



ANNUAL SUSTAINABILITY REPORT Financial Year 2018

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Report Details

The BAC Financial Year 2018 Sustainability Report is the third sustainability report produced by Brisbane Airport Corporation (BAC). This document reports the sustainability performance of BAC during the financial year 2018 (July 2017 to June 2018). 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



As the new CEO of Brisbane Airport Corporation (BAC), it is my privilege and pleasure to present the organisation's third and my first annual sustainability report for 2018.

I would like to thank and praise
Julieanne Alroe for the industry leading
work she had done in the areas of
sustainability and I look forward to
continuing this great effort. I am
committed to ensuring the continual
growth of the airport without
compromising safety, security, service
and sustainability.

Since commencing reporting in 2016, BAC has grown in leaps and bounds not only financially, but operationally and sustainably. The airport experienced a 2.4% growth in passengers in this period to almost 23.5 million with a growth of 5.2% in International travellers from 2017.

Continuing our economic contribution to Brisbane and to Queensland, BAC invested over \$350 million across 297 projects in the FY18 period with projects such as the International Terminal and Apron expansion and the Hotel 2 South Taxiway widening. Progress on the Auto Mall development continued in FY18 with the 51.5ha site cleared, 700,000m³ of fill imported to the site and the final touches of the Dryandra Road underpass project undertaken prior to completion.

This year sees the first assessment against the sustainability commitments made in 2017 with great progress made across the board. BAC continued to maintain carbon neutral growth through the year with a 4000 tCO2 reduction since FY17 through various energy efficiency and fuel optimisation projects. I am also very excited to see the first of the 6MW of Solar PV be installed in the Skygate precinct which was the result of three years of hard work and dedication by the organisation.

Sustainability has also been ingrained into BAC design processes with the creation of Ecologically Sustainable Development guidelines for all developments as well as incorporating sustainability principles into the retail upgrade development planned for the Domestic Terminal.

Our commitment to building a resilient airport against the impacts of climate change strengthened as BAC reviewed its Climate Change Adaptation Plan. This review included various stakeholders to ensure a holistic understanding of climate risks at Brisbane Airport.

BAC also maintained Level 3
"Optimisation" under the Airports
Council International – Airport Carbon
Accreditation program for the third
year in a row, excelling through
external verification in 2017. This great
achievement is not only due to the
ongoing emission reduction from BAC,
but includes how we as an airport assist
our stakeholders reduce their emissions.
This type of collaboration is key to
the successful, sustainable growth of
the airport.

While we've achieved a lot in 2017/2018, there is enormous capacity and drive within the organisation to make Brisbane Airport a truly sustainable airport into the future.

Gert-Jan de GraaffChief Executive Officer

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FY18 SNAPSHOT

\$

776M

23.5M

Passengers





51.4GWh Energy consumed by BAC

Total Brisbane Airport

948ML

Potable water used

321ML

Recycled water used





348
People
98%

37%





190,535 TONNES 42,002 tC02 Emitted (Scope 1 and 2)





2.1 GWh Energy Saved from Projects 338,000 KWh

Generated from Solar



ABOUT BRISBANE AIRPORT

BAC, the operator of Brisbane
Airport, is a privately held Queensland
company, helping employ thousands of
Queenslanders and creating economic
opportunities for the state and city
of Brisbane equating to more than
\$4 billion annually.

Operating 24 hours a day, seven days a week, BNE has two major terminals - accommodating 33 airlines flying to 83 domestic and international destinations. It is a suburb in its own right, the largest capital city airport in Australia by land size (2,700 hectares) and the third-largest airport in Australia by passenger numbers with almost 23.5 million passengers travelling through the airport in FY18.

While maintaining its vision for BNE to be world best and the preferred choice for passengers, airlines, business and the community, BAC manages the airport with a strong focus on community, sustainability, education, knowledge and economic growth, adopting world-leading technologies, systems and practices. Through this approach, BAC has created a prosperous airport business community within a sustainable environment; developing BNE as a premier gateway airport and a major multimodal transport hub.

Around 430 businesses are located at BNE, servicing a diverse range of industries offering services such as freight and aircraft handling, warehousing, transport and communications, manufacturing, research, property and infrastructure development, education and training, recreation, tourism, accommodation, leisure and retail. Collectively these businesses employ more than 24,000 people, a number expected to exceed 50,000 (the size of a regional town) by 2029.





32 INTERNATIONAL PORTS



PERFORMANCE TABLE

Indicator	FY15	FY16	FY17	FY18	Change over time (FY17-FY18)
Passengers (pax)	22,280,050	22,685,486	22,880,676	23,435,252	+2.4%
EBITDA (\$'000)	452,320	475,022	504,114	571,676	+13.4%
LTIFR	NA	9.1	1.61	9.3	+7.69%
Turnover Rate	7.46%	5.75%	7.22%	9.3%	+1.5%
Total Employees	293	304	328	349	+8.5%
% Female	35%	36%	36%	37%	+1%
Total spent in training (\$)	NA	685,000	900,000	700,00	-22%
Community investment (\$)	990K	2.14M	1.12M	1.62M	+44%
Carbon Intensity (kg CO2/pax) (Scope 1 and 2)	2.02	2.02	1.98	1.73	-1.2%
Waste – Landfill Diversion (t)	NA	570	657	572	-13%

Passengers	FY14	FY15	FY16	FY17	FY18
International	4,817,882	5,080,867	5,273,748	5,638,186	5,930,090
Growth	5.9%	5.5%	3.8%	6.9%	5.2%
Domestic	17,054,939	16,948,827	17,199,879	17,242,363	17,505,162
Growth	1.3%	-0.6%	1.5%	0.2%	1.5%
Transits/transfers	230,544	250,347	211,701	178,959	223,388
Growth	2.9%	8.6%	-15.4%	-15.5%	24.8

International Air Cargo (tonnes)	FY14	FY15	FY16	FY17	FY18
Import	44,076	42,483	40,083	42,868	49,128
Export	51,055	59,787	66,865	69,621	73,222

SUSTAINABILITY

BAC was one of the first federally leased airports in Australia to include sustainability in its Airport Environment Strategy (AES). From this, a Sustainability Committee was established which is represented by the CEO and several senior managers. The purpose of this committee was to enable the development and implementation of the BAC Sustainability Vision. Sustainability performance is also reported at Board level bi-annually.

