

Queensland
Airports LIMITED

Annual Report

2019





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Our Vision

Engaging customers.
Connecting communities.
Exceptional experiences.

We will fulfill our vision by

- Growing our airports through collaboration with our partners
- Providing seamless, high-quality experiences for our customers
- Connecting, and being connected to, the communities in which we operate
- Engaging with our customers throughout their journey
- Fostering growth within our communities
- Investing in our people and empowering them to help achieve our vision
- Elevating and setting the industry standard through innovation and creative thinking



Our Values

Integrity

We value honesty, respect and fairness
We do what we say
We act in the best interests

Innovation

We think differently
We are creative and flexible
We share our experience to build new ideas

Teamwork

Together we succeed
Everyone is a customer
We are inclusive and support each other

Accountability

We take responsibility for our actions
We lead by example
Safety and social responsibility are priorities

Passion

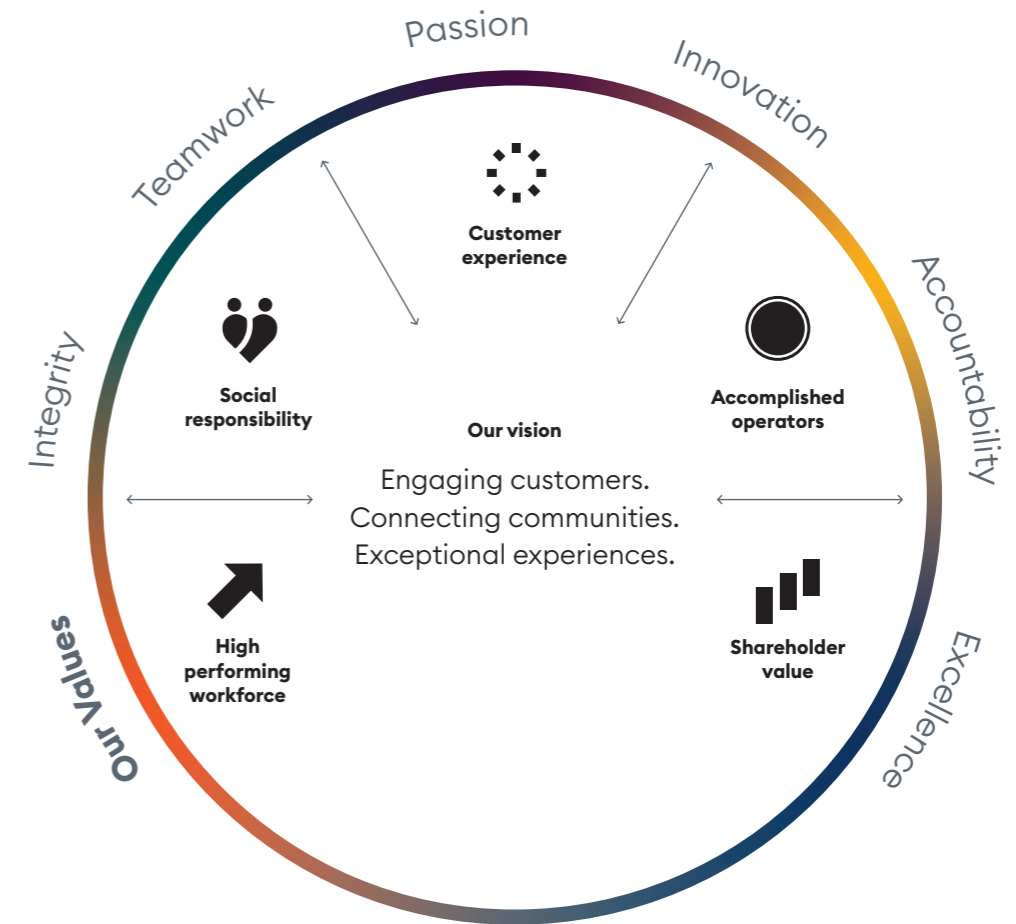
We are enthusiastic
We care about what we deliver
We take pride in our work

Excellence

We have high performance standards
We add value and deliver quality
We embrace change and deliver outcomes



Strategic Framework



Highlights

Strategic Pillar	Highlights
Shareholder Value	<ul style="list-style-type: none"> Recorded more than 8.3 million passengers Sustainability-linked loans secured for GCA development Northern Australia Infrastructure Facility (NAIF) loan secured for Townsville Airport redevelopment Southern terminal expansion at GCA commenced GCA hotel construction commenced GCA car park yielding strategy revisited Streamlined road network for Townsville Airport receives funding Major tenant secured for Airport Central
Customer Experience	<ul style="list-style-type: none"> GCA won Skytrax and Australian Airports Association awards AmbassaPAW program launched at GCA, following on from therapy dog success in Townsville Gold Coast Airport mascot Goldie comes to life Retail promotion success at GCA Heinemann Duty Free opened at GCA Passenger pick-up waiting zone launched at Townsville Airport
Social Responsibility	<ul style="list-style-type: none"> Community Benefit Fund supported 43 initiatives and organisations Achieved Level 2 carbon accreditation under Airports Council International's (ACI) accreditation program at Gold Coast, Mount Isa and Longreach Plane spotter engagement events delivered at GCA Partnership with Legacy Townsville formed ahead of the centenary of the First World War Armistice Strong baseline rating in the GRESB environmental, social and governance infrastructure asset assessment
High Performing Workforce	<ul style="list-style-type: none"> Great Place to Work accreditation received Australian HR Award finalists Enterprise Bargaining Agreement reached Workplace diversity and inclusion focus Learning and development framework launched Reward and recognition program established Flexible working policy implemented Ambassador role assists volunteer to gain paid employment
Accomplished Operators	<ul style="list-style-type: none"> Instrument Landing System at GCA operational GCA's Ground Transport Interchange project started Upgrade to GCA electricity infrastructure Aerobridge refurbishments at Townsville Airport Upgrade to CCTV at GCA Aviramps delivered for easy plane access at GCA Security screening trial at GCA Townsville Airport closed for only 20 hours during flood disaster Stormwater upgrade at GCA Gold Coast apron reconfiguration and Joint Use Hydrant Installation



About Us

Queensland Airports Limited (QAL) is an accomplished airport operator that owns and operates Gold Coast, Townsville, Mount Isa and Longreach airports.

An Australian-owned company, we are committed to delivering for the communities where we operate.

