

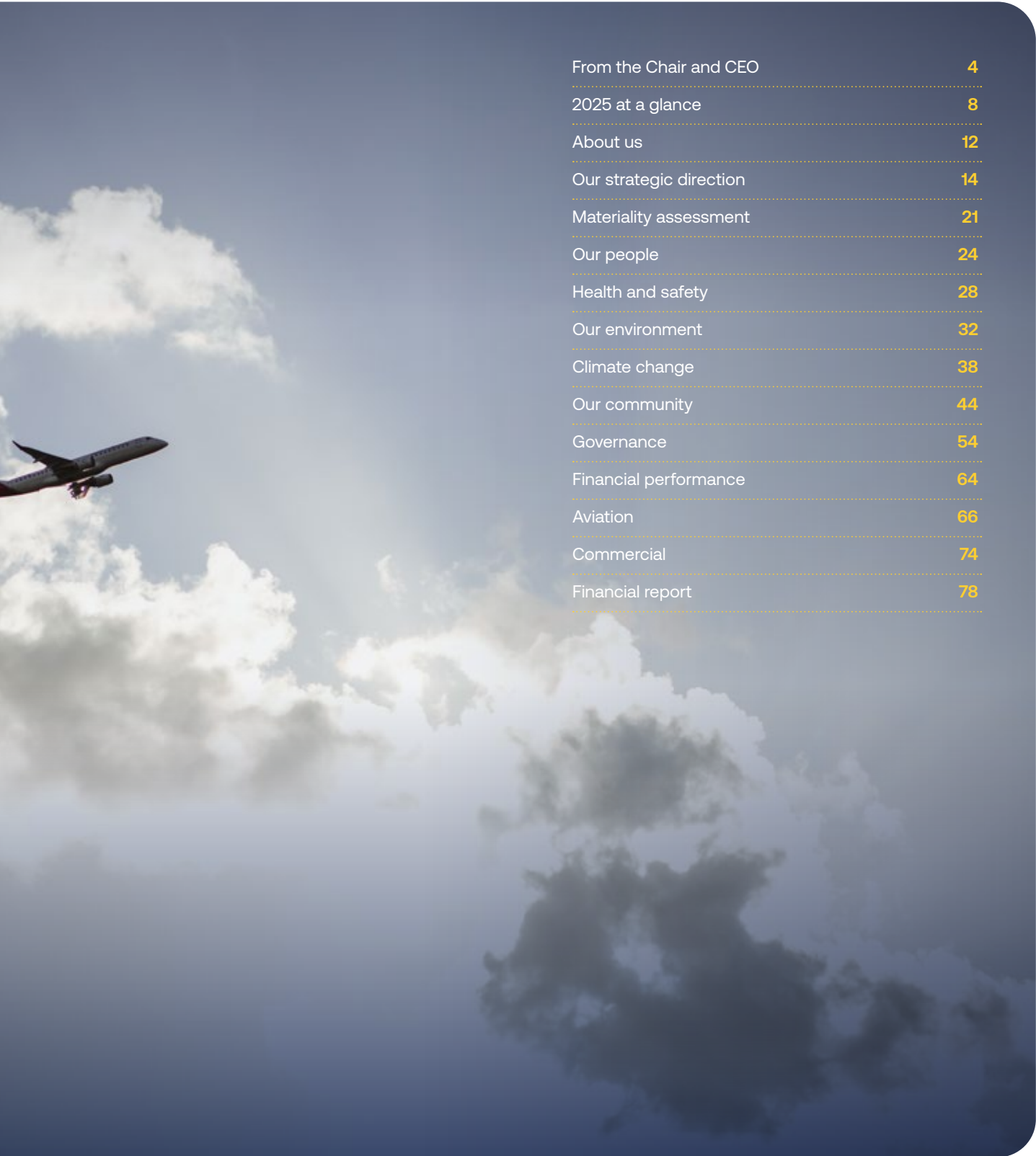
Annual Report 2025



Contents

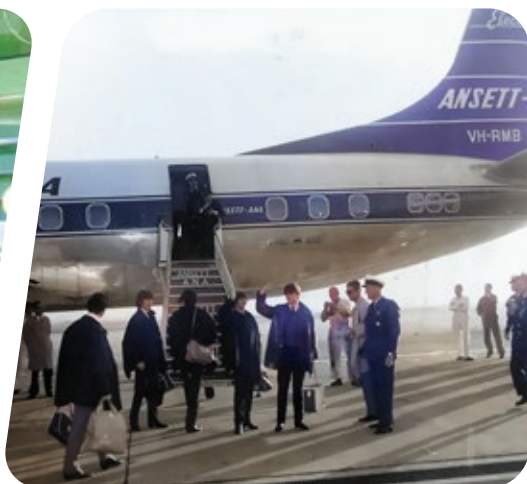
We acknowledge the Traditional Owners of the Meanjin/Brisbane region and recognise their continuing connection to lands and waters. We pay our respects to all Aboriginal and Torres Strait Islander peoples of the places Brisbane Airport connects.





From the Chair and CEO	4
2025 at a glance	8
About us	12
Our strategic direction	14
Materiality assessment	21
Our people	24
Health and safety	28
Our environment	32
Climate change	38
Our community	44
Governance	54
Financial performance	64
Aviation	66
Commercial	74
Financial report	78





100 years of connecting Queensland to the world.

In 2025, we mark a century of progress from a grassy runway to the leading gateway for Queensland.

It began in 1925, when the Commonwealth Government opened Eagle Farm Aerodrome on 36 hectares of farmland.

Since then, Brisbane Airport has grown alongside our city, helping shape the vibrant, connected place it is today.

As we celebrate 100 years, we honour the journey so far and look ahead to building the airport of the future.

From the Chair and CEO



David Peever
Chair

Gert-Jan de Graaff
Chief Executive Officer

A proud past and a bold future

This year we're celebrating a historic milestone, 100 years of Brisbane Airport. But as we honour a century of connection, innovation and growth, we also have our eyes firmly on the future. With a refreshed brand and a raft of transformational projects underway and in planning, 2025 is more than a celebration; it's the beginning of the next chapter of our contribution to Queensland.

It's also the year that Brisbane Airport Corporation (BAC) achieved Net Zero for scope 1 and 2 emissions across our operations. While we recognise this is minuscule in the context of emissions from aviation, it reflects the leadership role we're taking towards a more sustainable future.

Precinct transformation is underway

As the pace of delivery of *Future BNE* stepped up gears, construction and redevelopment sites appeared across Brisbane Airport, with more than 1,000 construction workers on site during peak periods.

We're delivering our largest capital program to date, with more than 150 projects backed by a \$5 billion investment. From major terminal redevelopments to essential upgrades and asset maintenance, each project, large or small, carries unique complexity due to our live operational environment.

Highlights include:

- **Domestic Terminal:**
New mezzanine-level security screening, due by Christmas 2025
- **Central baggage system:**
New baggage system for the Domestic Terminal
- **International Terminal:**
Relocation of security and passport control, and expanded retail
- **Runway major works:**
18 cracked slabs replaced during 3 months of shortened runway operations
- **Carpark expansion:**
1,700 extra spaces at the Domestic Terminal, opening in November
- **Aeromedical Precinct:**
Site preparation underway on the largest multi-tenanted property built by Brisbane Airport, to serve the people of Queensland.

