

ANNUAL SUSTAINABILITY REPORT

Financial Year 2017

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Report Details

The BAC Financial Year 2017 Sustainability Report is the second sustainability report produced by Brisbane Airport Corporation (BAC). This document reports the sustainability performance of BAC during financial year 2016-2017 (July 2016 to June 2017), with the exception of workplace health and safety information, which is calendar year 2016. 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



We are pleased to share the progress on our sustainability journey.

Brisbane Airport Corporation's (BAC) Corporate Sustainability Strategy, finalised this year, cements the key indicators we believe ensure our sustainable airport title.

With a goal of becoming the airport of choice for travellers, it is important we demonstrate strong economic leadership without adverse environmental or community impacts.

This year an increase in international passengers and a number of infrastructure developments at Brisbane Airport (BNE) have ensured continued economic benefit to our city, state and nation.

Since FY12 BAC has invested \$1.6 billion in major infrastructure projects, improving and adding to our award winning airport. Airside, landside, terminal and building projects continue to take place with BAC investing \$2.2 billion over the next five years (FY17-FY21).

Australia's biggest aviation project, Brisbane's new parallel runway, is well underway with the first aircraft due to land in 2020.

BNE is also diversifying the types of land uses at the airport with the recent announcement of the development of the 51-hectare Auto Mall precinct being host to a 2.2km Mark Skaife designed test track. This is an exciting move for us as it will be the only one of its kind at an airport.

Our commitment to combat climate change has resulted in the completion of our Climate Change Adaptation Plan, as well as our Emissions Reduction Strategy. We take the risk and impacts of climate change seriously and recently completed the upgrade to our Moreton Bay sea wall, a key adaptation measure for the airport.

We are also continuing to implement energy reduction initiatives resulting in savings of almost 4 GWh of energy by upgrading our terminal lighting to LEDs. In addition to our previous lighting upgrade, we are saving almost 10 GWh a year.

Our continued focus on improving the passenger experience has resulted in the introduction of additional automated bag drops and self-service check-in, upgraded free wi-fi and the opening of Australia's first airport 'Changing Places' bathroom facility for people with severe disabilities.

All these initiatives and more have resulted in BNE being ranked 16th in the Top 100 'Airports of the World' list and have helped us retain our reputation as Australia's leading airport, being named 'Best Airport (Australia/Pacific)' in the 2017 global Skytrax Awards. BNE is also Australia's No. 1 rated airport for quality of service 13 years in a row in an ACCC survey, an achievement we are very proud of.

While we've achieved a lot in the past 12 months, there's still more work to do and I look forward to the next year and the opportunities that will come with it.

A handwritten signature in blue ink, reading 'Julianne Alroe'. The signature is fluid and cursive, with a large initial 'J'.

Julianne Alroe

CEO and Managing Director
Brisbane Airport Corporation Pty Ltd

FY17 SNAPSHOT



640M

Total Revenue

22.9M

Passengers



57.5GWh

Energy consumed by BAC

178GWh

Total Brisbane Airport

778ML

Potable water used

321ML

Recycled water used



328

People

98%

Full-time

37%

Female



**112,400
TONNES**

Of cargo

**46,672
tCO2**

Emitted (Scope 1+2)



**3.752
GWh**

Energy Saved from Projects

**286,000
KWh**

Generated from Solar



ABOUT BRISBANE AIRPORT

Brisbane Airport Corporation Pty Limited (BAC), the operator of Brisbane Airport (BNE), is a proud, private, un-listed 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 31 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 nearly 22.9 million passengers travelling through the airport in FY17.

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 480 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 23,000 people, a number expected to exceed 50,000 (the size of a regional town) by 2029.