BAC has continued to embed sustainability within the organisation's culture. For BAC, sustainability is driven by the Environment and Sustainability Department whose purpose is to ensure sustainable operations of Brisbane Airport while becoming the major gateway into Australia. This is planned to be completed in three ways:

- » By Growing Investor Confidence
- » Maintaining our Social License to Operate
- » Sustainable Development of the Airport

These three methods are defined in the BAC Corporate Sustainability Strategy. Key Sustainability aspects covered in the Strategy include:

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



Jack Stone of Bee-One Third performing maintenance on the Brisbane Airport Wetland Honey Beehives

SUSTAINABILITY GOVERNANCE



SUSTAINABILITY LEADERSHIP AND PARTNERSHIPS

BAC progressed its leadership in the sustainability field throughout the year by participating in domestic and international groups 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.

Internationally, BAC has members in the Airports Council International (ACI) Asia- Pacific and World Environment and Security Committees. In March 2018, Brisbane Airport hosted the 9th meeting of the Airports Council International Asia Pacific Regional Environment Committee meeting. The meeting attracted a record number of 43 attendances from REC members, observers and guests with best practice sharing in topics such as Noise Management, Climate Change Adaptation, Waste Management, Aviation Biofuel, Green Infrastructure for Airports and CO2 Emission Mitigation. Through

these groups, knowledge on international best-practice management in safety and environment can be shared.

In Australia, BAC partnered with CitySmart, who drive greater sustainability outcomes for Brisbane, which allows the airport to influence these outcomes locally. In addition, BAC became a member of Supply Nation, Australia's only supplier diversity advocate which aims at increasing the presence of indigenous owned businesses in our supply chain.











International members of the 9th meeting of the Airports Council International Asia Pacific Regional Environment Committee

PERFORMANCE AGAINST SUSTAINABILITY COMMITMENTS

Aspect	Commitment	% Completion		
Training	Implementation of leadership development framework focusing on empowering and enabling employees by 2019	100% Framework planned to be reviewed in 2020		
	Redevelopment of flexible work program including the rollout of core IT functionality including remote access, bring-your-own-device (BYOD), and flexible-desking by 2019	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	0% Planned to be developed in 2019		
	Publish 2nd Innovate Reconciliation Action Plan	0% Planned to be published in December 2018		
Sustainable Investment	All significant BAC assets undergo a sustainability benchmark internal assessment (NABERS, Green Star Performance, etc)	25% Planned to be developed in 2019		
	Investigate the Task-force on Climate Related Financial Disclosures (TCFD)	0% BAC has investigated the physical risks and opportunities of climate change		
	Develop and implement Ecological Sustainable Design guidelines for BAC developments	100% ESD Technical Guidelines have been developed and are required to be incorporated in all developments		
Sustainable Operations	Carbon Neutral Growth from 2020	BAC has maintained Carbon Neutral Growth since 2014 and 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 though progressing Sustainable Aviation Fuels (SAF) and food waste initiatives		
	Maintain Zero Waste to Landfill from BAC Offices from 2020	0% A Zero Waste Strategy is planned for completion in 2019		
	Implement Circular Economy principles into airport operations	25% Develop micro and macro circular economy projects at key locations across the airport		
	Install up to 10MW of Solar PV by 2025	60% A total of 6MW will be installed by the end of FY19		

OUR GROWTH

Economic

Brisbane Airport is one of most important pieces of infrastructure in Queensland that drives economic growth in the region and Australia. Having over 430 businesses and nearly 24,000 employees, enterprises such as airline catering and maintenance to supermarkets and shopping outlets all call the airport home.

But there are many other businesses outside the airport that derive economic benefit from the airport 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
- 3. Provision of vital infrastructure which enables opportunities for greater access and connectivity to local and global markets (qualitative)

The wider contribution that Brisbane Airport has made to the Australian economy has been assessed at >\$5.3 billion and is estimated to be \$13.4 billion by 2034. It was also estimated that by 2034, airport employee numbers are forecast to grow to well over 50,000.

Infrastructure Development

During the FY18 period, BAC 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 has been spent on Infrastructure and a planned additional \$2 billion to be spent by 2023.

Brisbane Airport plans to not only grow the aeronautical capacity of the State, but to new industries as well.

In FY18, BAC privately invested more than \$351 million across 297 projects. The major highlights include:

- » \$135 million International Terminal Concourse and Apron expansion.
- » \$24 million Hotel Taxiway Upgrade, allowing larger aircraft up to the size of Code E (Boeing 777, 787 Dreamliner and Airbus 330) to access Aerotech Park.
- » \$13 million International Terminal Self-Service Check-In and Bag Drop upgrade.
- » \$7 million Inter-terminal Transfer facility reducing minimum connection times between terminals and delivering increased processing capabilities.

Financial Indicator (FY18)	'\$000
Revenue	776,535
Operating Costs	161,834
Employees wages and benefits	57,534
Payments to providers of capital	480,997
Payments to government	42,274
Community Investment	1,662
Economic Value Retained (Revenue – Costs)	32,234

Brisbane Airport revenue for the financial period is broken down into six key areas:

Aeronautical charges

\$311 million

Investment property

\$102 million \$49 million

Parking and landside transport

\$139 million

Property management

Retail

\$87 million

Other

\$51 million

PROPERTY DEVELOPMENT AT BRISBANE AIRPORT

SNAPSHOT

SKYGATE HOME AND LIFE CENTRE

Brisbane's newest homemaker centre, Skygate Home & Life, was completed and is running.