Thriving industrial growth

Throughout the year, construction continued on the largest industrial project at Brisbane Airport, a 33,800 sqm, state-of-the-art, \$80 million parcel facility for Australia Post, with the project achieving practical completion in June.

In FY25 we also saw the inauguration of the newest logistics centre on site, with Martin Brower opening its new 8,000 sqm temperature-controlled distribution centre.

The financial year ended with a further 3 projects under construction at an investment value of \$56 million, expanding Brisbane Airport's property portfolio and leveraging demand for well-connected logistics facilities.

**We were once a small
company taking on big things.**
**We're now a big company
taking on greater opportunities.**

Connecting Queensland and not looking back

Passenger numbers reached a new record in FY25, with more than 24 million travellers passing through Brisbane Airport.

Total passengers	FY25 passengers	vs last year	vs last year
Domestic	17,710,596	+715,129	+4.2%
International	6,518,653	+914,885	+16.3%
Total	24,229,249	+1,630,014	+7.2%

With passenger numbers at Brisbane Airport now fully recovered and connections re-made to 33 direct international destinations, we've drawn a line in the sand and will no longer make comparisons to 2019 pre-Covid statistics, choosing instead to benchmark our performance year-on-year. This shift reflects our forward-looking mindset and confidence in sustained and sustainable long-term growth.

The year saw record capacity growth to North America in particular, with Brisbane now home to the royal flush of carriers: United Airlines, American Airlines, Delta Air Lines, Air Canada and Qantas.

Additionally, in November we will welcome back Malaysia Airlines, deepening connectivity into Southeast Asia and India, strategic markets for Queensland.

A big company taking on greater opportunities

In FY25, we also reached a financial milestone. For the first time, BAC surpassed \$1 billion in revenue with strong contributions from the key business segments of aviation, landside transport, retail and property.

When BAC took over management of Brisbane Airport in 1997, turnover was a little over \$100 million.

We were once a small company taking on big things.

We're now a big company taking on greater opportunities.

With the continued growth in international passenger numbers, profit was \$358.9 million, a 35.3% increase on FY24, with EBITDA of \$786.4 million, reflecting a healthy financial position which underpins future investment across the precinct. Our shareholders received \$335.9 million in returns.

Ahead lies a record 5-year investment horizon with a focus on sustainable growth and infrastructure. In FY25, \$708.2 million was invested, with a budget forecast of \$875.0 million in capital expenditure in FY26, or \$2.4 million per day.

This level of investment demonstrates BAC's commitment to fulfilling its obligation to provide the infrastructure and facilities necessary to meet the demands and needs of the people of Queensland.

A refreshed strategy and new Master Plan

Just as important as the visible construction in our terminals, behind the scenes we've been building something vital as well, our future direction. In FY25, we refreshed our Corporate Strategy to guide our path out to FY32. This represented a collaborative effort across our Board, management team and external experts, having regard to the evolving landscape and with a focus on the key strategic risks and opportunities in front of us over the next 5 years and beyond. The refreshed strategy will be shared in our 2026 Annual Report.

In the coming year, the 2026 Master Plan will also be delivered, establishing the strategic plan for the efficient and economical use and development of the Brisbane Airport site over the next 20 years. Consistent with our obligations under the Airports Act, a Master Plan is prepared approximately every 5 years.

Long-term vision for aviation

Looking even further ahead, the Commonwealth Government's release of its Aviation White Paper during FY25 sets the long-term policies that will guide the sector over the coming decades. BAC was actively engaged in advocacy to ensure the White Paper delivered a policy direction that was practical, deliverable and, most importantly, would enable real and meaningful improvements in the delivery of aviation services to Australians.

During the year, the Senate also conducted an inquiry into the Impact and Mitigation of Aircraft Noise in Australia, and BAC provided evidence to the inquiry around its efforts to improve noise outcomes for its neighbouring communities.

We were pleased that in both instances, government placed an emphasis on a balanced approach to managing aviation growth and its impacts, rejecting blanket caps and curfews as blunt tools that could harm economic and social outcomes.

The White Paper recommended an independent Aviation Industry Ombuds Scheme be established, along with a new Charter of Customer Rights, and national measures to address the treatment of passengers and airport users with disabilities. Brisbane Airport supports these measures and is working with the government to ensure better experiences for all passengers.

A safety-first culture

Our strong safety culture and core values of Communication, Collaboration, Courage and Care were in practice in FY25 when construction on a major project was temporarily paused to address safety concerns. Through collaborative efforts and a focus on continued improvement, enhanced safety measures were implemented, allowing construction to resume with strengthened oversight and renewed confidence.

Out on the airfield, Brisbane Airport passed its annual Civil Aviation Safety Authority audit and annual technical inspection with no safety findings for the 9th straight year. It's a record to be proud of, reflecting the diligence of the Airside Safety team and the cooperation of our many partners.

Improving business resilience

In March, South East Queensland was impacted by Tropical Cyclone Alfred, which approached Brisbane's Moreton Bay Islands as a Category 1 system.

The aerodrome remained open throughout the event and received minor infrastructure damage.

Airlines cancelled 1,377 flights with zero passengers on two days.

An extensive Post Incident Review (PIR) identified opportunities to sharpen recovery arrangements and priorities ahead of future challenges.

Cyclone Alfred impacts	Cancelled flights 6-8 March	Passengers impacted
Domestic	1,169	140,800
International	208	40,100
Total	1,377	180,900

Best airport staff in Australia and the Pacific

Brisbane Airport was recognised once again at the 2025 Skytrax World Airport Awards for having the Best Airport Staff in Australia and the Pacific; a reflection of the exceptional service, dedication and spirit our people bring every day.

We thank our own team for living our values of Communication, Collaboration, Courage and Care, and for making Brisbane Airport a place passengers trust and enjoy; and congratulate the frontline workers, from our retail, airline and service partners, for their exceptional work every day.

We thank our Board of Directors for their guidance, oversight and governance.

We also acknowledge our Executive Leadership Team for their strategic leadership and for delivering strong outcomes in a year of transformation.

Here's to the next 100 years of building an airport worthy of a state as great as Queensland.

David Peever

David Peever
Chair

Gert-Jan de Graaff

Gert-Jan de Graaff
Chief Executive Officer



2025 at a glance

With the continued growth in international passenger numbers, profit was \$358.9 million, reflecting a healthy financial position which underpins future investment across the precinct.