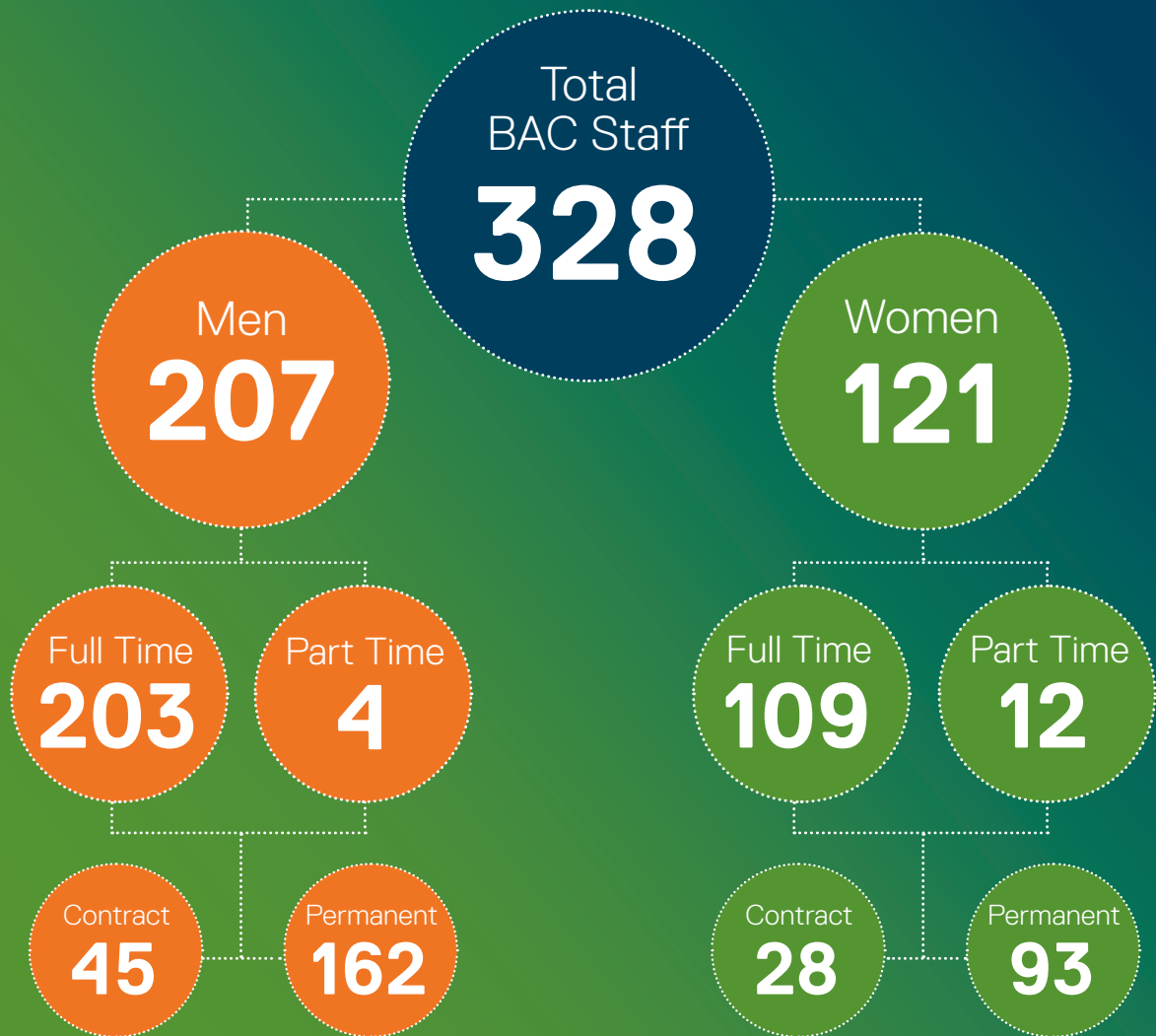




OUR WORKFORCE

At BAC, we know our success begins with our people, because it's our people who shape our unique culture and reputation.

BAC WORKFORCE



Employment Category and Gender and Age	Numbers		Percentages		Age		
	M	F	M	F	Less than 30	30-50	Greater than 50
Other executives/general managers	6	3	66.7%	33.3%	0	1	8
Clerical and administrative	1	33	2.9%	97.1%	5	19	10
Professionals	69	36	65.7%	34.3%	18	68	19
Senior managers	18	4	81.8%	18.2%	0	15	7
Other managers	44	18	71.0%	29.0%	0	43	19
Technicians and trades	69	27	71.9%	28.1%	8	60	28
Total	207	121	63.1%	36.9%	31	206	91

* Category defined by Australian Workplace Gender Equality Agency (WGEA)

STAKEHOLDER ENGAGEMENT

Stakeholder	Method of Engagement	Key Aspects
Local Community	<p>BAC proudly continues to lead the way in engaging with our community through our multifaceted Community Engagement Programme.</p> <p>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.</p>	<p>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.</p> <p>Key topics often discussed include noise and infrastructure development.</p>
Airport Tenants and Service Operators	<p>Tenants across the airport range from airline maintenance facilities to service stations, from a childcare centre to a golf driving range and supermarkets.</p> <p>With this diversity, individual departments within BAC communicate to tenants through various means from weekly newsletters and meetings to quarterly themed workshops.</p>	<p>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.</p>
Passengers	<p>Every day tens of thousands of travellers from across the region, the nation and the world transit through BNE.</p> <p>In 2017, nearly 23 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. In addition, service quality and passenger satisfaction surveys are completed through various methods.</p>	<p>BAC is expected by passengers to provide fast, efficient, safe and sustainable terminals and retail operations.</p>
Government Agencies	<p>BAC maintains relationships with various levels of government and seeks to comply with all legislation.</p> <p>Communication with government agencies is undertaken by BAC through various methods including formal written correspondence regular informal meetings and workgroups.</p>	<p>Government agencies have a clear expectation that BAC must maintain compliance with the various pieces of legislation which the airport operates under.</p> <p>Key legislation relating to environmental, master planning, airport operations and workplace health and safety are of high value to these stakeholders.</p>
Internal Staff and Contractors	<p>BAC employs over 330 staff. Staff are provided with regular updates on the organisation's activities through weekly newsletters as well as regular "Staff Talks" sessions and annual surveys.</p>	<p>Internal staff choose BAC as an employer as the organisation provides a sustainable and safe work environment. In addition to the above, professional development and equitable remuneration is expected by BAC.</p>
Airlines	<p>29 domestic and international airlines operated out of BNE during the 2016/2017 period.</p> <p>Information collaboration and formal meetings and workgroups are utilised to engage with all of the airlines that operate out of BNE.</p>	<p>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.</p>
BAC Board and Shareholders	<p><i>BAC Board</i></p> <p>The Board of BAC group of companies meets at least eight times per annum. Board and sub-committees 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.</p> <p><i>Shareholders</i></p> <p>82 per cent of BAC group's shares are held by Australian superannuation funds with the remainder held by Schiphol, the owner and operator of Amsterdam airport. Regular financial and sustainability reporting is provided to shareholders.</p>	<p><i>BAC Board</i></p> <p>The Board looks to ensure shareholder expectations as described below are met, including ensuring that good governance principles are embedded within the company in all key areas.</p> <p><i>Shareholders</i></p> <p>Shareholders expect financial returns on a sustainable basis and continued good standing of the company as a responsible and respected corporate citizen.</p>

MATERIALITY

2017 marks the second 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.