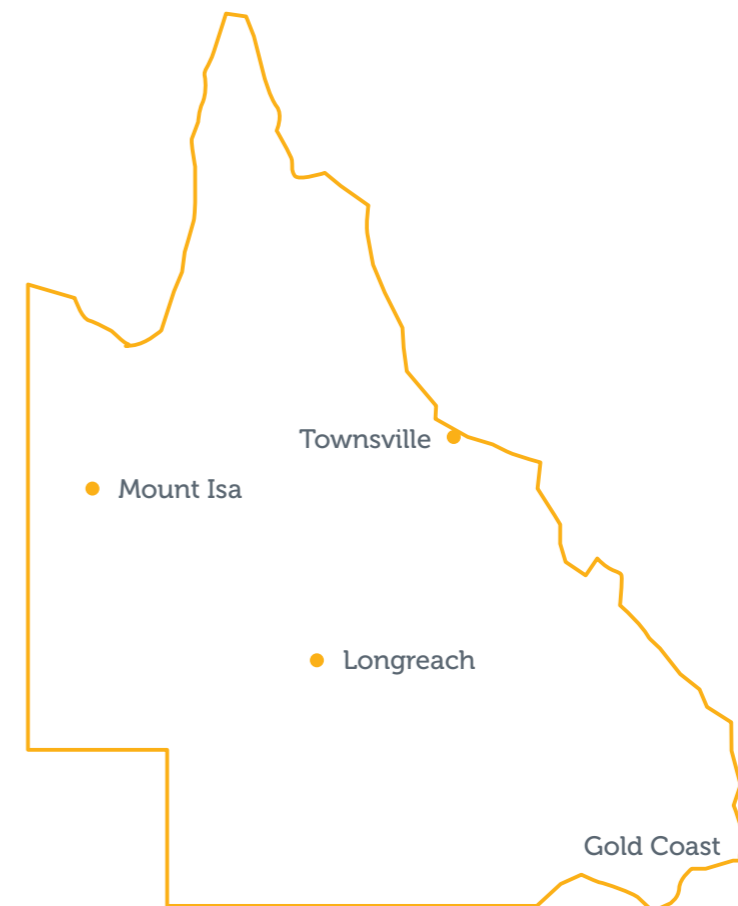
We welcomed more than 8.3 million passengers in FY19 — connecting the Gold Coast and northern New South Wales, Townsville, Mount Isa and Longreach communities to the rest of the country and beyond.

QAL is a privately-owned company and its shareholders include superannuation and investment funds:

- The Private Capital Group Pty Ltd as trustee for The Infrastructure Fund
- Perron Investments Pty Ltd
- QAL Investments No.2 Pty Ltd as trustee for QAL Investments Trust
- STC Funds Nominee as trustee for the Project Cricket State Super Unit Trust
- State Street Australia Ltd as custodian for Sunsuper Superannuation Fund
- Allan Moss
- Lipno Investments Pty Ltd



Map of Operations



Chairman's Message

This is an extremely important phase in the growth of QAL, and an exciting time to join as chairman of the board.

In recent years the QAL team has been firmly focused on laying the groundwork for the major projects needed to accommodate current and future capacity, and improve the customer experience. Now it is about delivery.

We have seen major milestones realised on the Gold Coast with the commencement of works for the airport hotel and terminal expansion. In Townsville the way was cleared for the terminal redevelopment with the announcement of a loan from the Northern Australia Infrastructure Facility.

Passenger numbers were softer this year, reflecting a decline in domestic capacity. Despite this the group

EBITDA was a record \$96.4 million, an increase of 1.6% on the prior year. The Board declared a final dividend of \$35.59 cents per share, taking the total dividends for the year to \$48.54 cents per share.

I would like to take this opportunity to acknowledge and thank my fellow board members for their support throughout the year, and recognise Annabelle Chaplain for her contribution as chairman of QAL for five years. I would also like to thank Nigel Chamier for acting as the interim chairman until 30 June.

It is a pleasure to work with the experienced board and management team, and we are fully engaged in realising the opportunities ahead of us.

— John O'Neill AO

CEO's Message

The year saw challenging conditions for passenger numbers. 8.3 million passengers were welcomed through our airports in 2019, a decline of 2.2 per cent on the prior year. Domestic capacity in particular was down as airlines grew yield over volume, and the major domestic carriers have signalled some headwinds for their businesses. However, positive signs were emerging as the year concluded, with growth at all ports in May and June. We particularly look forward to new direct Jetstar flights between the Gold Coast and Seoul which will commence in December 2019.

There has never been a busier time for development in QAL. The key projects underway set us up for future growth, and will continue to improve the experience for our passengers and stakeholders.

We can't deliver without our dedicated and enthusiastic team, which is why employee engagement and satisfaction is critical. It was a highlight to be the first airport operator in Australia accredited as a Great Place to Work, recognising our positive workplace culture. QAL also became a member of the Diversity Council of Australia, and we are building on our diversity, inclusion and living well framework.

Our focus on Environment, Social and Governance strategies continues, and will be assisted by building on the strong baseline established in our participation in the GRESB infrastructure assessment. Sustainability-linked loans, the first of their kind to be taken out by an Australian airport, were secured for the Gold Coast Airport redevelopment based on carbon accreditation and a reduction in carbon emissions. All of our airports have now achieved level 2 Airport Carbon Accreditation under the Airports Council International's Accreditation Program.

I would like to thank the board, executive team and employees for their continued loyalty, enthusiasm and support as we look forward to an even busier year ahead.

— Chris Mills



Left to right: Chris Mills and John O'Neill AO



QAL Board

As pictured, left to right:

Steven Fitzgerald

Non-executive director
Chair of the Remuneration Committee

- Joined QAL in March 2018
- HRL Morrison and Co head of asset management, director of TransGrid and Perth Airport
- Previously held senior positions at Wellington International Airport, Infratil's European airports and Sydney Airport

John O'Neill AO

Independent Chairman
Member of the Remuneration Committee

- Joined QAL in July 2019
- Previous experience as an executive with organisations such as State Bank of NSW, Australian Rugby Union and Football Federation Australia
- Chairman of The Star Entertainment Group Limited. Also chairs the Bates Smart Advisory Board and is a member of the Advisory Council of China Matters

Amanda McMillan OBE

Non-executive director
Chair of the Risk and Audit Committee

- Joined QAL in August 2018
- Executive Director with Macquarie Infrastructure and Real Assets (MIRA)
- Chair of Hobart International Airport, director of Perth Airport and North Queensland Airports Limited. Former chief executive officer AGS Airports Limited (United Kingdom)

Hugh FitzSimons

Non-executive director
Member of the Remuneration Committee

- Joined QAL in February 2019
- MIRA Division Director, responsible for the transport and health sectors

- Director of Hobart Airport, the Port of Newcastle and Oceania Healthcare (NZ)

Ashley Kilroy

Non-executive director
Member of the Risk and Audit Committee

- Joined QAL in October 2012
- Previous experience as a former airline executive with aviation management experience at TAA/Australian Airlines and Qantas
- Aviation Australia Pty Limited chairman, and non-executive director of Mildura Airport Pty Ltd.