Nick Scali, alongside James Lane and Sleeping Giant, were the first retailers to trade at Skygate Home & Life along with other large format retailers Pillow Talk, Early Settler, Lighting Illusions and DecoRug. The centre, which took 10 months to construct, was developed by BAC's property division, BNE Property, with the intent to complement the already expansive retail offering at Skygate. The 9,260m² facility is well received as the demand for large format retailers grows.

The grand opening of Skygate Home & Life took place on 10 November with a number of giveaways, discounts and promotions.



CLIMATE CHANGE

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 risks and impacts have been identified and BAC is currently investigating both mitigation and adaption measures to ensure resilience is maintained.

The table to the right details the key physical risks and impacts that the airport will experience due to climate change under the various emissions scenarios.

TCFD Statement

Since the release of the Financial Stability Board (FSB) Task-Force on Climate-Related Financial Disclosures (TCFD), BAC has been considering the key aspects of the disclosures and presents the initial response on the following page.

The TFCD framework allows organisations to assess the range of climate change risks and opportunities from physical, transitional and financial aspects.

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



The following table outlines BAC's responses to the FSB's TCFD sections; Governance, Strategy, Risk Management and Metrics and Targets.

Climate - Related Risks, Opportunities and Financial Impact



Disclosure	Requirement	BAC Response		
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 the BAC Board of Directors.		
		The BAC Sustainability Committee has the responsibility for the development and implementation of climate change 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 Representative Concentration Pathways (RCP) 8.5 and RCP 4.5 scenarios. This was undertaken against the enterprise wide risk assessment framework.		
		Key risks are outlined in the table on the preceding page and BAC is currently 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 has been based on the Australian Standard Risk Management—Principles and Guidelines AS/NZS ISO 31000:2009 which defines the organisation's specific risk matrix.		
		Physical climate risks and opportunities have been developed and assessed against this matrix.		
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate- related risks and opportunities where	BAC uses a range of metrics to assess the impacts of climate-related risks and opportunities on our business.		
	such information is material	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.		

OUR OPERATIONS



Environmental Compliance

Brisbane Airport continued to demonstrate a high level of environmental management during the FY2018 reporting year. No significant environmental incidents were observed, and all compliance reporting obligations were completed. These reports include:

- » National Greenhouse and Energy Reporting (NGER) to the Federal Department of the Environment and Energy (DOEE)
- » National Pollution Inventory (NPI) to DOEE
- » Annual Environment Report (AER) to the Federal Department of Infrastructure, Regional Development and Cities (DIRDAC)

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

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 Federal Department of Infrastructure and Regional Development in January 2015.

During 2018, the airport has commenced the development of the 2020 Masterplan and AES which outlines the key environmental objectives and action plans for the 2020-2025 period. BAC manages these action plans within its Environmental Management Systems (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 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 use by Airservices Australia (AsA) and other users, PFOS and PFOA is now present at many airport sites. 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 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

BAC manages an embedded electrical network which provides electricity to all airport users and tenants. In FY18, a total of 178 GWh of energy was used by the airport site with 49.5 GWh consumed by BAC. Most of the consumption at Brisbane Airport is from the International (T1) and Domestic (T2) terminals with the remainder by airport tenants and transmission losses.

Approximately a third of the airport's energy consumption is under BAC's control. This includes T1, the common user section of T2, various operational buildings and infrastructure.

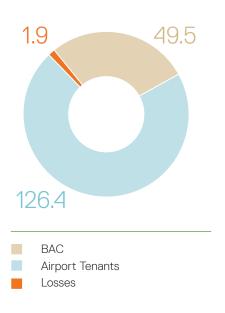
BAC aims to mitigate the airport's energy demand by:

- w utilising land and roof space for the installation of solar photovoltaic (PV) where available;
- » investigating and investing in commercially viable efficient lighting and HVAC technology

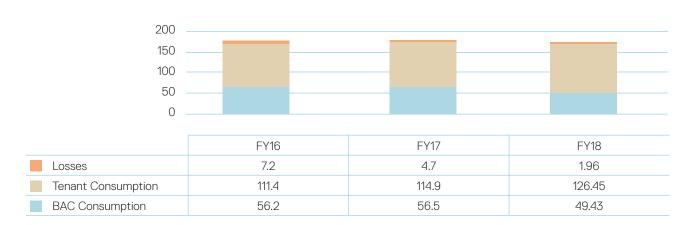
There are currently five energy sources utilised by BAC, tenants and other operators on Brisbane Airport. These energy sources comprise:

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

Brisbane Airport Total Energy Consumption 2018 (GWh)



Electricity Consumption over time (GWh)



Energy Reduction

Energy efficiency and increased use of renewable energies are the foundations of the BAC energy reduction program. BAC commenced the program in 2013 focusing on upgrading street lighting to energy efficient LEDs and installing rooftop solar on BAC owned buildings. During the reporting period - a total of 2.44 Gwh was saved.

International and Domestic Terminal Multi-Level Car-Park Lighting Upgrades

 2.1_{Gwh}

Solar Renewables

 0.338_{Gwh}

Total Energy Reduction

2.44 Gwh

ENERGY AND EMISSIONS

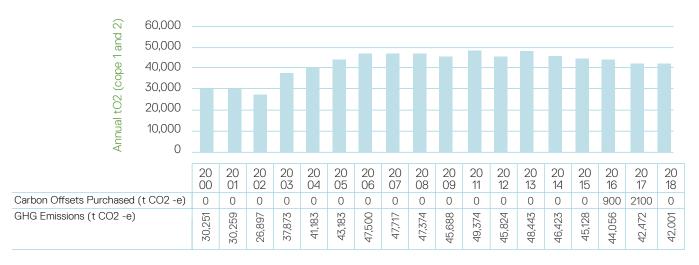
Emissions

Currently, 97% 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 its Scope 1

and Scope 2 emissions under NGERS which is administered by the DOEE. BAC also reports GHG emissions voluntarily under the Airports Council International (ACI) – Airport Carbon Accreditation (ACA) program.