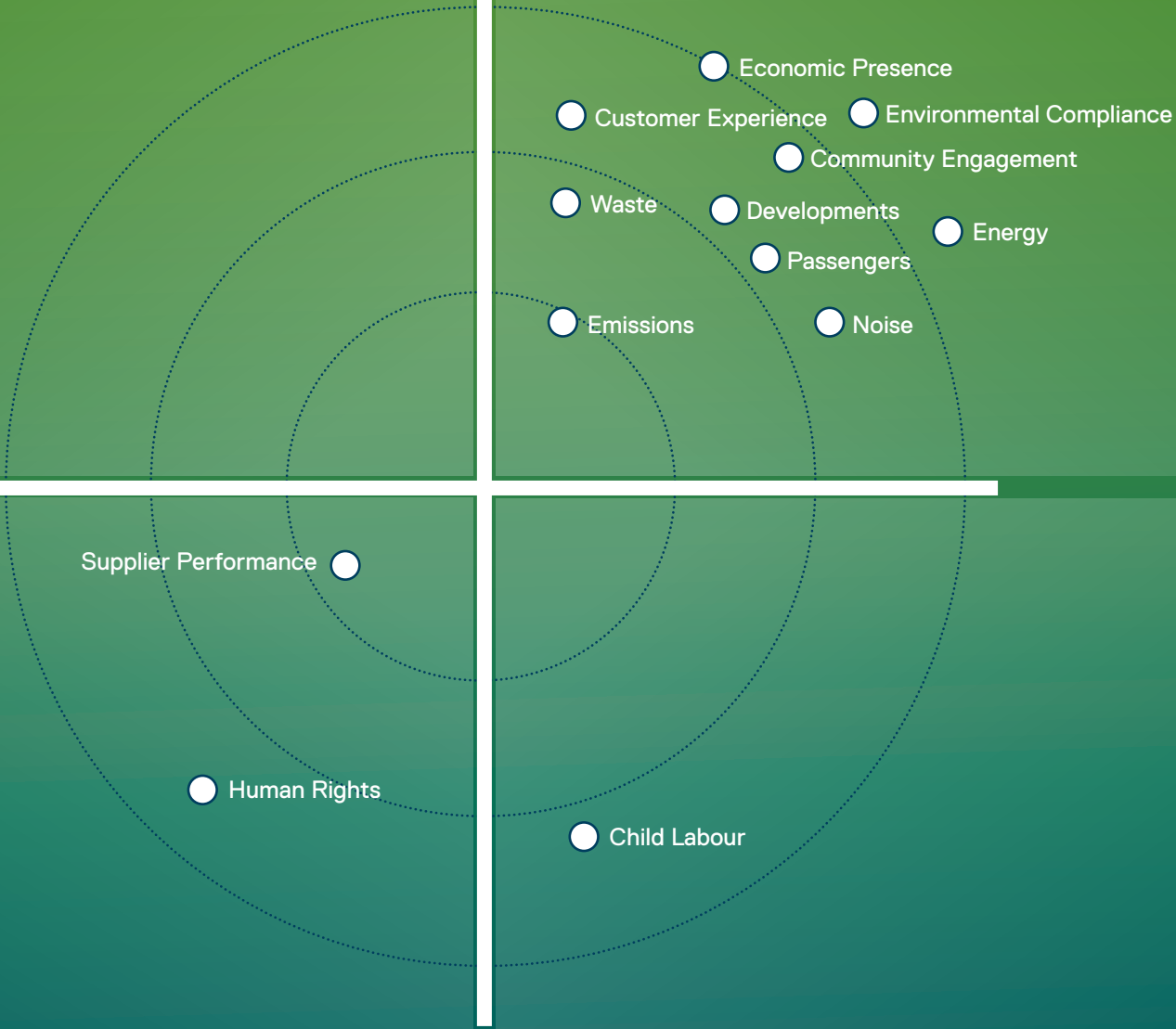
- » Our Growth
- » Our Operations
- » Our People and Community.

For ease of delivering the information, the above material aspects will be reported in three themes:



MATERIALITY MATRIX

Importance to BAC Stakeholders



Significance of economic, social and environmental impacts for BAC

KEY PERFORMANCE FIGURES FOR FY17

Indicator	FY15	FY16	FY17	Change over time (FY16-FY17)
Passengers (pax)	22,280,050	22,685,486	22,880,549	+0.86%
EBITDA (\$'000)	452,320	475,022	504,114	+6%
LITFR	NA	9.1	1.61	-7.49%
Turnover Rate	7.46%	5.75%	7.22%	+1.5%
Total Employees	293	304	328	+7.9%
% Female	35%	36%	36%	0%
Total spent in training (\$)	NA	685,000	900,000	+31%
Community investment (\$)	990K	2.14M	1.12M	-50%
Carbon Intensity (kg CO2/pax)	2.02	2.02	1.98	-0.2%
Waste – Landfill Diversion (t)	NA	570	657	+13.3%

	Destinations	Frequency
Direct Destinations FY17		
International		
Asia	11	116
New Zealand	5	103
Pacific	8	53
North America	3	23
Middle East	2	21
Total	29	316
Domestic		
Total	50	1,570

Passengers	2013/14	2014/15	2015/16	2016/17
International	4,817,882	5,080,867	5,273,748	5,638,186
Growth	5.9%	5.5%	3.8%	6.9%
Domestic	17,054,939	16,948,827	17,199,879	17,242,363
Growth	1.3%	-0.6%	1.5%	0.2%
Transits/transfers	230,544	250,347	211,701	178,959
Growth	2.9%	8.6%	-15.4%	-15.5%

Air Cargo (tonnes)	2013/14	2014/15	2015/16	2016/17
International				
Import	44,076	42,483	40,083	42,868
Export	51,055	59,787	66,865	69,621

SUSTAINABILITY AND BAC

Sustainability at BAC accelerated from 2014 as a result of the development of the Airport Master Plan and Airport Environment Strategy (AES). BAC was one of the first federally leased airports in Australia to include sustainability in its 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.

Following the inaugural Sustainability report in 2016, 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 categories:

- » Growing investor confidence
- » Maintaining our social licence to operate
- » Sustainable development

These categories formed the foundation of the revised BAC Sustainability Strategy. The strategy, reviewed in April 2017, was refined to focus on the key issues that have the greatest impact on the airport and its stakeholders.

Key sustainability aspects covered in the Strategy include:

- » Waste
- » Emissions
- » Learning and development
- » Community engagement
- » Sustainable investment
- » Ecologically sustainable design.

As outlined in the FY16 Sustainability report, BAC's 'Sustainability Commitments' are now detailed in this report.





OUR GROWTH

COMMITMENTS:

SUSTAINABLE INVESTMENT

All significant BAC Assets undergo a sustainability benchmark internal assessment (NABERS, Green Star Performance, etc)

SUSTAINABLE DEVELOPMENT

Develop and implement Ecological Sustainable Design guidelines for BAC Developments

ECONOMIC GROWTH

Aeronautical charges
(\$,000)

\$261,591

Parking &
Landside Transport
(\$,000)

\$175,559

Retail
(\$,000)

\$82,529

Property
(\$,000)

\$37,548

Other
(\$,000)

\$73,757

BNE is home to 430 businesses and nearly 23,000 employees. However, there are many other businesses outside the airport that derive economic benefit such as the tourism, trade and mining sectors.