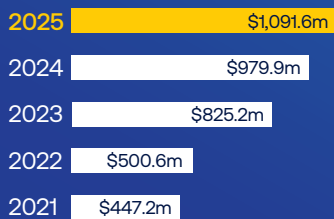




Economic

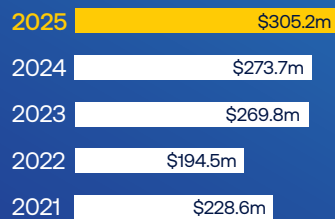
Total revenue

\$1,091.6m ↑ 11.4%



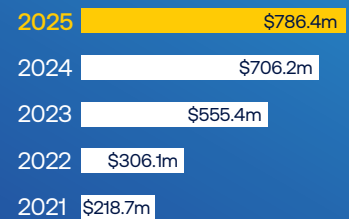
Operating expenses

\$305.2m ↑ 11.5%



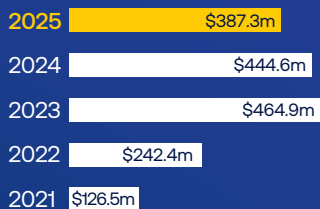
EBITDA

\$786.4m ↑ 11.4%



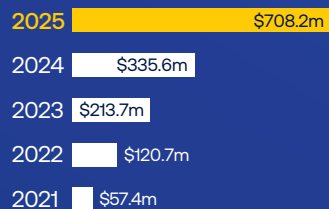
Net operating cash flow

\$387.3m ↓ 12.9%



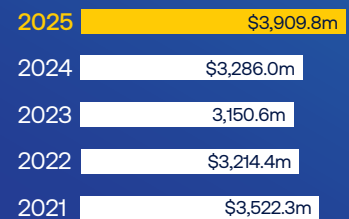
Capital expenditure

\$708.2m ↑ 117.7%



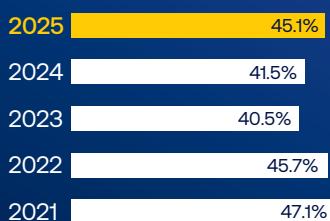
Net debt

\$3,909.8m ↑ 19.0%



Gearing

45.1% ↑ 8.6%



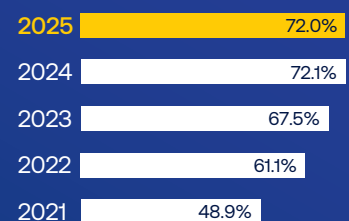
Debt service coverage ratio

2.60x ↓ 29.0%



EBITDA margin (%)

72.0% ↓ 0.1%

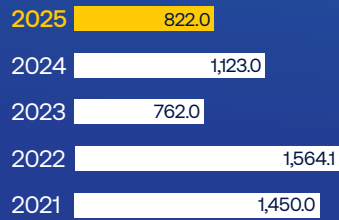




Environmental

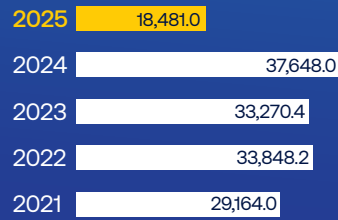
Scope 1 emissions (tCO₂e)

822.0 ↓ 26.8%



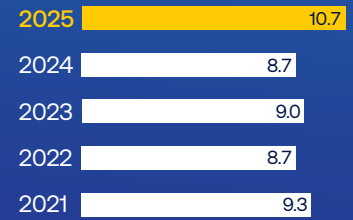
Scope 2 emissions (tCO₂e)

18,481.0 ↓ 50.9%*



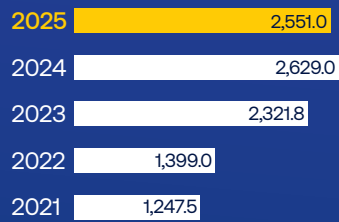
Onsite renewable energy (GWh)

10.7 ↑ 23%



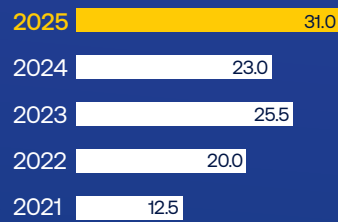
Waste to landfill (t)

2,551.0 ↓ 3%



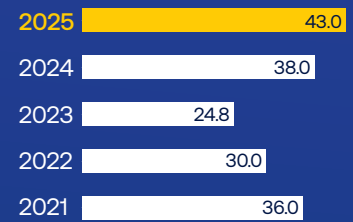
Recycling (% of total waste)

31.0% ↑ 35%



Recycled water (% of total)

43.0% ↑ 13%



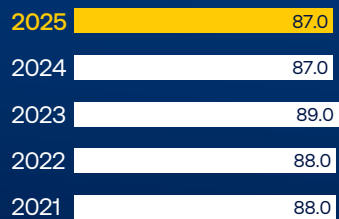
Community



Health and safety

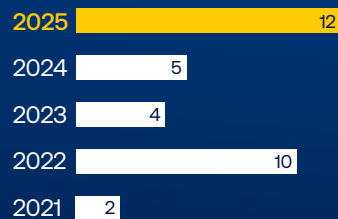
Reputation of Brisbane Airport (% satisfactory, good and excellent)

87.0% 0.0%



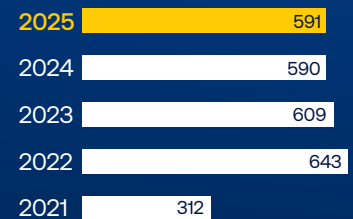
Notifiable incidents (no.)

12 ↑ 140%



H&S interactions by Leadership Team (no.)

591 ↑ 0.2%



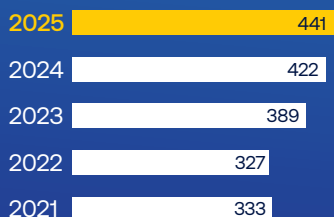
*Material reduction in scope 2 emissions with introduction of renewable power purchase agreement on 1 January 2025.



Employees

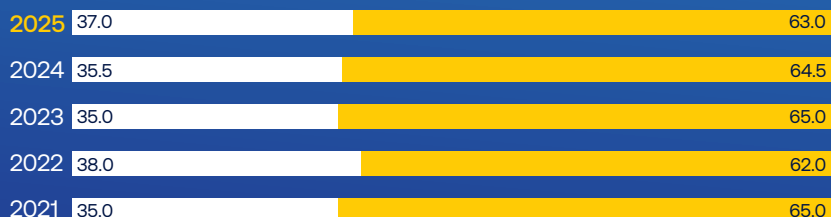
Total employees (no.)

441 ↑ 4.5%



Women

37.0% ↑ 4.2%

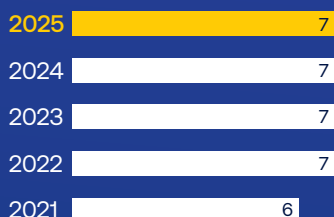


Men

↓ 2.3% **63.0%**

Identified as First Nations (no.)