Alan Mulgrew

Non-executive director
Chair of Aeronautical and Related Infrastructure Committee (now ceased) and member of the Remuneration Committee

- Joined QAL in March 2013
- Previous experience as a former senior executive in Australia and overseas, including Perth and Sydney airports
- Non-executive director of Adelaide Airport Ltd, Interflour Group Pte Ltd (Singapore) and CBH Group. Chairman of Western Power, Western Carbon, Australian Renewable Fuels Pty Ltd and Tourism Western Australia

Absent from group picture:



Elizabeth Albergoni

Non-executive director
Member of the Risk and Audit Committee

- Joined QAL in March 2019
- HRL Morrison Investment Director, previously held a strategic and legal services role with Sydney Airport and worked as a competition and regulatory lawyer focused on infrastructure
- Director of Perth Airport and board member of the World Airport Lawyers' Association

The current QAL Board and executive management would like to acknowledge board members who departed during the year:

Annabelle Chaplain

Independent Chairman
(January 2014 to 28 February 2019)

Nigel Chamier

Non-executive Director (April 2014 to 30 June 2019)
Interim Chairman (March to June 2019)

Robert Lette

Non-executive Director
(January 2005 to 31 January 2019)

Richard Denniss

Non-executive Director
(December 2017 to 22 August 2018)



QAL Management Team

As pictured, left to right:

Carl Bruhn

Executive General Manager Property and Infrastructure
• Joined 2016

Marion Charlton

Chief Operating Officer Gold Coast Airport
• Joined 2008

Adam Rowe

Executive General Manager Business Development and Marketing
• Joined 2017

Kevin Gill

Chief Operating Officer Townsville, Mount Isa and Longreach airports
• Joined 2008

Chris Mills

Chief Executive Officer
• Joined 2014

Amelia Evans

Chief Financial Officer
• Joined 2016

David Hedges

General Counsel and Company Secretary
• Joined 2019

Shareholder Value

Growing market share

Developing our
non-aero business

Focus on cost and yield



Financial Results

Passenger numbers	Financial year results		
	2019	2018	Growth
Gold Coast	6,439,598	6,596,784	-2.4%
Townsville	1,631,419	1,670,143	-2.3%
Mount Isa	205,682	195,799	5%
Longreach	33,164	33,747	-1.7%
Total passengers	8,309,863	8,496,473	-2.2%

	2013	2014	2015	2016	2017	2018	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenue	126,316	125,278	129,830	127,018	130,428	136,109	138,759
Operating Expenditure	48,366	45,588	45,646	38,911	39,033	41,188	42,289
EBITDA	77,950	79,690	84,184	88,107	91,395	94,921	96,470
EBITDA %	62%	64%	65%	69%	70%	70%	70%
Interest Revenue (External)	805	854	376	420	368	362	518
Interest Costs (External)	33,257	32,496	32,326	32,958	32,178	30,426	29,662
Depreciation, Impairment & Amortisation	29,449	31,535	28,595	29,364	23,788	33,741	30,963
Other Adjustments	17,821	858	8,331	13,838	(10,136)	1,541	2,968
Loan Note Interest	5,051	5,079	5,079	5,093	5,079	5,079	5,079
Income Tax Expense	5,314	4,317	6,429	9,805	6,039	8,129	10,365
Net Profit After Taxation	23,505	7,975	20,462	25,145	14,543	19,449	23,887
Dividends Declared	33,008	35,509	34,642	16,531	35,611	40,010	30,007

Shareholder Value



Artist impression of baggage claim area for Townsville Airport redevelopment.

Townsville redevelopment

Plans are being assessed for the Townsville Airport project following the Northern Australia Infrastructure Facility loan announcement in March this year. Subject to approvals, the project will make the airport more modern, welcoming and efficient, including a substantial terminal refurbishment, better road access and an upgrade to all core infrastructure.

The focus is now on reactivating the project plans and finalising internal approval processes. Architects have been appointed to review and finalise plans for the terminal refurbishment following a closed tender process.

The development, which will address capacity issues for Australia's 11th busiest airport, will support 207 construction jobs and 50 operational jobs upon completion.

Southern terminal expansion

Gold Coast Airport confirmed in March the appointment of international property and infrastructure group Lendlease to deliver the southern terminal expansion (STE) – the next phase of the \$370 million airport redevelopment, Project LIFT. This project is key to accommodating existing and future capacity.

The agreement has seen the development – a three-level terminal, including aerobridges, built to the south of the current facility – move forward in FY19. The project will generate up to 1500 jobs during construction and 200 ongoing jobs.

More than five years of planning turned to delivery when foundation works for the STE began, with the first brand-new, 80 tonne continuous flight auger piling rig mobilised to the site. The next 12 months will see the completion of the ground floor slab and the topping-out of the building. The official opening of the terminal is scheduled for mid-2021, and once complete, work will commence on a refurbishment of the existing terminal.



Gold Coast Airport hotel

The hotel project commencement was marked with the ground-breaking in February 2019, and represents a significant milestone in the development and activation of the airport precinct.

Construction company Condev has been appointed to build the hotel on behalf of developer Trepang.

The 192-room hotel is rising to the south of the airport site and will connect via a plaza area to the expanded terminal. The hotel will measure seven storeys and includes a rooftop bar and viewing deck.

In June 2019, over two days, two million litres of concrete were delivered for the foundations of the hotel. More than 330 trucks delivered about 2,050 cubic metres of concrete. A crane has also been onsite since June.

The hotel will generate significant jobs for the Gold Coast and northern New South Wales – with 90 construction jobs during the build, and 60 ongoing positions once the hotel opens in mid-2020.



Sustainability-linked loans for Gold Coast Airport

QAL secured financing for the Gold Coast Airport redevelopment, with \$100 million of funds in the form of sustainability-linked loans. The loans from Commonwealth Bank and Westpac – based on carbon accreditation through the Airports Council International program and a reduction in carbon emissions – are the first of their kind to be taken out by an Australian airport.

Obtaining sustainability-linked loans reflects our focus on Environment, Social and Governance (ESG). In planning and designing the southern terminal expansion, sustainability is a key emphasis. When complete, the project will include a number of initiatives including lighting controls and energy efficient chillers.



Funding received for entry road reconfiguration

Townsville Airport welcomed news the Federal Government would contribute \$1.2 million towards the new airport entrance, through their Building Better Regions Fund. Townsville City Council was the applicant for this funding and is a key partner in the work. The delivery of this project is a critical element of Townsville Airport's broader redevelopment, creating a reconfigured entry point to the largest city in northern Australia. The project will streamline the airport entryway, by creating uninterrupted traffic flow to the precinct via John Melton Black Drive.