The three main components that make up BNE'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 BNE 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.

BNE revenue for the financial period is broken down in five key areas:



FY17 Economic Summary (\$'000)

Revenue	\$679,703
Operating Costs	\$175,559
Employees wages and benefits	\$39,317
Payments to providers of capital	\$163,527
Payments to government	\$37,548
Community investment	\$982
Economic value retained (Revenue – Costs)	\$262,770

INFRASTRUCTURE DEVELOPMENT



BAC continues to position the airport as a hot spot for infrastructure and property development in the region. With a proposed investment of \$3.8 billion from 2010 to 2020, BAC looks to ensure the ongoing growth of not only Brisbane but the industry as well.

Throughout FY17, BAC invested an estimated total of \$150 million in building new infrastructure and property development. Projects undertaken during the reporting period include:

- » Commencement of the Hotel Taxiway expansion
- » Completion of a multi-million-dollar redevelopment and expansion of the Qantas Lounge precinct at the International Terminal
- » An \$11 million upgrade of Virgin Australia baggage handling systems at the Domestic Terminal is underway
- » Completion of new services for the new Brisbane Airport Hotels and Conference Centre, including a new travelator linking the complex to car parks, essential civil works and a new roundabout on Dryandra Road
- » Completion of an upgrade to the Valet and Park Premium facilities in the multi-level car park for the Domestic Terminal.

SNAPSHOT: AUTOMALL

Timing: Late 2017 to 2020

Investment: \$85 million

Construction jobs: 300+

BAC is investing over \$85 million in major earth and civil works as part of the delivery of the BNE Auto Mall and Test Track at Brisbane Airport.

The first phase of work will see the clearance of 51.3 hectares of currently unused land between Moreton and Airport Drives, close to both the International and Domestic Terminals.

Earthworks will begin in late 2017, with completion due in 2020, ahead of the construction of the Auto Mall, test track and civil infrastructure.

When complete the land development civil works will deliver:

- » a cleared, filled, surcharged and serviced site of 38 hectares of leasable land to be divided into 27 lots
- » a 2.5km certified professional test track
- » fully serviced and landscaped roadways providing access and connections to Airport Drive and Nancy Bird Way.

The Auto Mall vision is to deliver a multi-purpose auto retailing hub that sees flagship dealerships sitting alongside exhibition and conference activities, hotels, event area, driver training schools and regional offices around a multi-purpose test track.



CLIMATE CHANGE

BAC is acutely aware of the potential risks and impacts associated with climate change. The organisation recognises its actions and decisions today need to account for the predicted impacts of climate change.

BAC currently manages climate change through two strategies, the BAC Emissions Reduction Strategy (ERS) and the BAC Climate Change Adaptation Plan (CCAP). The ERS outlines how BAC will continually reduce emissions from airport operations. The execution of the ERS is crucial for BAC to maintain

Level 3 under the Airports Council International Airport Carbon Accreditation Program.

The CCAP details the potential climate change risks and impacts that the airport may witness based on current modeling and research. The document takes into account risks such as:

- » Average temperature rise
- » Increase in storm intensity
- » Increase in heat waves and drought
- » Sea level rise

The CCAP provides actions BAC needs to implement to develop resilience against these risks.





SUSTAINABLE OPERATIONS

COMMITMENTS:

EMISSIONS

» Maintain carbon neutral growth from 2020

WASTE

» Maintain zero waste to landfill from BAC offices from 2020

RENEWABLE ENERGY

» Install up to 10MW of solar PV by 2025

ENVIRONMENTAL COMPLIANCE

Brisbane Airport is a federally leased airport which operates under the Airports Act 1996, Airports Regulations 1997 and the Airports (Environment Protection) Regulations 1997. It is under these legal instruments that BAC is required to develop an Airport Environment Strategy (AES). The AES contains individual action plans that identify how environmental issues are to be managed over a prescribed five-year period. The latest AES was approved by the Federal Department of Infrastructure and Regional Development in December 2014.

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 contamination issue being managed on airport relates to 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. PFOS and PFOA is now present at a number of airport sites, including a number of sites controlled by AsA which undertakes the Aviation Rescue and Fire Fighting (ARFF) service. ARFF carries out several activities across the airport including fire-fighting training and emergency response which, until 2010, used AFFF. Other sources of AFFF at BNE include fire suppression systems in airline operated aircraft hangers and fuel farms as well as self-contained hand-held fire extinguishers.

BAC has taken proactive measures to identify and mitigate PFAS contamination that is present across BNE as a result of tenant activities.

These include:

- » Determining where contamination is present

- » Working to identify the contaminant source / polluter
- » Identifying concentration
- » Working with tenants to reduce and remove PFAS containing products from airport
- » Developing plans to monitor, mitigate and remediate existing contamination from historical use of PFAS products.

Environmental Incidents

On 10 April 2017, an incident occurred at BNE where a fire suppression system malfunctioned at a Qantas hanger. This malfunction inadvertently caused an overflow of AFFF into the sewer system, which then overflowed into the local tidal drainage system. Qantas, as the lease holder, has been working to remediate the site and BAC continues to assist as needed.



ENERGY AND EMISSIONS

Brisbane Airport maintains a closed utilities network which provides electricity and water to all airport users and tenants. In FY17, a total of 176 GWh of energy was used by the airport site with 57.5 GWh consumed by BAC. Most of the consumption at BNE is from the International (T1) and Domestic (T2) terminals with the remainder by airport tenants and transmission losses.