7 0.0%



Full time

93.0% ↓ 1.6%

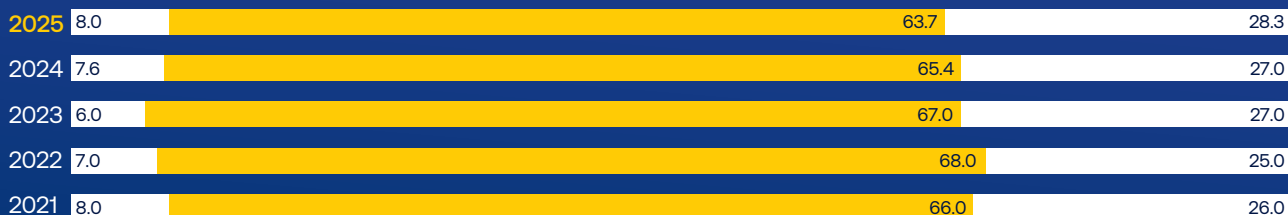


Part time

↑ 27.3% **7.0%**

Aged <30 years

8.0% ↑ 5.3%



Aged 30–50 years

63.7% ↓ 2.6%

Aged >50 years

↑ 4.8% **28.3%**

About us

Brisbane Airport Corporation Pty Limited (BAC), the operator of Brisbane Airport, is an unlisted Queensland company that proudly takes on the challenge of connecting Australia to the world. It is part of a consolidated group, the ultimate holding company of which is BAC Holdings Limited (BACH), an unlisted public company. We operate Brisbane Airport under a long-term lease from the Australian Government.

Brisbane Airport is Queensland's most important transport hub. As the nation's most connected domestic airport and a key gateway to the South Pacific, it plays a vital role in both national and international travel.

It's also one of Queensland's largest single-site employment centres, contributing nearly \$5 billion to the state's GDP. Located just 10 kilometres from Brisbane's CBD and spanning 2,700 hectares, the airport is so expansive it even has its own postcode.

When Brisbane Airport is busy, Queensland thrives.

We help shape Queensland's future by driving the employment opportunities for thousands of people and creating economic benefit across the state.

We serve a city alive with opportunity as the host for the 2032 Olympic and Paralympic Games.

Our vision, values and purpose

Our vision is to connect the world and create the future. We connect people, create community and power the economy.

And we do it with a culture anchored by 4 values:

Communication

Successful teamwork requires us to listen and talk openly, honestly and respectfully.

Collaboration

Working together is at the heart of everything we do.

Courage

Having the courage to speak up, make hard decisions and ask difficult questions is what allows us to continue to grow.

Care

When we care about the work we do, the environment we work in and the people we work with, it shows.

Empowered by those principles, we operate with purpose to deliver value to our:



Community

Brisbane Airport exists to serve its community, and by having an open and honest relationship with our community we can all grow together.



Customers

Our customers have choices, and to make it easy for them to choose Brisbane Airport, we keep their best interests at the heart of our decision-making.



Employees

Our most important asset is our people, and their passion is the fuel for our success.



Shareholders

By creating value for everyone, we also create sustainable value for our shareholders who believe in us and want us to succeed.



Brisbane Airport is Queensland's most important transport hub. As the nation's most connected domestic airport and a key gateway to the South Pacific, it plays a vital role in both national and international connectivity.



Our strategic direction



At Brisbane Airport our vision is clear — Connect the world. Create the future.

Business model

Our value drivers



Aviation

We connect Queensland to the world by enabling passenger and freight growth, supporting tourism and trade, and providing essential aviation infrastructure and services.

Value created in FY25

- 1.6 million additional passengers
- 9 new international passenger routes
- New records for international holiday visitors to Brisbane



Commercial

We deliver commercial value through the development and management of industrial, retail, business property precincts, terminal retail offerings and car parking services that enhance the customer experience and support airport operations.

Value created in FY25

- Practical completion achieved on 4 industrial property sites, all targeting a 5 star Green Star rating
- Over 100 leasing deals and renewals completed
- Commercial revenue: \$510.1 million
- B2B customer score: 4.17 (out of 5)



Infrastructure development and delivery

We deliver fit-for-purpose infrastructure that supports future growth, enhances operational resilience and reflects our commitment to responsible development.

Value created in FY25

- \$708.2 million of capital investment delivering a range of aviation and commercial infrastructure
- Significant works underway delivering major upgrades to security and retail at the Domestic and International Terminals



Efficient and safe operations

We ensure the airport operates reliably, safely and securely every day, with a focus on customer experience, technology and innovation and working effectively with our partners.

Value created in FY25

- No significant harm injuries in FY25 despite extra passengers and largest ever capital works program
- CASA audit and annual technical inspection resulted in no safety findings for 9th straight year



Fostering social licence to grow

We act responsibly and transparently to build trust with the community, government and stakeholders by minimising the impact of our operations, and contributing positively to the social, cultural and economic vitality of Queensland.

Value created in FY25

- \$1 million in partnerships and grants to RFDS, LifeFlight, community, cultural and sporting groups, including passenger funded initiatives
- Construction underway on \$217.8 million Aeromedical Precinct
- Achieving our commitment to Net Zero Emissions (scope 1 and 2)



Our people and culture

We empower a skilled, inclusive and values-driven workforce that enables adaptation, innovation and delivers on our strategic ambitions.

Value created in FY25

- 441 employees
- Employee Net Promoter score: 48
- Employer of Choice 2024 by Australian Business Awards
- Launch of the STEM graduate program to increase female representation in male dominated professions



Financial

Our strong balance sheet and disciplined capital allocation enables us to drive sustainable long-term growth for our shareholders.

Value created in FY25

- Cash \$64.4 million
- Debt \$3,909.8 million
- Equity \$1,972.4 million
- Dividends paid \$300 million

Our ambition

We understand that today's decisions directly influence the future of our business. Our ambition serves as a foundation for future master plans, business strategies and project development.

Our aspiration is to be the best possible distillation of all that's great about Brisbane and Queensland.

We aspire to:

Be more than an airport

Brisbane Airport will be a dynamic, diverse precinct that connects people, empowers businesses and creates jobs to drive the local economy. We will be a:

- **Thriving business and retail hub** fostering economic, social and cultural growth
- **Major employment centre** providing workers with opportunities and contributing to the broader Queensland economy
- **Driving force for industries and businesses** supporting growth and positioning Queensland as a key hub for trade, commerce and innovation.

Be Australia's best gateway

Brisbane Airport will be a gateway that not only connects Queensland to the world, but also brings the world to Queensland. We will:

- **Deliver an experience for all** — embrace a “don't worry, be happy” ethos, ensuring that every person — whether families, leisure seekers or business travellers — feel welcomed and valued
- **Leverage our unique geographical advantages** — capitalise on BNE's prime location, offering access to key international destinations across Asia, the Americas and beyond. Our position makes it easier for travellers to explore Queensland tourism gems and for international visitors to discover Australia
- **Be Australia's most connected airport** — seamlessly link regions and cities across Australia, providing essential transport services for communities and supporting Australian leisure and business economy
- **Foster international growth and connectivity** — position BNE as a key gateway that facilitates international travel, trade and investment, helping connect and attract more global visitors, business opportunities and investment to support Queensland's growth.

Be a source of pride for future generations

We will be a leading sustainable airport that future generations trust and are proud of. We will:

- **Be a good neighbour** — serve as a community asset that drives local and international business, supports job creation and contributes to economic growth
- **Contribute to the region's economic, social and cultural vitality**, creating a lasting impact that strengthens the local community and enhances Queensland
- **Ensure that Brisbane Airport remains a sustainable and inclusive hub**, balancing growth with the needs of the community, and creating long-term value for future generations.