It will create a more appropriate, direct and attractive entry to the precinct for residents and visitors.

In addition to Building Better Regions funding support, Townsville Airport is contributing an additional \$1.2 million towards the project.

Car park yielding strategy

Gold Coast Airport's commercial team enhanced the car parking strategy in November 2018. The strategy is designed to improve the customer's experience and provide increased choice, whilst ensuring the best financial return for the business by driving online bookings.

In conjunction with the yielding strategy, marketing activity contributed to the growth of online and drive up parking revenue throughout FY19. Marketing activity included a refreshed booking site, search engine marketing, social media advertising, radio awareness, external and in-terminal signage and dedicated campaign periods, with the objective to increase total parking revenue by 3 per cent. Online bookings grew from \$3.4 million in FY18 to \$4.6 million in FY19, equating to a 34 per cent increase year on year.

Profiling data has also assisted with the analysis of car park customers. In analysing customer post codes, spend rates, booking patterns and car park product selection, the commercial team was able to provide targeted car parking offers.

Airport Central welcomes new tenants

A new tenant, Queensland X-Ray opened in the Airport Central commercial hub, within the Gold Coast Airport precinct. The practice has taken out a long-term lease with options for more than 550sq m of ground floor space.

Edge Early Learning will open before Christmas 2019, with capacity for 122 children in an exciting new facility.



Customer Experience

Enhancing customer service quality

Upgrade facilities

Range of products and services



Customer Experience

Gold Coast Airport's Industry Awards Wins

Gold Coast Airport took out the aviation industry's top national award for customer experience at the annual Australian Airports Association (AAA) Industry Awards in November 2018.

The award win was in recognition of Gold Coast Airport's customer experience delivery in the lead up to and during the 2018 Commonwealth Games.

Gold Coast Airport was also voted the Best Regional Airport and Best Service Staff in the Australia Pacific region at the annual Skytrax World Airport Awards in March 2019.

It is the fourth time in nine years that Gold Coast Airport has won the Best Regional Airport award accolade, a wonderful achievement based on 13.5 million passenger surveys conducted at more than 550 airports globally.



Goldie soars into Gold Coast Airport

Goldie, the official aeroplane ambassador of Gold Coast Airport, was launched in July 2018. The arrival of the mascot brought to life a stress toy that had been handed out to passengers for 15 years. Goldie reflects the friendly and fun nature of the Gold Coast, a local who loves everything about the region and wants to share his enthusiasm with visitors and locals alike.

A renewed focus on enhancing our customer experience led to the reimagining of Goldie. In addition to regular terminal appearances, Goldie attends various events and other activities. Since his arrival he's proven to be very popular with both children and adults alike.



Retail promotion success

Gold Coast Airport delivered a successful, two-phase retail promotion in FY19, designed to increase passenger spend rates (PSR). Each time a customer spent \$20 or more with participating retailers in the terminal they received an entry code to go into the draw to win a major or runner-up prize. The consumer promotion was digitally executed via a responsive landing page accessible by desktop, mobile devices and tablet kiosks within the terminal. Upon entry, customers were prompted to answer a series of questions regarding their shopping experience and the service they received.

Melbourne newly-weds Becca Harley and Daniel Smith won the \$5,000 grand travel prize while holidaying on the Gold Coast. The couple spent their Webjet eGift Card on a three-week trip to Thailand.

Holding Pattern launches in Townsville

Drivers waiting to pick up passengers arriving at Townsville Airport now have access to a free new waiting zone – the Holding Pattern – complete with free Wi-Fi. The new facility is located approximately 900 metres from the terminal and permits drivers to wait inside their car for up to 30 minutes, while their friends and family make their way through the terminal to the airport's pick-up zone.

Holding Pattern was developed in response to feedback for guests, providing them with a convenient place to wait and enjoy free Wi-Fi before collecting their passenger.



Gold Coast builds on Townsville's therapy dog success

In December 2018 the ambassador program welcomed a special new recruit. Gary the Labrador Cross became the airport's first AmbassaPAW – a trained therapy dog helping members of the traveling public, who may be nervous flyers or are experiencing any other anxieties. Gary quickly proved a hit with a wider customer base, bringing joy to the flying public and airport staff thanks to a friendly and calm demeanour.

As work on the airport's southern terminal expansion project continues, and with a refurbishment of the existing terminal planned to follow, disruption will be a reality at Gold Coast Airport for the next several years. Gary and other therapy dogs will help passengers whose stress may be compounded by disruptions relating to terminal work.

Gary has been joined by an AmbassaPAW friend in FY20, with Ranji the French Bulldog starting.

Gold Coast Airport's AmbassaPAW program follows the success of Townsville Airport's therapy dog program.

Townsville Airport's successful therapy dog program is set to be expanded, with a new puppy joining the

program. The first regional airport in Australia to host a therapy dog program when it launched in April 2018, the airport has again partnered with Sensitive Companions to fund the purchase and training of Alaskan Malamute puppy, Nodin. The puppy will join Tink and Aliko in the terminal when his training is complete.

"When I first encountered Gary at Gold Coast Airport, I was taking my grandson Ethan to Melbourne to see his uncle. Ethan is autistic and has Attention Deficit Hyperactive Disorder (ADHD), so struggles if he has to sit still or wait for periods of time. He gets very, very anxious. I have seen therapy dogs at schools before, but never at an airport. For me personally, Gary's interaction with Ethan meant an unexpectedly easy travel day with much less worry than usual. It's usually quite difficult for me. I think Gary is a great addition to the Ambassadors. I've seen them at the airport on other occasions and think they do a great job – it's a great thing."

Barbara Timms
Gold Coast Airport passenger

Heinemann Duty Free opens at Gold Coast Airport

During FY19 Gold Coast Airport introduced a new duty-free offering – welcoming Heinemann to our retail mix. Heinemann’s Gold Coast concessionaire is their second Australian location and offers more than 230 brands including duty free spirits, wine and champagne, perfume and cosmetics, across more than 730 square metres of space in both international arrivals and departures.

The changeover from the previous provider took place overnight in eight hours, with more than 28,000 individual products stocked by 40 Heinemann staff who came from Sydney, Singapore and Hamburg to prepare for the opening.