Emissions Profile Change over time (2000-2018)



Emission Scope	FY15 (tCO2)	FY16 (tCO2)	FY17 (tCO2)	FY18(tCO2)
Scope 1	1,448	1,618	1,763	1,402
Scope 2	43,680	44,393	44,307	40,599
Scope 3	NA	590,337	630,737	TBD

Additional work was undertaken during FY18 to determine BAC's Science Based Target that would assist in aligning the company's emissions to the global target of net zero emissions by 2050. BAC is currently investigating the feasibility and capability of achieving this target, with an interim

target set of 25% reduction of 2017 carbon emissions (Scope 1 and 2) by 2025. This equates to an absolute emissions reduction of an additional 11,000 tonnes of CO2 from 2017 levels, or a maximum of 35,000 tonnes of CO2 in 2025.

25% reduction of 2017 carbon emissions (Scope 1 and 2) by 2025.

RENEWABLE ENERGY AT BRISBANE AIRPORT



6MW SOLAR PHOTOVOLTAIC ARRAY

Since gaining Board approval in September 2017, work began in early April 2018 to install 6MW of solar photovoltaic panels across five sites on the airport. When completed, this project will deliver 20,000 new Solar PV panels, generating six Megawatts (MWp) of renewable energy per year. This project will also include the largest single rooftop solar panel installation at an Australian airport (6,545 panels over 24,000 square metres at the International Terminal).

Once fully operational, this system will account for 18 per cent of BAC's direct electricity consumption or six per cent of the total airport consumption.

Environmentally, this project will reduce carbon emissions of the airport by an estimated 8,000 tonnes of CO2 per year, equivalent to 750 average households.



View of the Solar Panel Installation on the Domestic Terminal P2 Multi-Level Carpark Roof. Progress on the New Runway project can also be seen in the background.

WATER

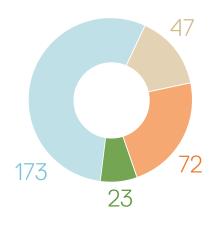
Sustainable water management has always been high on the Brisbane Airport sustainability agenda. Significant growth in both passenger numbers and infrastructure and property developments have led to an increase in water consumption. Sources of water for consumption include:

- » Potable water
- » Class A recycled water from QUU Gibson Island
- » On-site stormwater harvesting

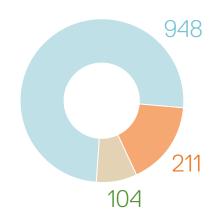
BAC minimises potable water use on site by using the following approaches:

- » 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 utilises non-potable sources
- » Use of recycled water for concrete production associated with Brisbane's new runway
- » Toilet flushing and amenities utilise non-potable water sources where possible

Uses of Recycled Water (ML)







- Terminal chillers and cooling towers
 Construction and Irrigation
- Losses
- Other

- Class A from QUU Gibson Island
 Potable Total
- Stormwater harvesting



Guests can refill their water bottles at a number of bubblers in each terminal

WASTE

Waste that BAC is responsible for is generated in the common user area of the T2, in the T1 and in the surrounding BAC offices and maintenance facilities at BNE.

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

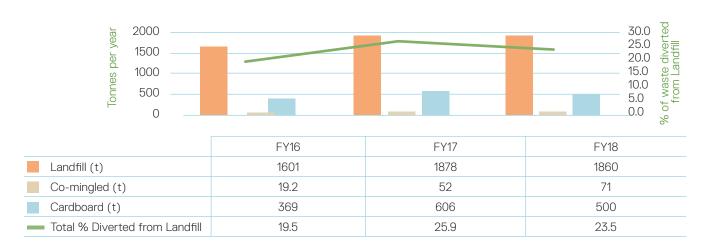
- » Avoid, reuse, recycle and recovery of waste
- » Efficient segregation of waste by smart design and education
- » Appropriate storage of waste

In the 2018 reporting period, 2,431 tonnes of waste was generated by BAC and its operations with a total of 571 tonnes being diverted from landfill through various waste management training incentives and improved facilities focused on cardboard recycling.

Waste types generated in BAC-controlled areas include:

	BAC Controlled Waste	
General waste	Cardboard/paper for recycling	Co-mingled recycling
Quarantine waste	Hazardous/regulated waste	Trade waste
Sharps/clinical waste	Sanitary waste	Construction and demolition waste

Waste Performance over time 2016-2018 (Tonnes/year)





AIRCRAFT NOISE

BAC receives many requests from residents wanting information on the current and future flight paths over Greater Brisbane and the potential noise impacts. Good planning and inter-government cooperation means Brisbane Airport enjoys the best buffer zone in Australia, enabling the airport to operate 24 hours a day.

To highlight the issues and management strategies around noise management, BAC has various documents and infographics for the public that are available on the BAC Corporate website at https://bne.com.au/corporate/community-and-environment/flight-paths-aircraft-noise.

Key information provided includes:

- » Responsibility of noise management on the airport
- » Information about current and future flight paths
- » Impact of aircraft noise on Brisbane residential property
- » How BAC engages the community about aircraft noise.



WILDLIFE HAZARD MANAGEMENT

BAC is committed to ensuring the safety of aircraft using Brisbane Airport. 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 2018.

The objectives of the WHMP are to:

- » Target high and moderate risk species and habitats that primarily support them both on and off the airport;
- » Ensure compliance with all relevant airport operational, safety and environmental legislation and regulations;

- » Ensure that adequate systems are in place to define roles, responsibilities and procedures for managing wildlife risks at Brisbane Airport;
- » Define the methods by which wildlife hazards are managed and reported at Brisbane Airport;
- » Analyse wildlife hazard data collected and identify trends and relationships in order to focus mitigation efforts on key problem areas;
- » Develop performance goals and targets for management of wildlife issues and outline how this will be implemented and reviewed; and
- » Continue to research/improve non-lethal management methods to reduce the need for lethal control of wildlife.