Our Corporate Strategy

Our Corporate Strategy (FY22–FY25) is to create value through connecting people with each other, creating places that make life better, and generating opportunities for people and businesses to thrive.

The delivery of our Corporate Strategy is facilitated by a commitment to our strategic goals for our core business units of Aviation, Property and Consumers.

Refreshing our Corporate Strategy

As part of Brisbane Airport's strategic planning cycle, we undertook a review of our Corporate Strategy during FY25. This process, which will guide our direction from FY26 to FY32, was shaped through extensive consultation with our Board of Directors, Executive Leadership Team, Business Leadership Team and subject matter experts from across our organisation.

We also engaged external consultants to provide independent insights and expertise on changes to our operating environment. The refreshed Corporate Strategy will be presented in the 2026 Annual Report.



Aviation

- Make BNE a more attractive choice for airlines
- Meet demand for passengers and freight
- Make BNE the easiest and most enjoyable choice



Property

- Accelerate property development
- Improve connectivity to and through our precincts
- Grow existing industries and attract new markets



Consumers

- Use technology to improve customer experience
- Build flexibility into all our consumer touch points so we're always ready to adapt
- Identify and develop new consumer products or revenue streams

Our sustainability commitment

If we are to achieve our vision and future aspirations, we must develop the airport and operate it in a manner that future generations trust and are proud of.

We recognise that sustainability is essential for Brisbane Airport because it enables long-term, responsible growth, which is key to delivering value to our communities, customers, employees and shareholders. It builds on a long history of sustainability achievements, providing an exciting future pathway through an holistic approach that commits us to delivering positive, sustainable outcomes.

Our sustainability purpose is to:

'Create a sustainable, leading airport that future generations trust and are proud of.'

We deliver our purpose by focusing on three pillars:



Protect our planet

Consume responsibly and minimise our footprint

Decarbonisation

Circular economy

Climate change resilience



Grow responsibly

Support Queensland's growth and ensure Brisbane Airport is a sustainable destination

Sustainable design

Sustainable procurement

Employee experience



Support our communities

Build a positive legacy

Partnerships and engagement

Education

Your BNE

A Qantas airplane is shown in flight against a clear blue sky. The aircraft is white with a prominent red kangaroo logo on its tail. Below the plane, a dense line of green trees separates the sky from a body of water in the foreground. The water is calm and reflects the surrounding greenery. The entire scene is framed within a rounded rectangle.

We recognise that sustainability is essential for Brisbane Airport because it enables long-term, responsible growth, which is key to delivering value to our communities, customers, employees and shareholders.

Our strategic direction

We recognise that being a leader in sustainability means constantly creating opportunities to create a better future for BNE.

Our sustainability targets reflect our dedication to bringing our purpose of 'creating a leading, sustainable airport that future generations trust and are proud of' to fruition.

On 1 January 2025, BAC achieved net zero emissions for its scope 1 and 2 emissions, marking a significant milestone and demonstrating that it is possible to decarbonise airport operations today.

We remain committed to further decarbonising our operations and the operations of the broader airport precinct, and minimising our footprint. Our targets are designed to guide and focus our efforts towards achieving these outcomes.

Our sustainability commitment provides the guidance and direction that underpins our Corporate Strategy.

Our sustainability targets



¹ Supporting the World Economic Forum Clean Skies for Tomorrow initiative for 10% global Sustainable Aviation Fuel by 2030.

² Operational waste excludes quarantine/sterile waste due to regulatory requirements.

Materiality assessment



Eager to learn, we conducted a comprehensive materiality assessment to identify the most important environmental, social and governance (ESG) topics for our business.

The assessment in FY23 considered relevant industry-specific ESG standards, global trends and close consultation with our community, customers, employees and shareholders. A survey was sent to 400 stakeholders and 126 responses were received.

The purpose of the survey was to ask participants to prioritise the material topics on their level of importance to our business. An additional 15 interviews were conducted across our stakeholder groups to gain further insights into the material topics and the results of the survey.

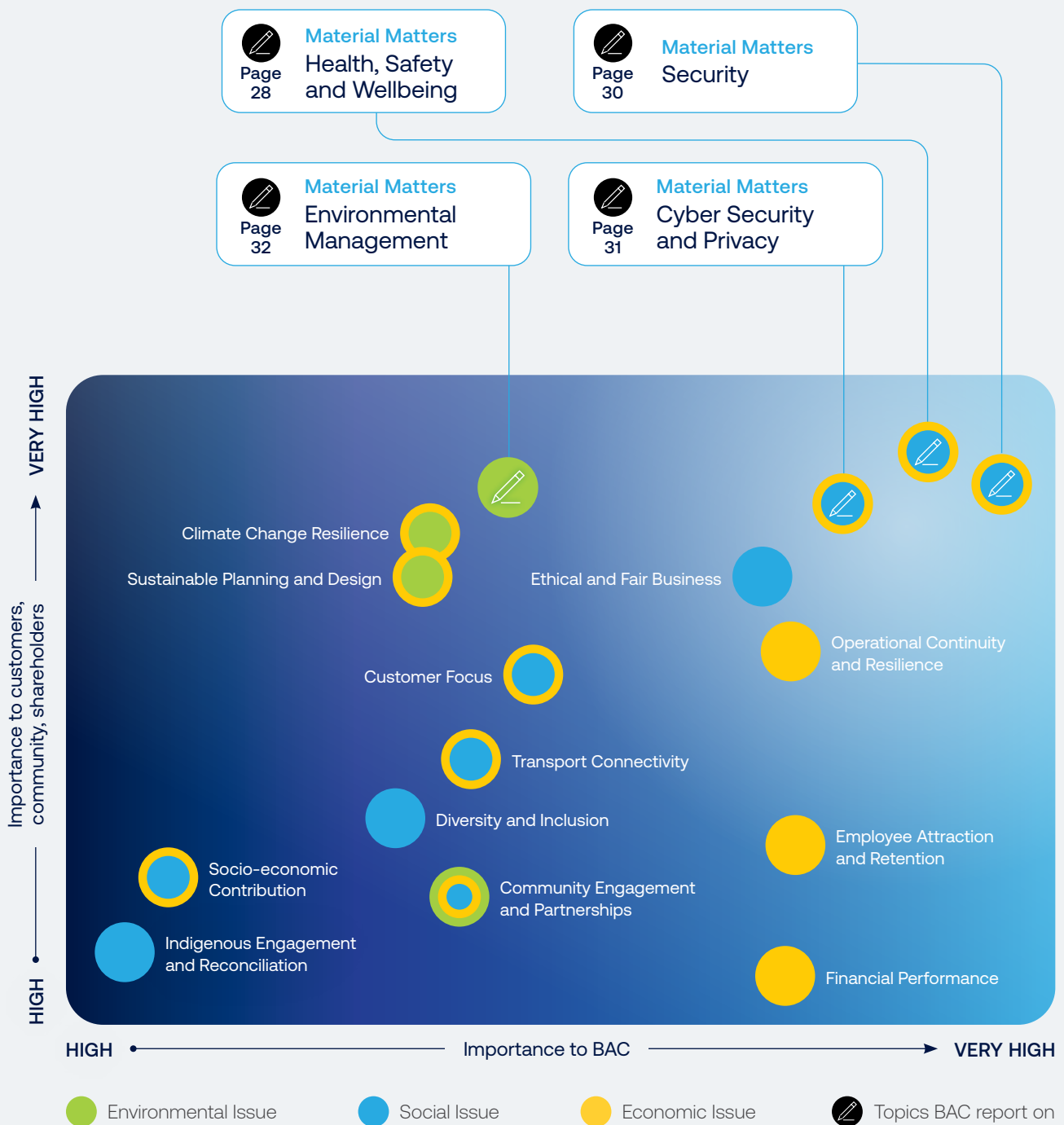
In FY26, we will be conducting an entirely new materiality assessment to ensure we remain aligned with changing expectations among our stakeholders.