Terminal updates

- Saikou Sushi opened at Gold Coast Airport in June 2019, with renowned Japanese chef Toru Uesugi delivering fresh sushi options daily
- Townsville Airport’s aviation photographic exhibition has been refreshed. Donated by photographic pioneer Arch Fraley, the images were re-framed and moved to a more prominent section of the terminal to ensure greater visibility for passengers
- Live music on Friday afternoons at Gold Coast Airport is now a permanent fixture, featuring an array of local musicians
- Airport Pharmacy opened in the departure lounge at Gold Coast Airport, following passenger survey results highlighting a pharmacy as the most desired addition to the retail mix

- Several terminal activations took place at Gold Coast Airport, designed to surprise and delight our guests. We worked with our sponsorship partners HOTA, Bleach* the Gold Coast Festival and Blues on Broadbeach to identify ways to bring their events to life in our terminal, providing entertainment for our guests and promoting the events we support



The Collectors – Bleach* the Gold Coast Festival.

Airline highlights

- Jetstar announced Gold Coast – Seoul services to commence in December 2019. The services will operate three times-weekly and deliver an additional 52,000 visitor seats to the region each year
- AirAsia X increased Gold Coast – Kuala Lumpur services over the 2018–19 summer period, operating up to 11 services per week between December–January
- Air New Zealand retimed its Gold Coast schedule to offer more streamlined onward connections to the US, via its Auckland hub
- Airnorth commenced seasonal services between Darwin, Townsville and the Gold Coast from April–October 2019
- QAL welcomed both Qantas and Rex’s commitment to extend their discounted resident fares programs in Longreach and Mount Isa, and supported both schemes

Airport Retailer Facts



112,000kgs of hot chips were served at Gold Coast Airport
8,000kgs of hot chips were served at Townsville Airport

63,100

Books were sold at Gold Coast Airport, equating to the height of a 10-storey building



15,000 croissants were sold at Townsville Airport



36,000 litres of milk were sold at Townsville Airport



866,000 cups of coffee were purchased at Gold Coast Airport



7,200 pairs of thongs were sold at Gold Coast Airport

134,000

Toasted sandwiches were sold at Gold Coast Airport



115 metres in length of Allen’s Snakes were sold at Gold Coast Airport

85,000

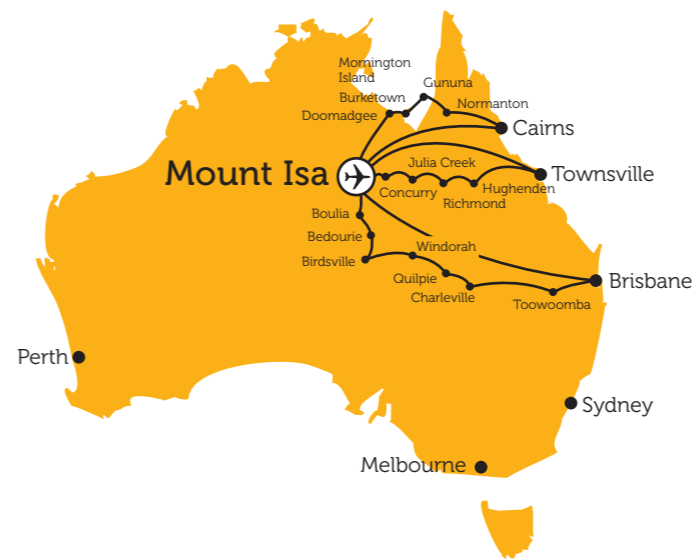
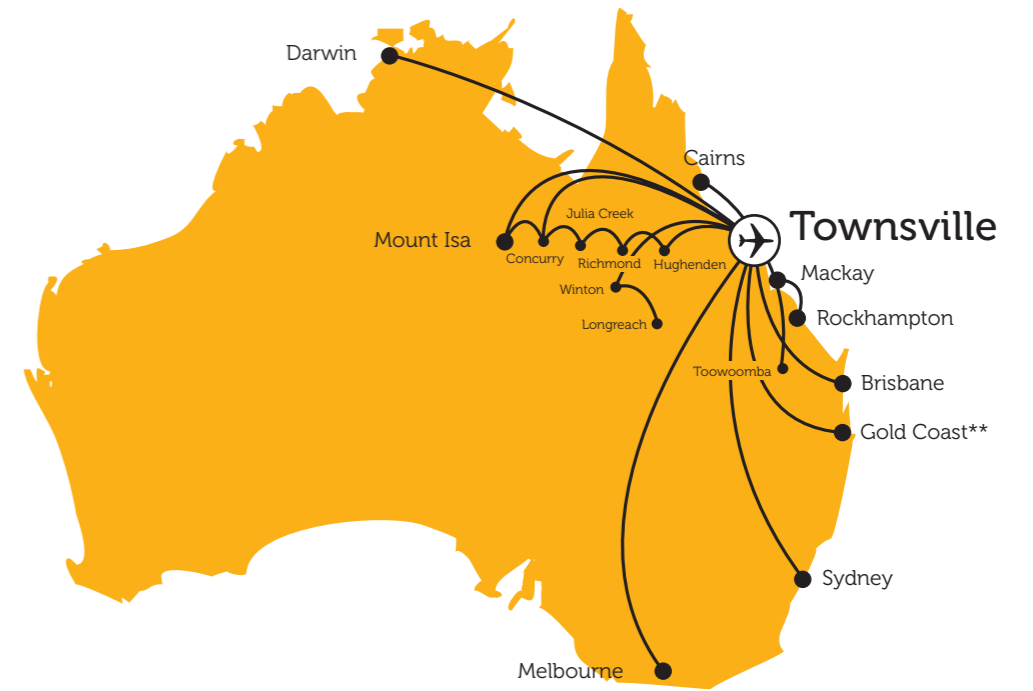
Packets of chewing gum were sold at Gold Coast Airport

Connectivity



*Seoul commences December 2019

**Seasonal Gold Coast—Townsville—Darwin service



**Seasonal Gold Coast—Townsville—Darwin service

Social Responsibility

Sustainable activities

Collaborating with
the community

Economic drivers
in our regions



Our Communities

As the largest regional airport operator in Australia, QAL is committed to being part of, and contributing to, our local communities.

QAL and its four ports support 84 organisations and initiatives between both our corporate sponsorship portfolio and Community Benefit Fund, distributing about \$650,000 in funding and charitable support throughout Queensland and northern New South Wales each year.

Current sponsorships, partnerships and charitable support within each of our communities includes:

- Queensland Tourism Awards
- North Queensland Tourism Awards
- Gold Coast Business Excellence Awards
- Home of the Arts (HOTA) (Gold Coast)
- Tweed Business Excellence Awards (Gold Coast)
- Gold Coast Marathon
- Tweed Heads Seagulls women's team (Gold Coast)
- Gold Coast Eisteddfod
- Bleach* Festival (Gold Coast)
- SWELL Sculpture Festival (Gold Coast)
- Gold Coast Media Club Awards
- Murwillumbah Festival of Arts (Northern New South Wales)
- Margaret Olley Arts Centre (Northern New South Wales)
- Glendi Festival (Townsville)
- Legacy Townsville
- Mount Isa Rodeo
- Townsville Running Festival
- Currumbin Wildlife Hospital Foundation (Gold Coast)
- Magnetic Island Race Week

One of the new partnerships is with the Tweed Seagulls NRL team. The partnership has seen a women's team established, the Gold Coast Airport Tweed Heads Seagulls. Gold Coast Airport's foundation year of support enabled the Club to secure one of the world's top coaches, Kelvin Wright, who relocated to the region to establish the program and coach the team.