FY18 Wildlife Hazard Statistics

Total confirmed strikes

124

Total aircraft movements

210,306

Confirmed Strike rate

5.9/10,000 movements



WILDLIFE HAZARD MANAGEMENT AT BRISBANE AIRPORT

SNAPSHOT

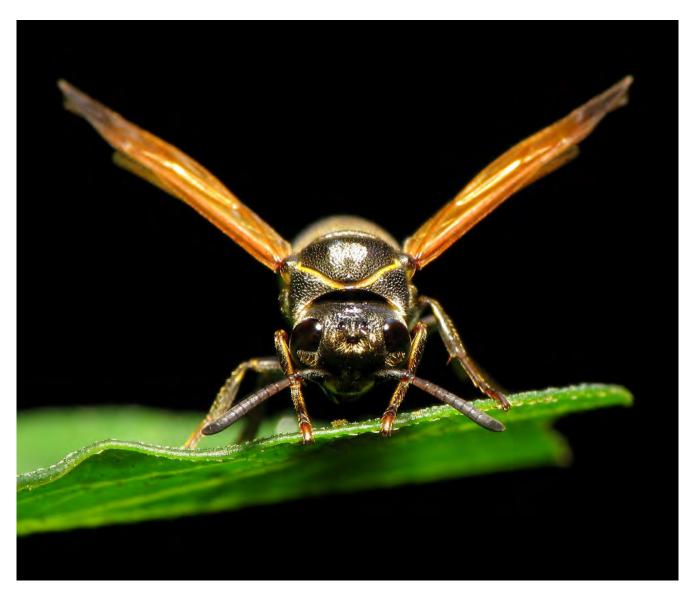
BRAZILIAN KEYHOLE WASP STUDY

BAC is continuing its commitment to aviation safety and industry-wide collaboration by partnering with airlines and academic groups to understand the impacts posed by the Brazilian keyhole wasp.

These wasps find their way into an aircraft's pitot tube which, if obstructed, can affect accuracy of the air data to the pilot. BAC initiated a wasp ecology study consisting of an array of 3D printed Pitot tubes of various designs (A330, B737-400, B737-800, Dash-8, B747 and E190), which are secured to sheets of metal to resemble the aircraft's fuselage, and they are mounted in different parking positions around the airport. Each location is inspected regularly for evidence of mud wasp activity and when there are nests

found in any of the 3D printed Pitot tubes arrays, the contents are hatched and examined by an ecologist.

This study will help BAC achieve a better understanding of the species of mud wasp present at Brisbane Airport, the impacts that they can have on aircraft operations and any further measures that can be taken to mitigate the risk.



The Key Hole wasp (Pachodynerus nasidens). This wasp was first identified in Brisbane in 2010.

ENVIRONMENT MANAGEMENT AT BRISBANE AIRPORT

SNAPSHOT

WAR ON WASTE

Public engagement on waste and recycling practices in an airport terminal is always difficult. With higher stress environments and a transient population by nature, ensuring a consistent message on how passengers and workers can recycle at the airport is often problematic.

BAC has taken the initiative to drive change through social media and personalising the experience of how to reduce a traveller's impact on the environment at Brisbane Airport.

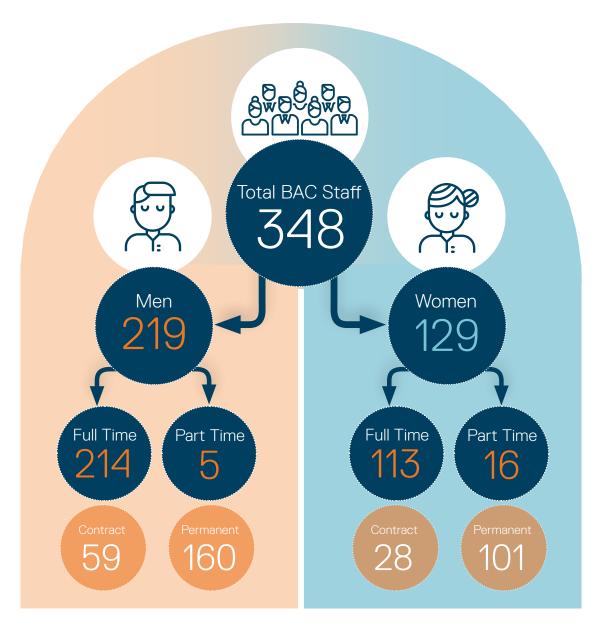
Building off the success of the ABC television network series "War on Waste", BAC developed a blog and an informational video on what people can do in and outside of the terminal to travel more sustainably.

The blog and video can be seen at https://bne.com.au/blog/travel-tips/war-on-waste-tips-travellers.



With over five million take-away coffee cups sold in FY18, BAC is working on solutions to assist passengers and workers to properly separate take-away cups at the terminals.

OUR PEOPLE AND COMMUNITY



Employment Category & Age	N	Numbers- Age		Percentage Age			
	Less than 30	30-50	Greater than 50	Less than 30	30-50	Greater than 50	Total
Other executives/general managers	0	1	7	0%	12.5%	87.5%	8
Clerical and Administrative	10	37	15	16.1%	59.7%	24.2%	62
Professionals	14	31	9	25.9%	57.4%	16.7%	54
Senior managers	0	8	8	0%	50.0%	50.0%	16
Other managers	4	81	36	3.3%	66.9%	29.8%	121
Technicians and Trades	4	51	32	4.6%	58.6%	36.8%	87

DIVERSITY AND INCLUSION

BAC is a values-based organisation whose vision includes creating a business environment 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 organisation 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 was reviewed in September 2018 and the Diversity and Inclusion Policy which was reviewed in June 2018. These policies:
- » provide 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;
- » require the establishment of clear measurements and reporting to management, the Board and the HRR Committee;
- » encourage the adoption of diversity and inclusion strategies and incorporate flexible approaches to the individual needs of the workforce; and
- » prohibit any form of bullying, harassment or unlawful discrimination.

Gender Diversity

The organisation has increased the representation of women in the workforce from 36% in 2016 to 37% as of 30 June 2018.