The assessment identified 16 material topics (defined below) which reflect the diversity of our operations and our responsibilities.

Material topic	Description
Climate change resilience	Preparing for and responding to the impacts of climate change (physical and transitional).
Community focus	Proactively engaging with our communities to develop meaningful partnerships. Increase education and awareness of airport operations and their impacts (e.g. noise).
Customer focus	Providing a positive experience for all customers (retail, property, airline, passengers etc.) and meeting the needs of airport stakeholders.
Cyber security and privacy	Ensuring Brisbane Airport maintains adequate cyber security and data protection.
Diversity and inclusion	Developing a diverse and inclusive environment for staff and passengers, and contributing to an inclusive society with equal opportunity.
Employee focus	Developing and maintaining an employee experience that involves education and growth opportunities, improves engagement and culture, attracts talent and supports business outcomes.
Environmental management	Protecting biodiversity and the natural environment, reducing emissions from airport operations, designing out waste and improving responsible resource consumption (e.g. waste and water management).
Ethical and fair business	Implementing robust and effective governance, compliance and procurement processes. Protect human rights across all aspects of operations and support fair work conditions.
Financial performance	Improving and maintaining our financial robustness and shareholder value.
Health, safety and wellbeing	Ensuring the health, safety and wellbeing of our people and customers.
Indigenous engagement and reconciliation	Developing strong and productive relationships with Aboriginal and Torres Strait Islander peoples.
Operational continuity and resilience	Improving our operational resilience to support business continuity under a range of differing circumstances.
Security	Maintaining a safe and secure airport environment for both aviation and non-aviation activities.
Socio-economic contribution	Direct and indirect economic, social and environmental contributions to communities from operations.
Sustainable planning and design	Responsible planning for future growth through sustainable investment and prioritising sustainable design.
Transport connectivity	Integration with transport authorities to enhance community access to Brisbane Airport's precincts.

Materiality matrix

The materiality matrix reflects the results of the materiality assessment. As all ratings were 4 or higher (on a scale of 1-5), we acknowledge that all topics are material to our operations.



Our people

Our people are integral to our success, which is why we continue to nurture our strong culture and invest in our diversity and technical, professional and leadership capabilities.

Even with the significant transformation of Brisbane Airport, we haven't lost sight of who we are and what we stand for. Our values of Communication, Collaboration, Courage and Care are embedded in how we operate, engage and make decisions. For this reason, Brisbane Airport Corporation was named Employer of Choice (100–999 employee category) at the 2024 Australian Business Awards for the second consecutive year.

Maintaining our high performing culture

We treasure our strong culture and will do what we can to protect it. In late 2024, we examined our culture via a detailed employee engagement survey. The results indicated we continue to be in the high-performing range for employee engagement and enablement, as measured by the Korn Ferry Employee Effectiveness Survey.

- Our average employee Net Promoter Score was 48 (second highest score received).
- With an average response rate of 87%, we are confident the feedback is a true reflection of employee sentiment.

Investing in our capability and diversity

We invested in the technical, professional and leadership capability of our people through our formal learning and development program. The program empowered employees to be the driver of their personal growth and professional development regardless of their career stage. To support learning, we provided our employees with opportunities to participate in secondments, professional coaching, formal technical and soft skills training, leadership programs (existing and emerging) and formal study, to name a few.

Our organisation is committed to gender equality by providing equal opportunity in respect of employment and employment conditions; building a workforce that respects, celebrates and empowers individual differences; modelling inclusive behaviours and valuing the opinions of our people. We continue to progress initiatives to increase female representation in leadership and STEM roles through:

- Targeted recruitment strategies for female applicants into STEM-related opportunities, including the development of the Undergraduate Engineering Program initiative
- Emerging leadership development program with 50% female participation
- Identification of opportunities to progress females engaged in STEM roles into leadership positions.

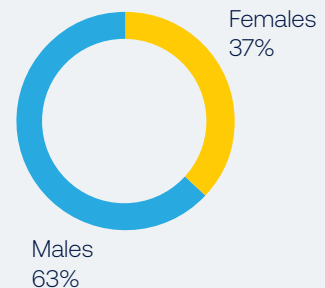


As at
30 June
2025

Number of employees

441

Gender diversity



Females in senior leadership

34%

Turnover

13%



Our values of Communication, Collaboration, Courage and Care are embedded in how we operate, engage and make decisions.



Our people
are our business



Our people

Brisbane Airport Employee Experience program

FY25 saw the continuation of the Brisbane Airport Employee Experience program, celebrating and recognising the 20,000 workers that contribute to making Brisbane Airport an award-winning airport.

The program is based on three pillars — attract, engage, retain.

In FY25 the program achieved:

Attract

Expansion of the Jobs at BNE video series, showing the diverse range of careers available at Brisbane Airport, supporting our partners with recruitment.



Visit: [Jobs at BNE](#)



Watch: [Jobs at BNE video series](#)

Engage

A number of events were held throughout the year, to recognise employees airport wide, including gift deliveries for Christmas and an event for International Cleaners Day in June.

Employee Appreciation Day was celebrated on 28 March and included initiatives to reach employees across all shift timings — coffee and pastry giveaways in the morning, ice cream trucks airside and landside during the day, and sweet treats delivered to workers overnight.



Watch: [Employee Appreciation Day 2025](#)

Retain

A rewards and recognition program was scoped in FY25, with the roll-out planned for FY26.

Day in the Life program

The Day in the Life program was continued in FY25, to enable our leadership team to experience firsthand some of the diverse roles at Brisbane Airport. The team spent time with 8 airport partners, across daytime and nighttime shifts. This included working alongside ground handlers, terminal retailers and lounge partners, freight and logistics providers, airline partners, aeromedical services and aviation training providers. Experiences were shared with the wider team, with a focus on challenges experienced by businesses and workers across the airport precinct.



Health and safety

Keeping everyone at the airport safe and secure is paramount — it's the most important thing we do, and the number one priority identified in the materiality assessment. Our people are our strength, so we invest time and effort in them, and trust them to deliver exceptional outcomes and to keep each other safe.

Driving our health and safety culture

In FY25, BAC continued to strengthen its health and safety culture by focusing on safety leadership. This was demonstrated by the commitment from our Business Leadership Team (BLT), with each member developing a safety leadership action plan that aligned with our safety culture maturity model.