This partnership provides Gold Coast Airport with a vehicle to demonstrate sponsorship support for northern New South Wales, while encouraging and fostering the continued growth of women in sport.

QAL Community Benefit Fund

The QAL Community Benefit Fund, established in 2016, provides financial assistance to community-based initiatives in each of our regions. The fund provides cash grants to community groups and not-for-profits who deliver health and wellbeing, safety, arts and culture, education, environment or other community benefit initiatives.

In 2018/19 there were 43 successful applicants including:

- The Sanctuary Women and Children's Refuge (Gold Coast)
- Gold Coast Hospital Foundation
- Bilinga Surf Life Saving Club
- Tweed Heads Public School
- Ronald McDonald House Charities North Queensland
- Townsville Picnic Bay Surf Life Saving Club
- Cootharinga North Queensland
- House with No Steps (Townsville)
- Mount Isa Theatrical Society Inc.
- Injilinj Community Kindergarten (Mount Isa)
- Country Women's Association Longreach
- Longreach Scout Group

Scouts light up grounds with grant funding

Longreach Scout Group treasurer Jo Winkleman said the group relied on one-off grants to help improve its facilities, using the Community Benefit Fund money for a lighting upgrade.

"We used our grant to revamp the lighting in front of the Den — we almost light up half of Longreach now," she said.

"This has made it a lot safer place for the children to play as it has not only lightened the area but really modernised it too."



QAL airports reach level two Airport Carbon Accreditation

Gold Coast, Mount Isa and Longreach airports joined Townsville Airport in achieving Level 2 Airport Carbon Accreditation under the Airports Council International's Carbon Accreditation Program in FY19. Townsville Airport achieved Level 2 accreditation in 2017.

The Airport Carbon Accreditation program is the only independent global standard for carbon management at airports, which recognises and accredits the efforts of airports to manage and reduce emissions. Level 2 accreditation for all our airports is recognition of our commitment to operating sustainably and reducing our carbon emissions.

Achieving Level 2 is the result of each airport setting a carbon reduction target and finalising and implementing a carbon management plan to achieve a carbon emission reduction target.

At Gold Coast Airport, a wide range of initiatives have been instigated, from installing LED lights throughout our facilities, upgrading drive motors on the baggage handling systems, improving efficiency of air-conditioning systems to initiating renewable energy systems in the future.

In Longreach, we have already made significant steps in reducing our carbon footprint, with our solar array on the terminal roof offsetting about 95 per cent of the airport's electricity usage during daylight hours. Other initiatives include installation of LED lights, upgrade of airfield lighting to LED, use of solar power installations and improved waste management.

Mount Isa Airport's solar array on the car park structure, assisted the team to reach Level 2 accreditation, accounting for about 80 per cent of the airport's power usage during the day, and about 42 per cent of the airport's total power usage. Lighting upgrades to LED, fuel-efficient vehicles and commencement of glass and plastic recycling were also key in achieving accreditation.

GRESB assessment participation

QAL participated in the GRESB environmental, social and governance (ESG) infrastructure asset assessment for the first time.

QAL achieved four out of five stars in its first GRESB Benchmark Report and an overall score of 62 out of 100. This compared favourably to the GRESB average this year of 45.

This year's assessment provides a valuable foundation for QAL to build on.



Plane spotter events

Gold Coast staged two plane spotter opportunities in FY19, our annual plane spotters airside competition and, in partnership with airline partner Air New Zealand, an event to celebrate the arrival of a new aircraft.

The annual plane spotters' photography competition and event was promoted through Gold Coast Airport's Facebook page, with plane enthusiasts encouraged to enter for their chance to be part of a VIP morning airside. For the first time, due to popular demand, the event entry was open to junior spotters.

This year's competition resulted in 20 spotters spending a morning airside for the photography session, including several junior spotters who were as young as 10 years old. Best picture of the day was awarded to 18-year-old Surfers Paradise local Zach Clark, who was delighted to receive a \$1,000 Camera House voucher.

Air New Zealand was one of the first airlines in the world to take receipt of the latest member of the Airbus family, the A321neo, which will supersede the outgoing A320 aircraft. Gold Coast Airport welcomed the new aircraft to our runway for the first time in November 2018, and celebrated its arrival by hosting a group of excited plane spotters airside to capture the landing.



Townsville team support Ozcare

The Townsville Airport maintenance team swapped their busy operational environment for a quieter community space in FY19, working for a day at Ozcare Day Respite Centre. A 'backyard blitz' at the centre marked the end of a support program that also saw the Townsville Airport team participate in Christmas baking and gift giving, along with hosting a tour of the airport and a morning tea. The working bee involved employees from a variety of departments including assets, aviation, commercial and management, who built an outdoor storage and shelving area, and assisted with maintenance and gardening work.

This relationship follows the success of similar support provided to Ronald McDonald House, and provides a great team building opportunity, in addition to providing the chance to give back and support the local community.

As a joint-use airport, Townsville Airport already has strong ties with Defence and this partnership is a natural link. In March 2019 Legacy worked with Townsville Airport to host former Australian Defence Force Chief, Air Chief Marshal Sir Angus Houston AK (Retired), as part of its annual Leadership and Culture Business Breakfast. The event was held in a hangar within Townsville Airport's NAACEX hangar.

Other support

- Gold Coast Airport partnered with general aviation tenant Global Jet to support National FunFlight Day. Fifty Gold Coast kids and their families were welcomed for a sausage sizzle and activities such as face painting and paper plane making, as well as joy flights
- Gold Coast Airport continued to support local charity You Have A Friend, by donating unclaimed lost property items to help homeless people, single parents and children on the southern Gold Coast and northern New South Wales. In addition, unclaimed eye glasses in the terminal are donated to OPSM, which catalogues the prescriptions for the Lions Club who distribute them to individuals who can't afford to purchase new glasses
- QAL Chief Financial Officer Amelia Evans participated in the 2019 CEO Sleepout, raising \$12,345 to support those in need, making her the second highest fundraiser on the Gold Coast
- As an organisation, we supported several initiatives including R U OK Day, Harmony Day, International Women's Day, National Volunteer Week and Australia's Biggest Morning Tea



Legacy Townsville partnership

Townsville Airport and Legacy Townsville formed a new partnership ahead of the centenary of the First World War Armistice. The widows and volunteers of Legacy created 800 poppies to form an arbour for display in the terminal to mark 100 years since the end of World War I. This marked the first activation in the new partnership which will see airport employees involved with Legacy programs and activities in an ongoing capacity.