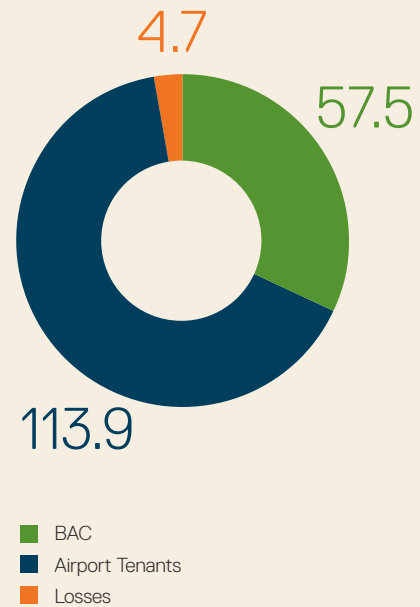
Approximately a third of the airport's energy consumption is under BAC's control. This includes T1, the common user section of T2, various operational buildings and infrastructure. BAC aims to mitigate the airport's energy demand based on the undertaking of energy efficiency projects to reduce the base load in the first instance, then with the generation of alternative methods of electrical energy to reduce peak demand. There is currently a total of 190KW of solar photo-voltaic across four locations at the airport. In June 2017, the BAC Board of Directors approved the installation of 6MW of solar at an additional six locations. Once completed, this will potentially

generate 9.3 GWh a year and will cover 15% of BAC's annual consumption.

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 photovoltaic (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 (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 4.11 GWh was saved.

EMISSIONS

Currently, 93-95% 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 the National Greenhouse and Energy 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.

Project	Energy Reduction GWh
International and Domestic Terminal	
Multi-Level Car Park Lighting Upgrades	3.75
Common User Satellite Lighting Upgrades	0.075
Solar Renewables (190kWh)	0.286
Total	4.11

Emission Scope	FY15 (tCO2)	FY16 (tCO2)	FY17 (tCO2)
Scope 1	1,607	1,618	1,833
Scope 2	43,776	44,393	44,839
Scope 3*	565,775	590,337	726,724**

* Based on calculations for the ACI – ACA program.

** Additional Scope 3 sources were included in this reporting period.



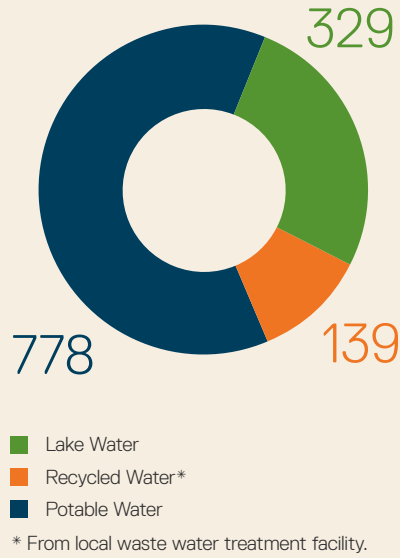
WATER

Sustainable water management has always been high on the Brisbane Airport sustainability agenda. Since the water restriction requirements the airport experienced in 2006-2009, BAC has implemented and maintained policies and processes to ensure that any future changes to water usage will not impact the airport's operation.

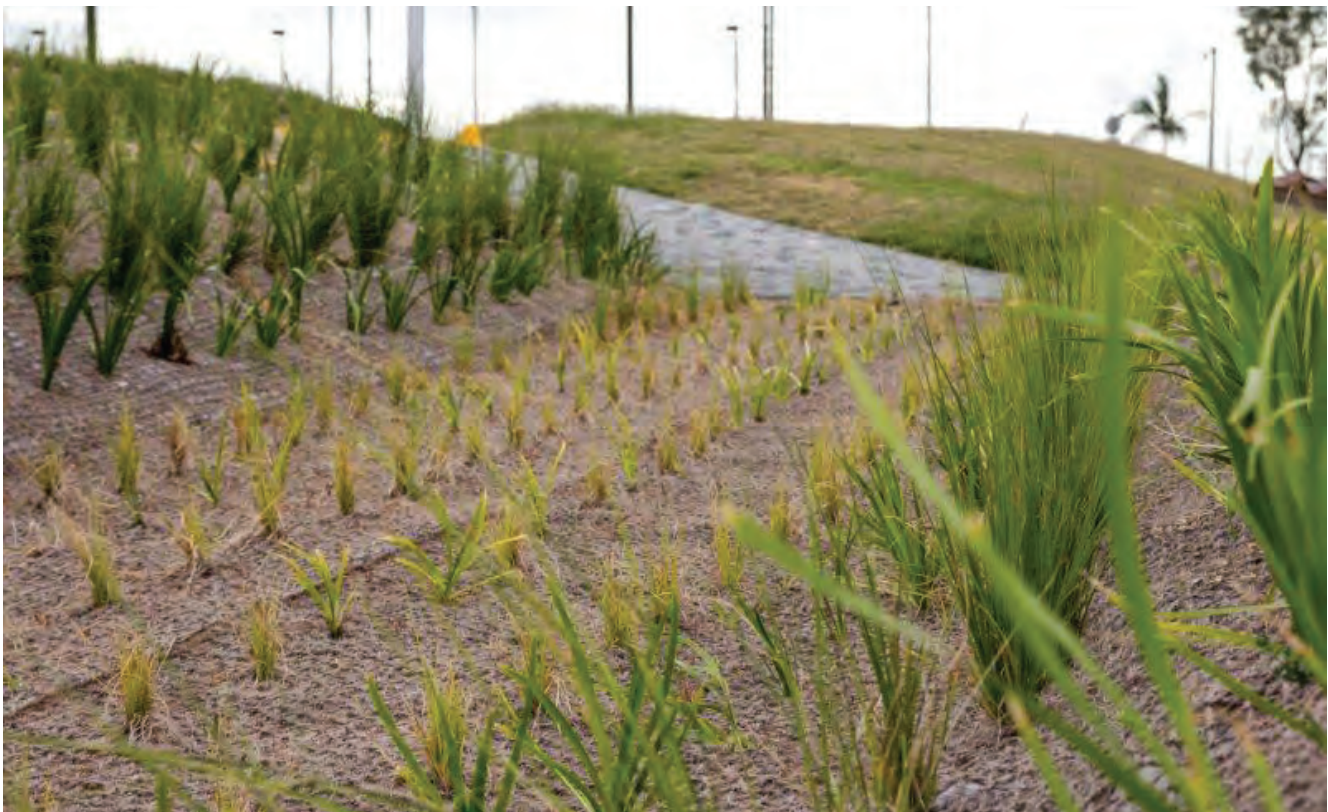
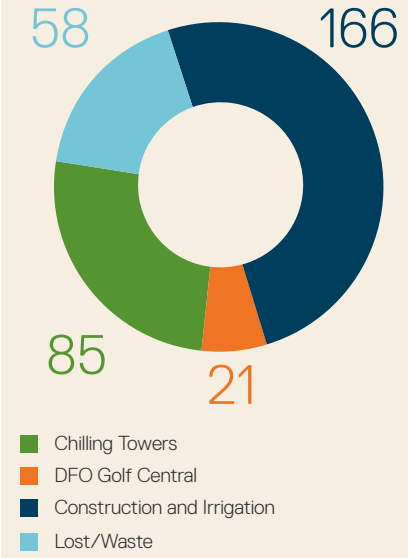
BAC minimises potable water use onsite by using the following approaches:

- » 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
- » Toilet flushing and amenities utilise non-potable water sources where possible.