The initiatives outlined in these plans were aimed at continuous improvement of safety communication, prioritising safety, fostering a learning organisation, and through demonstration of a visible management commitment to support our employees. The positive impact of these plans and commitment to safety outcomes was reflected through the results of the safety culture maturity assessment conducted by The Keil Centre and the safety results in the staff engagement surveys, which showed 88% of staff believe the organisation always puts their health and safety first.

Our leadership team showcased a proactive and visible commitment to safety through 591 completed health and safety interactions.

Growing our health and safety capability

We've invested in developing our health and safety capability through training and providing appropriate systems and tools to allow effective health and safety management.

This includes:

- WHS roadshows and Safety Essentials training program tailored for different employee groups and the works they deliver and manage
- Provision of a mature and continually improving WHS Management System (ISO 45001 certified)
- Simplification of WHS tools and technology systems to assist in reviewing the health and safety requirements for work activities.

Development of health and safety assurance programs

Given the scope of the capital works program delivered in FY25, we've ensured a heightened focus on maintaining a robust assurance program targeting interface risks to ensure a safe environment for our airport workers, customers, passengers and the community. This program encompassed 33 reviews of contractor safety management plans, 58 Notification of Risk Activity (NORA) checklists for all high-risk activities, 346 safety inspections of project works and 203 general safety inspections.

Our teams take a rigorous approach to the review and analysis of any incidents or hazards that occur at Brisbane Airport, with 298 incident investigations completed in FY25. This demonstrates our commitment to continuous improvement of health and safety outcomes.

These efforts underpin our commitment to maintaining high safety standards for all those working at or visiting the precinct.



Our leadership team showcased a proactive and visible commitment to safety through 591 completed health and safety interactions.

Health and safety incidents — reported by category — FY25

Incident Category	BAC Worker	Contractor	Tenant	Public	Total
High	0	0	0	0	0
Medium	3	26	4	62	95
Low	12	39	11	125	187
Near Miss	8	38	12	40	98
Total	23	103	27	227	380

Incident performance and analysis

There were 380 incidents recorded in FY25, which is an increase of 20 incidents from FY24. This is despite the significant increase in construction works across the airport, with an additional one million hours worked by contractors and an extra 1.68 million passengers passing through the airport.

There was a significant drop in vertical transport incidents, particularly in regard to escalator incidents which decreased from 81 in FY24 to just 31 in FY25, which also led to a decrease in members of the public requiring medical treatment.

This significant improvement is largely attributed to terminal upgrade works which will continue in FY26, including the replacement of 37-year-old escalators with modern units equipped with enhanced safety features.

Overall, public incidents are still largely associated with vertical transport incidents and general slips and trips. Investigations into slips and trips continue to identify minimal contributing factors, reinforcing the effectiveness of Brisbane Airport's infrastructure and processes.

Contractor incidents increased in FY25, with 103 events recorded. The most notable rise was in near miss reports, reflecting improved collaboration between BAC and its contractors to foster a strong reporting culture. This proactive approach enables valuable lessons to be learned and shared, enhancing overall safety performance.

Thanks to our unwavering commitment and the dedication of the entire team, our safety-first approach has once again ensured no significant harm injuries occurred throughout the year.

Security and emergency management

As our airport continues to grow and transform, one enduring obligation that remains unchanged is that of ensuring the protection of our customers, employees, community and shareholders.

To fulfil this responsibility, we continuously work to proactively identify risks, implement appropriate security measures, and foster a culture of safety and vigilance.

As part of this commitment, Brisbane Airport has continued work to deliver our security equipment upgrade projects in both the Domestic and International Terminals, as our contribution to the Commonwealth Government's broader **"Strengthening Aviation Security Initiative"**.

As the most significant infrastructure projects undertaken since the terminals were built, works completed in the past financial year have seen the delivery of significant construction and equipment commissioning milestones critical to ensuring the successful delivery of each of the separate projects.

Highlights include:

- Delivery of two temporary security screening points at the northern and southern ends of the Domestic Terminal to screen passengers during the project
- Opening of the new permanent security screening lanes that service the Qantas Premium Lounge Entry point
- Completion of the construction of core infrastructure for the new central mezzanine screening point which will be fitted out with new security screening equipment in late 2025
- Decommissioning and refurbishment of the legacy northern Domestic Terminal screening point which is programmed for equipment installation from July 2025

- Installation of the 8 *Rapiscan* RTT-110 checked baggage screening units across the Domestic and International Terminal baggage make-up areas for future commissioning.

In parallel to these projects, Brisbane Airport has also continued work with our security services provider, ISS, to ensure an appropriate level of operational readiness will be achieved for the opening of the new screening points. This has included a program to train more than 550 security screening staff on the next-generation, 3-dimensional screening equipment, while maintaining existing levels of service for our customers.

Additionally, Brisbane Airport has continued to maintain a forward-leaning approach in ensuring we have a best-in-class security management system (also known as SeMS) capable of administering and assuring effective security controls in an evolving risk landscape.

As part of this objective, in FY25, Brisbane Airport enrolled in the International Air Transport Association (IATA) SeMS certification program used to independently evaluate the maturity and capability of a participant's security framework against prescribed international standards.

Following the completion of this process, including an independent assessment of our security program, in June 2025 Brisbane Airport was successful in being formally certified as an IATA SeMS accredited aviation industry participant. While this achievement is a clear affirmation of Brisbane Airport's commitment to a proactive, risk-based approach to aviation security, it is also of substantial significance that BNE is the first airport in the world to hold this certification.

However, regardless of these achievements our newly completed protective security strategy, informed directly by overarching strategic goals, will maintain a drive to focus on continuous improvement and an enhanced security posture delivered in a way that is aligned with our values.

Security and emergency management



800+

security inspections conducted



7,000+

aviation security identity cards issued



35+

projects under management



1,300

security screening systems tests



800+

security and emergency training participants



48,000+

visitor passes issued



4,000+

access management and card requests



30

security alerts



3

major emergency exercises



1,100+

requests for information support cases

Cyber security

At Brisbane Airport, we are just as focused on security in the digital world as we are in the physical space, to ensure we are a safe, secure and resilient airport.

Our current Cyber Strategy, implemented in January 2024, focuses on adopting established frameworks to enhance cyber security and align with obligations under the Security of Critical Infrastructure Act 2018 (Cth).

The strategy aims to protect the availability, integrity, and reliability of aviation systems, minimising the risk of cyber threats such as ransomware and ensuring continuity of operations.

Throughout FY25, the Cyber Strategy delivered the following benefits and outcomes to our business:

- In February 2025, an external party completed a Red Team assessment to measure control effectiveness. A Red Team assessment is a simulated 'hacking' attack event. Our cyber security services and systems protected us from this simulated attack
- The Security Operations Centre (SOC) 24/7/365 service was shifted to a new vendor to improve resilience against ransomware and motivated actors
- A follow-up ISO/IEC 27001 assessment was conducted to validate remediation efforts and confirm progress against the Cyber Strategy

- Phase 2 of the ISA/IEC 62443 assessment is underway, focusing on critical infrastructure services, with completion expected in Q4 2025. The ISA62443 standard addresses cyber security for operational technology, automation, and control systems
- A Strategic Privacy and Cyber Committee was implemented to improve representation across the business for both Operational Technology (OT) and Information Technology (IT), including ensuring consistency of risk identification and management.

