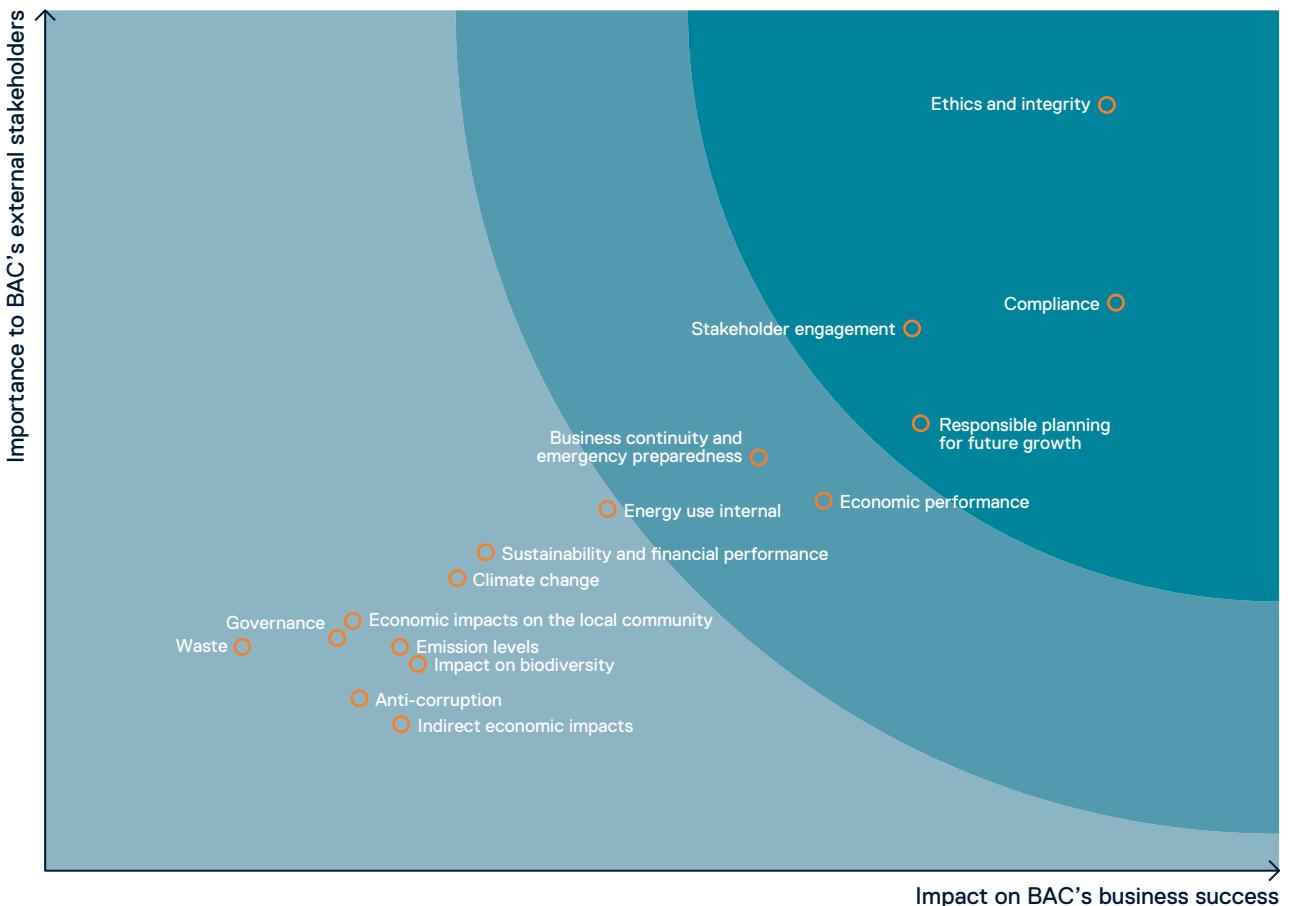
STEP 2: UNDERSTAND MATERIAL ISSUES: FOR BAC AND ITS STAKEHOLDERS

As detailed in the Materiality section, Zooid undertook electronic surveys and one-on-one interviews with select stakeholders we determined represented our 'four bosses' categories. The outcomes of this survey and assessment formed the basis of our materiality matrix. BAC also looked at incoming inquiries from our social media pages and feedback email (feedback@bne.com.au), as well as investigated what other national and international airports and suppliers/tenants were saying with regard to sustainability. For example, waste was an addition outside the survey completed by Zooid.

From this, a list of issues/topics was developed, and mapping of the frequency and consistency of answers across different stakeholder groups analysed. Using the MAT tool, each issue was ranked between -10 (not of interest to stakeholders/BAC) and +10 (of extremely high importance to stakeholders/BAC).

STEP 3: REVIEW THE RESULTS

The resulting matrix provides a visual representation of what matters most to us and to our stakeholders. The matrix was reviewed and finalised by the BAC Head of Environment & Sustainability, before presenting to the BAC Executive Leadership Team. It was discussed how the map could influence our corporate sustainability strategy targets and commitments. The matrix also provides guidance on what material aspects are to be included in this Sustainability Report.







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