Consumption from Sources (ML)



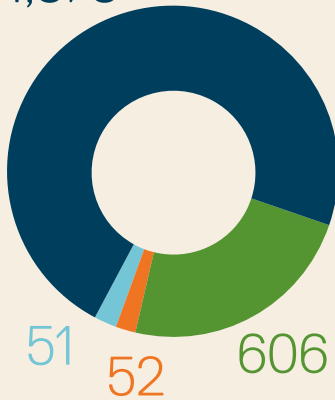
Recycled Water use breakdown (ML)



WASTE

Tonnage of Waste

1,878



- Cardboard Recycle
- Comingle Recycle
- General Waste
- Liquid

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. Waste types generated in BAC-controlled areas include:

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
- » Appropriate storage of waste

In total, 2,587 tonnes of waste was generated by BAC and its operations with a total of 658 tonnes being diverted from landfill through various waste management training incentives and improved facilities focussed on cardboard recycling.



RECYCLING FACTS

25 per cent of waste is diverted from landfill.

100 per cent increase of diverted waste between FY15 and FY17.

NOISE

A common impact felt by communities surrounding an airport is noise. Aircraft noise is an unavoidable consequence of airport operations. At Brisbane Airport, there are no current restrictions which reduce the operational capacity or impact when and where planes can arrive and/or depart. The federal government initiated a review of potential curfew arrangements at Brisbane Airport in 2013. The review found that the establishment of curfew restrictions was not the appropriate policy response for the management of aircraft noise impacts in Brisbane and recommended other measures. The federal government accepted these recommendations.

Since the planning and environmental impact assessment of Brisbane's new runway began in 2004, BAC

has continued discussions with the community through our community engagement program. Through this program, BAC understands the information most sought relates to:

- » Flight paths
- » Noise levels likely to be experienced as a result of aircraft using those flight paths
- » Frequency of overflights
- » 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.

While we do not have direct control over aircraft movements and associated noise, we engage with local business 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).

The purpose of this booklet is to provide the community with useful information on aircraft operations at Brisbane Airport between now and 2034, including the likely noise impacts of those operations. These impacts are demonstrated via various illustrations outlining flight paths over Brisbane.

Planning for operational use of the airspace around Brisbane Airport with the opening of Brisbane's new runway in 2020 is still being undertaken. Once completed, greater certainty around noise impacts will be understood.



WILDLIFE HAZARD MANAGEMENT

BAC is committed to ensuring the safety of aircraft using BNE. While the safety of aircraft at BNE 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.

The function of a Wildlife Hazard Management Plan (WHMP) is to define the risk that wildlife poses to air

traffic at Brisbane Airport and to set objectives, performance indicators and procedures in place for the systematic management of that risk. It also has a goal to minimise risks to airport users by reducing wildlife hazards through various methods.

The WHMP aims to meet the requirements of the Civil Aviation Safety Regulations 1998 (CASR 1998), Manual of Standards Part 139, Chapter 10.14, and the Civil Aviation Safety Authority (CASA) Advisory Circular 139-26(0) on Wildlife Hazard Management at Aerodromes.



FY17 STATISTICS

Total confirmed strikes:

96

Total aircraft movements:

214,519

Confirmed strike rate:

4.475/10,000

Aircraft movements

SNAPSHOT: ELECTRIC BUS

BAC is continuing its commitment to sustainability and the environment by being one of the first Australian airports to roll out a fleet of 11 electric buses.

Carbridge, a leader in aviation passenger ground transport, has been awarded the \$5.3 million per year bussing contract, following a competitive tender process.

The five year contract will commence on 1 July 2017 with the bus fleet coming into operation in February 2018.

The rollout of electric buses for our landside transport needs reinforces BAC's ongoing commitment to a cleaner, greener environment and improved passenger experience. The new fleet will be super quiet and environmentally clean, having reduced noise pollution and zero tailpipe emissions. Swapping out our current fleet of electric buses will result in a reduction of 250 tonnes of carbon emissions each year, equivalent to taking 100 cars off the road.

Passenger comfort and functionality have not been forgotten with tailored interiors designed specifically for travellers, including plenty of luggage racks, plus three full-size double doors making boarding and disembarking more efficient.

Technology and innovation are also interwoven into the vehicles, with GPS next stop announcements, driver monitoring and real-time tracking data, meaning issues can be immediately identified and responded to in real time.



SNAPSHOT: BRISBANE – PREPARING FOR SEA LEVEL RISE YET MINIMISING COSTS OF AIRPORT DEVELOPMENT

Climate change presents a number of risks and opportunities for Brisbane Airport, both regarding daily operations and long-term planning. The most significant climate stressors for Brisbane Airport are expected to be sea level rise, an increase in the intensity of storm events, increasing drought durations, more frequent occurrences of extreme heat days and warmer winters and summers.

The climate change projections for Brisbane all show a sea level rise of approximately 0.14m (0.09-0.18m) from 2005 to 2030 for all emissions scenarios, with the rate of sea level rise also projected to increase. A key action that BAC had put in place to minimise impacts from sea level rise was to undertake detailed flood and drainage planning and require minimum design levels (MDLs) for all new greenfield developments. The MDLs primarily mitigated against the critical flood threat of a 1 in 100-year cyclonic storm tidal surge event. However, no

relaxation for land use or operational risk was being applied, meaning that even remote carparks were being built to this high standard, increasing the costs of construction.