Our environment

- Gold Coast Airport upgraded 250 taxiway lights to LED. This upgrade to new technology reduced electricity use and overall maintenance requirements, while reducing the airport's carbon footprint
- Cultural intelligence training was conducted for Gold Coast-based employees to improve Indigenous cultural awareness and strengthen our relationships with land custodians. The airport engaged Banaam, leaders and innovators in cultural intelligence, to deliver the training. Eighty one employees across all levels of the business and airport ambassadors participated and based on the success, Gold Coast Airport intends to deliver the training on an ongoing basis

High Performing Workforce

A common mission

Supporting success
and being accountable

A diverse, skilled and
capable team



High Performing Workforce

Enterprise Bargaining Agreement reached

QAL successfully negotiated a company-wide Enterprise Bargaining Agreement (EBA) in FY19. The EBA process was focused on delivering a fair and equitable outcome for all impacted team members and our business, with an EBA development team established to represent the views of all concerned, successfully bargaining to achieve the best possible outcome.

Of the employees eligible to vote who participated, 82 per cent voted to support the proposed agreement. The EBA received Fairwork approval and provides clarity and transparency to 40 per cent of our workforce regarding their entitlements.

Great Place to Work accreditation

QAL was officially recognised as a Great Place to Work (GPTW) with outstanding results confirming our positive culture and progressive leadership approach.

Accreditation was received through GPTW Australia, a global research consultancy, following an extensive organisational audit and employee survey. In gaining the accreditation, QAL became the first airport operator in Australia to achieve this goal.

QAL identified areas where we could improve our overall company culture. By building on our strengths and addressing areas in need of improvement, we are confident that we will continue to enhance our culture in the future.

Glidepath — workplace diversity and inclusion

QAL is committed to providing a workplace where our employees provide their colleagues with the environment, support and scope that they need to be their best self each day. To strengthen our commitment, QAL became a formal member of the Diversity Council of Australia in 2018 and launched Glidepath, our diversity, inclusion and living well framework.

The framework is focused around the key priority areas of inclusive leadership, gender and culture, and employee-led committees were established to build and leverage our diversity.

Skyward — learning and development framework

Skyward is an integrated learning and development framework focusing on the growth of our employees at all levels. The core purpose of Skyward is to develop leadership in all our employees.

Components of the Skyward program include coaching, mentoring and a range of learning and development programs.

Memoranda of understanding are currently in place with Griffith, Southern Cross, Bond and James Cook universities as well as TAFE Queensland. In the last twelve months QAL has doubled the number of interns, work experience students and trainees in the business.



Living Well at QAL

We are aware of the varied wants and needs of each generation working at QAL, and so identified a way to match them to those of our business.

Living Well was created as a policy for flexible working that is inclusive of all employees and promotes the company's belief in work-life balance.

Since implementation, employees have embraced the opportunity in a variety of ways including working from home, job-sharing, compressing work weeks, participating in religious or cultural commitments, and giving back to the wider community through school sports coaching.



Ambassador's career takes off

Gold Coast Airport's ambassador program continues to expand, forming an essential part of the customer experience program in the terminal. The program has inspired various other initiatives and encouraged our partners to explore opportunities to extend on this.

An example of this is quadriplegic ambassador Brett Morris securing paid employment. Brett was just 21 years old when he sustained a life-changing injury, suffering a bruised spinal cord and damaged C5 and C6 vertebrae. Brett has been confined to a wheelchair for the past 25 years, and was unable to find work.

Brett joined the Gold Coast Airport volunteer ambassador team in 2016, completing two shifts a week, and is an inspiration to his fellow ambassadors, airport employees and stakeholders, and our passengers. Brett's ability to thrive in this volunteer role is what led to him being offered paid employment with airport contractor, Airport Retail Enterprise (ARE).

ARE employed Brett in a part-time human resource role, focused on employee retention through facilitation of performance-based discussions and mentoring younger team members. The role, which provides the flexibility to accommodate Brett's ambassador shifts, also includes new team member inductions and site familiarisations for new employees.

Brett's role as an airport ambassador opened up an opportunity he didn't think would be possible, and as the airport operator we are thrilled to have played a part in his success, and humbled by his approach to work and life.

Recognition

QAL was named as a finalist in this year's Australian HR Awards, confirming our focus on creating relevant and meaningful initiatives for our employees. QAL is the only airport and one of only a handful of Gold Coast-based companies to be included on the finalist list this year.

Employee Statistics

Company	Emp Numbers	Male	Female	Avg Tenure Male	Avg Tenure Female
Queensland Airports Limited	87	45	47	3.3	3.7
Gold Coast	74	48	28	7.6	5.6
Townsville	24	12	9	4.4	4.7
Mount Isa	7	5	2	6.0	6.9
Longreach	5	3	2	2.7	4.0
Totals	197	113	88	5.3	4.5

Accomplished Operators

Capacity management
Safe and secure places
Efficient and effective
operations





Accomplished Operators

Instrument Landing System at Gold Coast Airport

A significant milestone was reached this year when the Instrument Landing System (ILS) was switched on at Gold Coast Airport. The ILS consists of two antenna which transmit signals to receivers inside the aircraft cockpit. Under the conditions of approval, the ILS will only be used during low visibility conditions caused by adverse weather, or during emergencies and if operationally required.

Operation of the ILS, which brought to an end more than a decade of preparation and installation work on the project, will reduce the number of diversions during adverse weather conditions. Administered by Airservices Australia, the ILS is managed by air traffic controllers, who clear pilots to use the system. The globally-recognised technology further complements a range of navigation procedures and technology already in place, improving reliability and enhancing the region's reputation as a leading tourism destination.

The addition of an ILS brings us in line with other airports around the country and the world.

Off-airport development

QAL is in the process of developing its land holdings to cater for our future growth and the growth of the Gold Coast and northern New South Wales regions.

The approval and subsequent demolition of buildings at Border Park has occurred.

Earlier this year Tweed Shire Council approved plans for development of Wollemi Place, including the first stage to accommodate storage facilities. QAL will begin earthworks and infrastructure to service the Wollemi Place site ready for development.

Ground Transport Interchange

Representing a \$12 million investment, the development of Gold Coast Airport's Ground Transport Interchange (GTI) project commenced. This project will provide a dedicated waiting area for taxis, ride share operators and other commercial ground transport operators until their passengers arrive. The project has been designed to reduce wait times for these operators in front of our congested terminal curb side areas and reduce strain on the precinct road network.