F	Numbers		Percentages	
Employment Category & Gender	М	F	M	F
Other executives/general managers	7	1	87.5%	12.5%
Clerical and Administrative	4	58	6.45%	93.6%
Professionals	33	21	61.11%	38.9%
Senior managers	12	4	75%	25.0%
Other managers	89	32	73.55%	26.5%
Technicians and Trades	74	13	85.06%	14.9%
Total	219	129	62.93%	37.1%

BAC is also a culturally diverse organisation with employees from over 21 countries across the world.

Nationality	Number	Percentage
Argentina	1	0.3%
Australia	165	47.4%
Canada	1	0.3%
China	5	1.4%
Czech Republic	1	0.3%
Fiji	2	0.6%
Has not identified	105	30.2%
India	2	0.6%
Iran, Islamic Republic Of	3	0.9%
Ireland	6	1.7%
Kenya	1	0.3%

Nationality	Number	Percentage
Malaysia	1	0.3%
Netherlands	2	0.6%
New Zealand	11	3.2%
Russian Federation	2	0.6%
Serbia	1	0.3%
South Africa	8	2.3%
Sri Lanka	1	0.3%
Tanzania, United Republic of	1	0.3%
United Kingdom	27	7.8%
United States	1	0.3%
Zimbabwe	1	0.3%

WORKPLACE HEALTH AND SAFETY

BAC developed and implemented a new WHS Strategy during FY18. The primary reason for this change was to recognise the significant changes in the company's operating model in the past 10 years, with a large focus and investment in commercial development and management of the airport. Additionally, increasing digitisation and evolution of data analysis has changed the way we look at many areas, including WHS. Whilst the three key focus areas of the previous strategy (systems, capability and leadership & culture) have not changed, what makes the current WHS Strategy 2018-2020 different is incorporating the following elements into each focus area:

- Sharing responsibility emphasising the roles individual work teams and workers play in creating and maintaining a healthy and safe workplace.
- Greater organisational complexity

 recognising the need to deliver
 outcomes and measure impacts with:
 - a. Our own people;
 - b. Contractors and tenants; and
 - c. Members of the public.
- Increasing legislative requirements and monitoring.

It is recognised by the Board and Senior Management that engagement across BAC is critical to understanding the impacts of these problems and opportunities so that future WHS initiatives can be developed that support business outcomes. Encouraging this are plans that support each key business team in identifying the WHS elements that are critical for them to understand. These business unit management plans build awareness and capability in each of the following areas:

- 1. Leadership
- 2. WHS context
- 3. Risks and opportunities
- 4. Processes and procedures
- 5. Technology
- 6. People
- 7. Governance and assurance

Through the delivery of the WHS Strategy 2018-2020, the following key successes have already been achieved:

- Systems: Implementation of MYOSH, a WHS management technology program that collects, graphs and allows greater access to, and analysis of, WHS information.
- Capability: Review of the organisation's WHS competency matrix, providing detailed guidance of WHS training requirements by role.

3. Leadership and culture: Revised Board and Senior Management reporting framework, along with establishment of a collaborative WHS performance goal shared by all management. A baseline assessment of the Organisation's WHS culture has also been undertaken and is now the primary performance indicator for leaders.

BAC's WHS management system and practices were externally audited by SAI Global and Norton Rose Fulbright Australia during 2018 with positive results achieved.

Overall, 2018 was a busy year for BAC, and the WHS function, with health and safety performing strongly against all nominated measures. 2019 will see a focus on continuing the implementation of the WHS Strategy, providing WHS information and professional services that contribute to genuine risk-based decision-making by management.



Occupational health and safety indicators 2018

Number of fatalities

0

Absenteeism rate

3.5

Severity rate

 $A \parallel$

Frequency rate (LTIFR)

9.3

TRAINING

The professional and personal improvement of BAC staff is key to the successful growth of the organisation. Learning and Development (L&D) is a key area of focus at BAC where a full-time resource is dedicated to managing the personal and professional development of our people. Over \$700,000 was spent on in FY18 on L&D activities, where all BAC employees attend at least one training and development activity each financial year, with over 85% of staff attending an external training program. 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 selfobservation, self-correction, and an ongoing refinement of the learner's knowledge and skills. Coaches focus on empowering the individual to develop their 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. On average, 20 staff per year participate in a professional coaching program.

Formal study program: BAC's Formal Study Program encourages and supports participants by funding between 50 – 100% of course fees. In FY18, 20 employees were participating in the formal study program.

Conference and seminars: BAC recognises 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.

Memberships: BAC encourages involvement in professional associations to ensure employees remain up-to-date in their field of activity. Each employee is entitled to reimbursement of one membership to a Professional Association.



COMMUNITY ENGAGEMENT AND SPONSORSHIPS

BAC continued its well established and varied Community Engagement Program throughout the reporting year.

The objective of the program is to engage with the local community and other stakeholders to foster strong relationships. The program is aimed at various levels and is dedicated to generating informed, ongoing and interactive discussion on the airport and its operations.

BAC considers that community engagement is a companywide responsibility and, as such, has centered 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
- » Community and educational tours to inform and teach community groups about our operations, key projects, and complexities of operation

Each year Brisbane Airport enters into partnerships that support its vision to become the gateway to Australia and to be recognised as Australia's number one airport.

BAC contributes voluntarily through two methods:

- » Through new and continuing partnerships that support and promote the city of Brisbane with organisations such as:
 - > Brisbane Festival
 - > Brisbane Powerhouse
 - > Museum of Brisbane
- » Brisbane Airport Community Giving Fund has been developed to provide much needed financial assistance to community organisations in the Brisbane area and is part of our ongoing commitment to supporting and engaging with the local community. Twice a year we call for applications from community groups and organisations to apply.