The 51-hectare Auto Mall and test track development initiated a paradigm shift in the way greenfield land is developed at Brisbane Airport. Initially, Auto Mall designs adopted the standard MDLs, leading to a project construction budget of \$125 million, with the costs of filling and surcharging representing 60% of the total budget. At this budget, the project was considered unviable.

Therefore, a value engineering approach was employed to improve the project's viability. This resulted in a reduction in the design life of the project from 100 years to 50 years; relocation of a flood conveyance drain out of the site and the use of artificial bunding afforded by the surrounding perimeter road network. Flood immunity was achieved via installation

and closure of flood/tidal gates in road culverts in combination with a series of flood storage basins within the site.

These measures reduced the Auto Mall's MDLs by 0.8m, resulting in a reduction of 400,000 cubic meters of fill and 1 million linear meters of wick drains originally required over the 51-hectare site. The revised project budget totaled \$75 million with a corresponding increase in the lettable land area of 1.5 hectares. These measures improved project feasibility to a viable status, while also reducing the volume of imported fill required and ensuring climate change risks are adequately mitigated.





OUR PEOPLE AND COMMUNITY

COMMITMENTS:

TRAINING

- » Implementation of a leadership development framework focusing on empowering and enabling employees by 2019
- » Redevelopment of the flexible work program including the rollout of core IT functionality including remote access, BYOD, and flexible-desking by 2019

COMMUNITY

- » Provide information to 100% of areas impacted by new noise paths before opening of Brisbane's new parallel runway
- » Exceed legislated mandated community engagement requirements

WORKPLACE HEALTH AND SAFETY

BAC continued to improve its workplace health and safety (WHS) management system and associated processes throughout the reporting period. Ongoing enhancements in data collection and reporting mechanisms have again allowed a detailed analysis of WHS events.

A review of the Comprehensive List of Causes (the tool used by BAC to code incident causal factors of WHS incidents) was undertaken and implemented. Changes were made to simplify and more clearly describe immediate and system causal factors. This has affected the ability of the organisation to benchmark against past performance but will make it easier to understand and communicate about the root causes of WHS incidents at Brisbane Airport in future.

Information gathered in incident investigations (among other sources) has been used in the development of a new Safety-in-Design process. The

Safety-in-Design template register contains historical qualitative and quantitative data relating to prior events and commonly encountered hazards and risks. This tool will be continually improved through lessons learned reviews and other key hazard identification activities.

BAC completed a review of its critical work health and safety risks. This is

part of an annual risk review process and coincided with the implementation of new technology to provide ease of reporting on safety activities for senior managers.

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



Occupational health and safety indicators: All		2016
Number of fatalities		0
Frequency rate		LTIFR 1.61
Severity rate		All
Average lost day rate		0.6
Absenteeism rate		3.5



TRAINING

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 \$900,000 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, with over 85% of staff attending an external training program. Outlined below are the main features of our L&D program.

LEAN Six Sigma: as part of BAC's commitment to creating an enablement workforce BAC has invested in seconding a LEAN Deployment Manager from Schiphol to support BAC in incorporating LEAN practices into our culture.

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.

International exchange program: BAC has partnered with Schiphol Airport, Amsterdam, 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.

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 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 participated 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 FY17, 20 employees participated 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.

FY17 TRAINING STATISTICS

Average training hours (gender)

Male	23
Female	17

Average training hours by (employment category)

Other executives/general managers	52
Clerical and Administrative	9
Professionals	22
Senior managers	26
Other managers	21
Technicians and Trades	20

COMMUNITY ENGAGEMENT AND SPONSORSHIPS

BNE is located around 12.5 km from the Brisbane Central Business District (CBD) and is serviced by road, rail and public transport connections. With over 2.3 million people in Australia's third largest city, it is important that BAC understands and acknowledges the interests and concerns of the local community.

BAC's Community Engagement Program is a multifaceted program that is dedicated to generating informed, ongoing and interactive discussion on the airport and its operations. The objective of the program is to engage with the local community and other stakeholders to foster strong relationships.

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 whilst facilitating a 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.

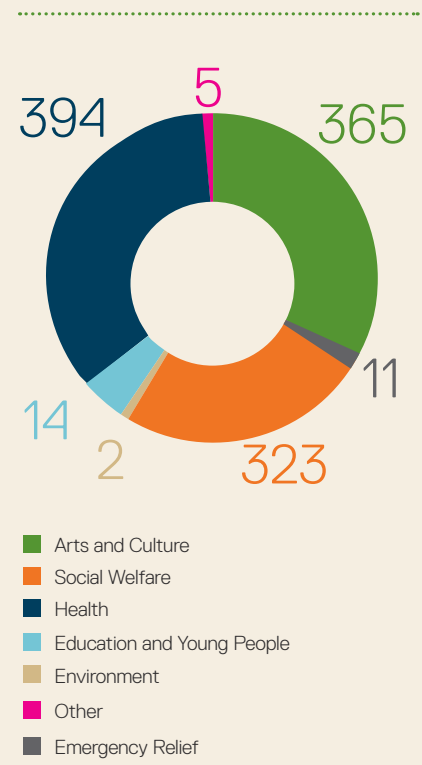
Each year Brisbane Airport enters into partnerships that support its vision to become the gateway to Australia and to be recognised as Australia's number one airport.

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 which 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.



Community Investment in ('000)



SNAPSHOT: RECONCILIATION ACTION PLAN (RAP)

BAC believes that a commitment to the ongoing process of reconciliation is vital to the attainment of a better future for all Australians.

BAC is committed to building stronger relationships between Australian Aboriginal and Torres Strait Islander peoples and other Australians. We strive to create a company culture and environment that connects Australian Aboriginal and Torres Strait Islander peoples and the airport community, neighbouring community and international visitors to Brisbane. Central to this is fostering mutual respect, sharing and celebrating the rich Aboriginal history of our area and beyond whilst building beneficial partnerships to further reconciliation.