When completed, the project will include:

- Parking bays for up to 15 full size buses
- 58 parking bays for ride share operators
- 52 taxi parking bays
- Dedicated amenities facility
- Shaded seating areas
- Access control

Major services infrastructure work on the site and construction of a new entry road was completed. Next the hardstand parking area and amenities block will be completed before an anticipated opening in 2020.

Electricity infrastructure upgrade

An investment of \$2.5 million was made to improve the reliability of Gold Coast Airport's electricity infrastructure. The upgrade project included the establishment of a new Energex feed, resulting in improved network reliability and integrity. The delivery of this project supports future capacity demands, ensuring Gold Coast Airport is equipped to support the electricity needs of the on-airport hotel and southern terminal expansion projects when complete.



Aerobridges refurbishment project in Townsville

A mechanical replacement and refurbishment of the aerobridges in Townsville commenced during the year. The aerobridges will benefit from replacement and refurbishment of major mechanical operating components, upgrade of the control and feedback technology, and enhanced lighting and internal refurbishment. This investment has increased the operating life of the aerobridges for a further 10 years.

Upgrade to CCTV

An upgrade to CCTV at Gold Coast Airport was delivered, seeing the airport move from analogue to digital and install 360-degree cameras throughout the

terminal. The project took 18 months to deliver and has resulted in improved coverage of the terminal by 40 per cent, supporting QAL's ongoing commitment to provide safe and secure facilities for our travellers.

Aviramps rolled out for passengers

New aircraft boarding ramps have been commissioned at Gold Coast Airport, replacing boarding stairs, to improve aircraft turnaround times and deliver a better experience for passengers. The eight new aviramps have been rolled out following a successful trial of the innovative boarding system and are being used for domestic services.

Passengers who are unable to use stairs now enjoy a faster and more dignified travel experience, while the ramps also make life easier for passengers travelling with children and carry-on luggage.



Security screening trial at Gold Coast Airport

Gold Coast Airport became a trial airport for new domestic security screening equipment, which is occurring ahead of the expected mandating of such screening by the Federal Government.

The equipment includes a body scanner – similar to equipment currently used in international screening – and a new CT x-ray machine for screening carry-on luggage. The equipment has been trialled at other major airports around Australia, in response to a change in screening technology requirements included in the Government's budget announcement.

Under the system proposed by the Federal Government, every domestic and international passenger flying in Australia will have to undergo this screening process.

Townsville Airport team rally following flood disaster

The Townsville region suffered its worst flooding disaster on record in February 2019, with 1052.8mm of rain received over just seven days.

Townsville Airport was forced to close its doors for just 20 hours during that period. Our team and partners were operating on limited numbers at the height of the disaster, with their colleagues at home dealing with the inundation.

During this extremely difficult period, the Townsville team did everything it could to ensure passengers were comfortable, from providing free hot meals for flood victims to shoes for one passenger who had lost everything except the shirt on his back in the flood.

To assist in the recovery phase, our team joined other members of the Townsville business community in donating \$25,000 to the flood recovery. Team members also participated in several community flood recovery efforts.

Stormwater upgrade

As part of expansion works, Gold Coast Airport installed a giant new stormwater unit — the largest of its kind in the southern hemisphere. The new stormwater alignment will service the southern terminal expansion and airport hotel.

The new SPEL Stormceptor was designed to collect and treat an anticipated 96ML of stormwater run-off — equivalent to almost 40 Olympic-sized swimming pools — from a catchment area of more than seven hectares per year. The new alignment diverts stormwater around the new terminal footprint, where it enters the dual-chamber SPEL system, which filters out pollutants including suspended soils, light liquids and gross pollutants prior to releasing the treated water back into the drainage channel.

Apron reconfiguration and Joint Use Hydrant Installation (JUHI)

As one of the country's fastest-growing airports in the past 10 years, Gold Coast Airport's existing apron — constructed in 1979 for aircraft types that have since been decommissioned and an obsolete power in, power out parking arrangement — was at risk of becoming inefficient and impacting future growth.

A total apron reconfiguration was delivered — with a cost of \$16 million. The project saw aircraft stands reconfigured to a Multiple Aircraft Ramp System (MARS) to create more parking space, and the installation of nearly one kilometre of jet fuel pipeline beneath the active apron.

The reconfiguration delivered four additional Code C (narrow body) or three Code E (wide body) aircraft positions, taking the airport's capacity to 12 parking stands.

The JUHI fuel expansion project was delivered by Gold Coast Airport and Caltex — with the airport team responsible for all civil works, and Caltex focused on its fuel infrastructure.



Social Media Highlights

It's becoming increasingly important for companies to tell their story to key audiences using their own platform. Our social media platforms across the QAL group attract a strong audience, and we've experienced significant growth in all platforms in the past two years.

Social media stats:

Channel	Business	Followers/likes FY18	Followers/likes FY 19	Percentage increase on previous year
LinkedIn	Queensland Airports Limited	2,791	5,357	92%
	Gold Coast Airport	2,081	4,062	95%
	Townsville Airport	657	802	22%
Facebook	Gold Coast Airport	43,125	44,596	3%
	Townsville Airport	26,386	29,847	13%
	Mount Isa Airport	1,870	2,065	10%
Twitter	Gold Coast Airport	7,047	7,710	9%
	Townsville Airport	1,086	1,310	21%
Instagram	Gold Coast Airport	3,883	5,125	34%
	Townsville Airport	1,673	1,921	15%

Media highlights:

Entity	FY19 volume	2018 sentiment score	2019 sentiment score	Content highlights
QAL	211	+50	+52	<ul style="list-style-type: none"> • Passenger numbers • Ongoing support for lower regional airfares • QAL appoints new Chairman
Gold Coast	1732	+10	+40	<ul style="list-style-type: none"> • Developments underway • AmbassaPAW program • ILS operational
Townsville	2718	+12	+17	<ul style="list-style-type: none"> • NAIF support for redevelopment • Airnorth Gold Coast-Townsville-Darwin service • New addition to therapy dog program
Mount Isa	205	+50	+38	<ul style="list-style-type: none"> • Passenger numbers • Regional airfares discount program • Community Benefit Fund
Longreach	62	+57	+91	<ul style="list-style-type: none"> • Passenger numbers • Regional airfares discount program • Community Benefit Fund

Please note: sentiment scores sit on a range of 100% (all negative commentary) to +100% (all positive commentary) where 0% denotes balanced sentiment (as much negative as there is positive sentiment).

Looking Ahead – FY20 Deliverables



Queensland
Airports^{LIMITED}