Provided

2,800
responses to written enquiries from the public



SUPPLIER DIVERSITY

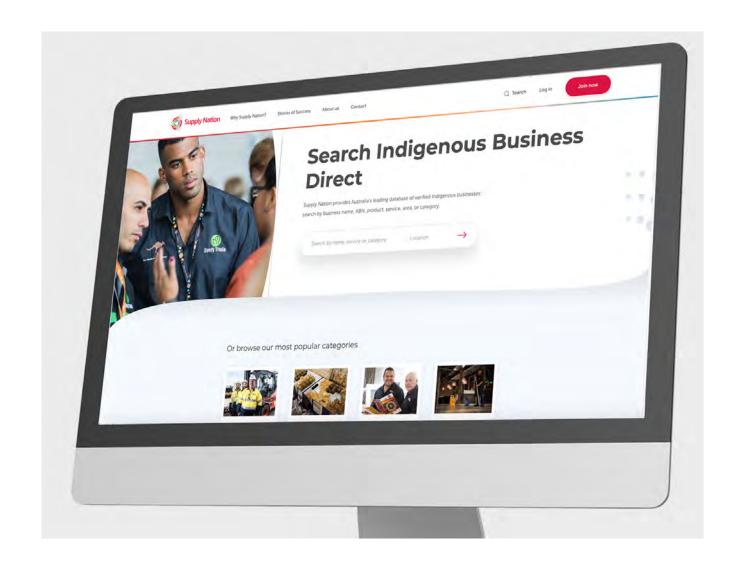
SNAPSHOT

SUPPLY NATION

In April 2018, BAC furthered its commitment to promoting trust, respect and positive relationships between the wider Australian community and Aboriginal and Torres Strait Islander peoples through membership with Supply Nation. Supply Nation is Australia's supplier diversity advocate, facilitating connections between the evolving Indigenous business sector and corporate and non-corporate procurement teams across Australia.

Membership with Supply Nation enables BAC to increase the procurement of goods and services from certified Aboriginal and Torres Strait islander owned businesses, helping to create greater social outcomes for Indigenous Australians. Brisbane Airport was the first Australian airport to commit to a Reconciliation Action Plan and Supply Nation membership.





GRI CONTENT SUPPLEMENT

STAKEHOLDER MANAGEMENT



Stakeholder	Method of Engagement	Key Aspects
Local Community	BAC proudly continues to lead the way in engaging with our community through our multifaceted Community Engagement Programme. This programme 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 understand 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 aircraft noise and infrastructure development.
Airport Tenants and Service Operators	Tenants across the airport range from airline maintenance facilities to service stations, from child care centres 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 2018, over 23 million passengers visited Australia 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.	BAC is expected by passengers to provide fast, efficient, secure, safe and sustainable terminals and retail operations.

GRI CONTENT SUPPLEMENT

Stakeholder	Method of Engagement	Key Aspects
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, master planning, airport operations and workplace health, security and safety are of high value to these stakeholders.
Internal Staff and Contractors	BAC employs over 330 staff. Weekly newsletters provide staff with regular updates on the organisation's activities as well as regular "Staff Talks" sessions, and annual surveys.	Internal staff choose BAC as an employer as the organisation provides a sustainable and safe work environment. In addition to the above, professional development, equitable remuneration is expected by BAC staff.
Airlines	33 domestic and international airlines operated out of BNE during the 2017/2018 period. Information collaboration and formal meetings and workgroups are utilised to engage with all the airlines that operate out of BNE.	Airlines have a clear expectation of BAC providing a high-quality secure terminal and airport operations facilities to ensure their customers have a high-quality experience.
BAC Board and Shareholders	The Board of BAC group of companies meets at least eight times per annum. Board and subcommittees have been established to oversee key areas of interest including finance, audit, risk, people management, and WHS matters. Both the Board and sub-committees regularly engage with BAC management. Shareholders 82% of BAC's shareholders are Australian superannuation funds and infrastructure investors with the remainder held by Schiphol, the owner and operator of Amsterdam airport. Regular financial and sustainability reporting is also provided to shareholders.	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 Shareholders expect financial returns on a sustainable basis and continued good standing of the company as a responsible and respected corporate citizen.

MATERIALITY

2018 marks the third year in which BAC has released a public sustainability report under the Global Reporting Initiative (GRI) framework. As such, we have continued to determine the material aspects of the report through surveys, workshops, and presentations in the current extensive stakeholder engagement program. The overall process is detailed below.

Step 1: Decide on the process

Sustainability staff completed GRI reporting training to make sure that we structured our materiality process correctly and followed best practices like those outlined in the AccountAbility AA1000 Standards and the Global Reporting Initiative (GRI).

Step 2: Understand our stakeholders

BAC has been undertaking a comprehensive stakeholder engagement program for almost 10 years. We looked at incoming inquiries from our social media pages and feedback email (feedback@bne.com.au). We reviewed comments and questions received from all stakeholders, including the BAC Group Board and shareholders following presentations from our many engagement groups. We also looked at what other national and international airports and suppliers/tenants were saying with regard to sustainability. We used focus group results from our employees to determine their sustainability priorities and suggestions.

Step 3:

Identify and map stakeholder concerns We developed a long list of issues and mapped their frequency and consistency across different stakeholder groups. Using a mapping tool, we ranked each issue between -10 (not of interest to stakeholders) and +10 (of extremly high importance to stakeholders).

Step 4:

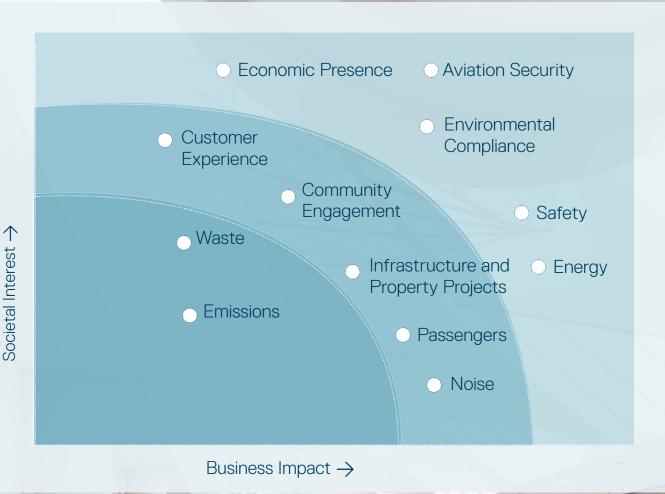
Identify and map our business concerns

Then we compared that same list of sustainability issues against our own analysis - filling in any items that were of great importance to us, but not necessarily to our stakeholders. Once we had a master list of sustainability concerns we added a secondary ranking to indicate each issue's importance to our organisation's success.