BAC acknowledges that the impact of colonisation, public policies, racial discrimination and prejudice, have had

a major effect on the lives of Australian Aboriginal and Torres Strait Islander peoples. We recognise that Australian Aboriginal and Torres Strait Islander peoples continue to face disadvantages as well as prejudice and racism. BAC acknowledges that Australian Aboriginal and Torres Strait Islander peoples are the original inhabitants and Traditional Owners of this continent and that they have unique cultural and spiritual relationships to the land and waters.

BAC's relationship with the Traditional Owners of the land on which Brisbane Airport now stands is a collaborative partnership involving regular, positive communications about heritage, environmental, cultural, historical and RAP matters.



SNAPSHOT: ECOFAIR

The Brisbane Airport EcoFair 2016 was held to showcase BAC as a sustainability leader to staff, tenants and the local community.

Brisbane Airport hosted its inaugural BNE Airport EcoFair event from 26-30 September 2016 in the Skygate retail precinct. It was a sustainability-themed event which demonstrated that sustainability is easy. In addition, EcoFair was to show BAC's sustainability leadership to staff, tenants and the local community.

The theme of 'Sustainability is Easy!' was to show that it is not difficult to be sustainable – even kids can do it! An array of educational, fun, eco-themed events and exhibitors were engaged to entertain both kids and adults alike. Fun activities were provided to encourage staff participation, including a paper aeroplane throwing competition and daily sustainability quizzes with great prizes on offer, including a weekend getaway at a premier eco-resort. BAC's HQ gardens even became

home to a hive of stingless Australian Sugarbag Bees during EcoFair – raising awareness of the plight of pollinators worldwide and boosting the biodiversity values of our airport landscape at the same time.

EcoFair certainly brought in the crowds, with an additional 6,000 people visiting the precinct when compared to the same time in the previous year. A survey undertaken post-event says it all – everyone loved it! EcoFair provided an avenue for corporate and personal values to align, connecting BAC with socially conscious airport employees and stimulating staff engagement.

Due to its success, BAC plans to hold this event annually to continue to grow and cement sustainable practices with its staff, tenants and local community.



GRI CONTENT INDEX

GENERAL DISCLOSURES

General Disclosures

DMA and Indicators	Description	Reference / Commentary
Organisational Profile		
102-1	Name of the organisation	Page 3
102-2	Activities, brands, products, and services	Page 3
102-3	Location of headquarters	Skygate, 11 The Circuit, Brisbane Airport, Queensland, Australia, 4008
102-4	Location of operations	Australia
102-5	Ownership and legal form	FY17 BAC Annual Report
102-6	Markets served	Page 3
102-7	Scale of the organisation	Page 5
102-8	Information on employees and other workers	Page 5
102-9	Supply chain	Throughout
102-10	Significant changes to the organisation and its supply chain	Nil
102-11	Precautionary principle or approach	Page 10
102-12	External initiatives	FY2017 BAC Annual Report
102-13	Membership of associations	Airports Council International Australian Airports Association

DMA and Indicators	Description	Reference / Commentary
Strategy and Analysis		
102-14	Statement from senior decision-maker	Page 2

DMA and Indicators	Description	Reference / Commentary
Ethics and Integrity		
12-16	Values, principles, standards, and norms of behavior	FY2017 BAC Annual Report - Financials

DMA and Indicators	Description	Reference / Commentary
Governance		
102-18	Governance structure	FY2017 BAC Annual Report - Financials

DMA and Indicators	Description	Reference / Commentary
Stakeholder Engagement		
102-40	List of stakeholder groups	Page 6
102-41	Collective bargaining agreements	FY2017 BAC Annual Report
102-42	Identifying and selecting stakeholders	Page 6
102-43	Approach to stakeholder engagement	Page 6
102-44	Key topics and concerns raised	Page 6
102-45	Entities included in the consolidated financial statements	FY2017 BAC Annual Report - Financials
102-46	Defining report content and aspect boundaries	Page 1
102-47	List of material topics	Page 7
102-48	Restatements of information	Throughout
102-49	Changes in reporting	Nil
102-50	Reporting period	Page 1
102-51	Date of most recent previous report	Page 10
102-52	Reporting cycle	Page 1
102-53	Contact point for questions regarding the report	Page 1
102-54	Claims of reporting in accordance with the GRI Standards	Page 1
102-55	GRI content index	Page 30
102-56	External assurance	Not this year
103-1	Explanation of the material topic and its boundary	Throughout
103-2	The management approach and its components	Throughout
103-3	Evaluation of the management approach	Throughout

Specific Standard Disclosures

DMA and Indicators	Description	Reference / Commentary
Category : ECONOMIC		
GRI 201: Economic Performance		
DMA	Management on Disclosures Approach	Page 12
201-1	Direct economic value generated and distributed	Page 13
201-2	Financial implications and other risks and opportunities due to climate change	Page 15 and Page 23

GRI CONTENT INDEX

Specific Standard Disclosures

DMA and Indicators	Description	Reference / Commentary
Category: Environmental		
GRI 302: Energy		
302-1	Evaluation of the management approach	Page 17
302-2	Reduction of energy consumption	Page 17
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 17
305-2	Energy indirect (Scope 2) GHG emissions	Page 17
305-3	Other indirect (Scope 3) GHG emissions	Page 17
305-4	GHG emissions intensity	Page 9
305-5	Reduction of GHG emissions	Page 17
GRI 306: Effluents and Waste		
306-2	Waste by type and disposal method	Page 19
GRI 307: Environmental Compliance		
307-1	Non-compliance with Environmental Laws and Regulations	FY2017 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 9
GRI 403: Occupational Health and Safety		
403-1	Workforce representation in formal joint management-worker health and safety committees	11% 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 25 WHS data will continue to be reported in calendar year
404-1	Average hours of training per year per employee	Page 26
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	FY17 BAC Annual Report – Our Team
413-1	Operations with local community engagement, impact assessments, and development programmes	100% Additional information provided in the Noise section

Sector Specific Disclosures: Airport Operator

DMA and Indicators	Description	Reference / Commentary
AO1	Total Number of Passengers Annually	Page 9
AO2	Annual total number of aircraft movements	Page 9
AO3	Total amount of cargo tonnage	Page 9
AO9	Total amount of wildlife strikes per 10,000 aircraft movements	Page 21