Step 5:

The resulting matrix provides a visual representation of what matters most to us and to our stakeholders. The matrix also provide guidance on what material aspects are to be included in this Sustainability Report.

MATERIALITY MATRIX





General Disclosures

DMA and Indicators	Description	Reference / Commentary
Organisational Profile		·
102-1	Name of the organisation	Page 1
102-2	Activities, brands, products, and services	Page 4
	·	Skygate, 11 The Circuit, Brisbane Airport,
102-3	Location of headquarters	Queensland, Australia, 4008
102-4	Location of operations	Australia
102-5	Ownership and legal form	FY18 BAC Annual Report
102-6	Markets served	Page 4
102-7	Scale of the organisation	Page 24
102-8	Information on employees and other workers	Page 24 and 25
102-9	Supply chain	Throughout
102-10	Significant changes to the organisation and its supply chain	Nil
102-11	Precautionary principle or approach	Page 6
102-12	External initiatives	FY18 BAC Annual Report
102-13	Membership of associations	» Airports Council International
		» Australian Airports Association
		» Queensland Tourism Investment
		Corporation
		» Qantas Future Planet
		» Infrastructure Sustainability Council of Australia (ISCA)
		» City Smart
		•
		» Supply Nation
DMA and Indicators	Description	Reference / Commentary
Strategy and Analysis		
102-14	Statement from senior decision-maker	Page 2
Ethics and Integrity		
12-16	Values, principles, standards, and norms of behavior	FY18 BAC Annual Report - Financials
_		
Governance		
102-18	Governance structure	FY18 BAC Annual Report - Financials
DMA and Indicators	Description	Reference / Commentary
Stakeholder Engagement	Description	Note to the Commentary
102-40	List of stakeholder groups	Page 30 and 31
102-41	Collective bargaining agreements	FY18 BAC Annual Report
102-42	Identifying and selecting stakeholders	Page 30 and 31
102-43	Approach to stakeholder engagement	Page 32
102-44	Key topics and concerns raised	Page 30 and 31
102-45	Entities included in the consolidated financial statements	FY18 BAC Annual Report
102-46	Defining report content and aspect boundaries	Content page
102-47	List of material topics	Page 33
102-48	Restatements of information	Throughout
102-49	Changes in reporting	Throughout
102-50	Reporting period	Page 1
102-51	Date of most recent previous report	2017
102-52	Reporting cycle	Page 1
102-53	Contact point for questions regarding the report	Content page
102-54	Claims of reporting in accordance with the GRI Standards	Page 1
102-54 102-55	GRI content index	Page 34 and 35
102-54 102-55 102-56		Page 34 and 35 Not this year
102-54 102-55 102-56 103-1	GRI content index External assurance Explanation of the material topic and its boundary	Page 34 and 35
102-54 102-55 102-56 103-1 103-2	GRI content index External assurance	Page 34 and 35 Not this year

Evaluation of the management approach

Throughout

103-3

Specific Standard Disclosures

DMA and Indicators	Description	Reference / Commentary
Category : Economic		
GRI 201: Economic Perform	mance	
DMA	Disclosure on Management Approach	Page 10
201-1	Direct economic value generated and distributed	Page 10
	Financial implications and other risks and opportunities due to	
201-2	climate change	Page 12 and Page 13

DMA and Indicators	Description	Reference / Commentary
Category: Environmental		
GRI 302: Energy		
302-1	Evaluation of the management approach	Page 15
302-2	Reduction of energy consumption	Page 15
302-3	Water withdrawal by source	Page 18
302-4	Water recycled and reused	Page 18
GRI 305: Emissions		
305-1	Direct greenhouse gas (GHG) emissions (Scope 1)	Page 16
305-2	Energy indirect (Scope 2) GHG emissions	Page 16
305-3	Other indirect (Scope 3) GHG emissions	Page 16
305-4	GHG emissions intensity	Page 5
305-5	Reduction of GHG emissions	Page 15
GRI 306: Effluents and Was	te	
306-2	Waste by type and disposal method	Page 19
GRI 307: Environmental Cor	npliance	
307-1	Non-compliance with Environmental Laws and Regulations	FY18 Annual Report – Directors Report
		Page 17

DMA and Indicators	Description	Reference / Commentary
Category: Social		
GRI 401: Employment		
401-1	New employee hires and employee turnover	Page 5
GRI 403: Occupational He	ealth and Safety	
403-1	Workforce representation in formal joint management-worker health and safety committees	100% of the workforce is represented by a WHS Safety Committee
403-2	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities	Page 26
404-1	Average hours of training per year per employee	Page 27
404-2	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Page 26
404-3	Percentage of employees receiving regular performance and career development reviews	96% of staff participated in a regular performance and career development reviews
		Only those on extended leave (eg. Maternity leave) and new staff (<3 Months) did not participate
405-1	Diversity of governance bodies and employees	FY18 BAC Annual Report – Our Team
	Operations with lead community engagement impact	100%
Operations with local community engagement, impact assessments, and development programmes	Additional information provided in the aircraft noise section	

Sector Specific Disclosures: Airport Operator

DMA and Indicators	Description	Reference / Commentary
AO1	Total Number of Passengers Annually	Page 5
AO2	Annual total number of aircraft movements	Page 21
AO3	Total amount of cargo tonnage	Page 5
AO9	Total amount of wildlife strikes per 10,000 aircraft movements	Page 21