Improving maturity against international standards, along with implementing the Strategic Privacy and Cyber Committee will continue to drive change and ensure we are well placed to deal with an evolving threat environment.

Our environment

Environmental management

Brisbane Airport is committed to the continued improvement of its environmental performance. Environmental management is underpinned by the Airport Environment Strategy (AES) which is a part of our Master Plan. The AES sets the strategic direction for environmental management across our precinct.

Biodiversity and heritage management

Brisbane Airport covers 2,700 hectares, including a 285-hectare Biodiversity Zone and areas of cultural significance for First Nations people. The northern boundary of Brisbane Airport forms the shoreline of Moreton Bay, a Ramsar-designated wetland of international significance. In FY25, we completed 3 biodiversity specific investigations which included a mangrove mapping and aerial review, terrestrial mapping and migratory shorebird monitoring.

The mangrove and aerial mapping has shown positive trends for mangrove growth and aligns with Australian coastal erosion trends on tidal flats. It is important to allow this erosion to occur as these tidal flats support large numbers of migratory shorebirds, including several threatened species.

The monitoring study reveals neutral to positive trends for these bird species. The monitoring study has also concluded that restricted access to Brisbane Airport has provided a safe refuge for shorebird species.

Brisbane Airport is culturally and spiritually significant to the First Nations people of the land, waterways and sky. It also has non-Indigenous historical heritage importance, with sites such as the former Cribb Island community and the Kingsford Smith Memorial containing the Southern Cross aircraft which is now 100 years old. This year we continued to implement the Heritage Management Plan, which informs planning, design and development at the airport, and links into the Reconciliation Action Plan.

Environmental monitoring and compliance

Brisbane Airport maintains an Environmental Management System (EMS) that in FY25 was certified to the international standard AS/NZS ISO 14001:2015. The EMS adopts a risk-based approach to management of our environmental performance across the business, which includes operations, tenant and project management. Environmental monitoring completed in FY25 included environmental investigations on projects, ongoing project monitoring and the implementation of the sitewide water quality monitoring program.

Brisbane Airport is culturally and spiritually significant to First Nations people.





Brisbane Airport covers
2,700 hectares, including a
285-hectare Biodiversity Zone.



Environmental Management System highlights

4 water quality
monitoring events

2 post-wet weather
water quality
monitoring events

across a network of
52 locations

135 projects

48 tenant
inspections

ISO 14001

696 actions

122 actions

Certified



Water and waste

Water

BAC is actively working toward its target of 50% recycled water use by 2030, reinforcing its long-standing commitment to sustainable resource management. With continued growth in passenger numbers driving up water demand, efficient and diversified water use is essential to maintaining sustainable operation.

Currently, we source water from:

- Urban Utilities' potable water network
- Class A recycled water from the Gibson Island Wastewater Treatment Plant
- Onsite stormwater harvesting.

To further reduce reliance on potable water and meet growing demand, we're planning to incorporate an additional recycled water source from Urban Utilities' Luggage Point Treatment Plant.

This year our water consumption was:

BAC potable water: 243.3 ML

Recycled water: 182.1 ML

We continue to implement measures to reduce potable water consumption, including:

- Installing water-efficient fixtures and fittings
- Using harvested stormwater for irrigation
- Using recycled water in terminal cooling towers
- Reducing water losses.

Ongoing efforts are focused on expanding non-potable water applications and introducing further water-saving initiatives to ensure the long-term sustainability of Brisbane Airport's water resources.

Waste

BAC manages waste generated from our activities, operations and our business sites including the terminals. We have committed to achieving zero operational waste to landfill by 2030 (excluding biosecurity waste from quarantine zones at the International Terminal).

In FY25, we continued to strengthen our partnership with Cleanaway, supporting progress to zero waste to landfill. We enhanced our organics infrastructure, enabling more effective diversion of food and organic waste from landfill and supporting more sustainable management of these materials. We also introduced clear low-density polyethylene (LDPE) plastics into our recycling streams, delivering higher-quality recycling outcomes. Additionally, we expanded our Containers for Change bin network across Brisbane Airport, increasing opportunities to recover bottles and cans and further reduce waste to landfill.

FY25 Waste Performance Summary

Landfill: 2551.0 tonnes

Diversion: 1140.0 tonnes

Diversion Rate: 31%

Quarantine Waste: 422 tonnes*

* Not included in total waste amount as this cannot be diverted due to biosecurity regulations. All quarantine waste is incinerated and converted to energy.

Emissions

BAC takes a proactive approach to managing and reducing emissions. In FY25, we achieved net zero (scope 1 and 2) from 1 January 2025. Our scope 1 emissions are generated from refrigerants, fuel consumption from fleet vehicles, fire pumps and generators, and SF6 switches. Scope 2 is generated from the consumption of our purchased electricity. We achieved net zero by achieving a 97% emission reduction in our scope 1 and 2 footprint and removing the remaining 3% of emissions via a carbon offset project that involves active land regeneration. The 97% reduction in emissions was achieved through the following initiatives:

- Signing a power purchase agreement with Stanwell Corporation to purchase 100% renewable-backed electricity from Queensland based wind farm and solar projects
- Expanding onsite solar to 12.2 megawatts (MW)
- Replacing 30 traditional internal combustion engine fleet vehicles with electric powered vehicles, and introducing 2 hybrids into the fleet.

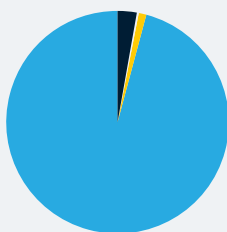
We will continue to focus on reducing our scope 1 emissions even further through transitioning SF6 switches from gas to air-based, identifying opportunities for further electrification within our fleet, and replacing refrigerants (where practical) with a lower emission alternative when our heating, ventilation and air conditioning units need replacing.

We recognise that our scope 1 and 2 emissions account for just 1% of the total emissions at Brisbane Airport and the real challenge lies in reducing scope 3 emissions. The most significant source of our scope 3 emissions is generated from aviation fuel. Other large contributors include ground services equipment, tenants' electricity, and passenger and customer travel to the airport (taxi, car, bus). BAC is committed to working within our own operations, as well as with our customers, supply chain and partners around the airport precinct to identify and implement emissions reduction opportunities. As part of this commitment, we continued to implement electric chargers airside for ground service equipment and advance our Scope 3 Plan.

Brisbane Airport is proud to continue to represent the Australian airports on the Jet Zero Council during FY25. In partnership with the Australian Airports Association (AAA) Sustainability Working Group (SWG), a decarbonisation roadmap and Sustainable Aviation Fuel (SAF) accounting position paper was developed for the Jet Zero Council. The decarbonisation roadmap outlined the key initiatives and infrastructure required at airports to support aviation decarbonisation. The SAF accounting Position Paper provides an airport view into SAF accounting mechanisms to align with future policy integration and industry alignment.

During FY25, we remained an active participant in the Hydrogen Flight Alliance (HFA) which is focused on developing hydrogen-electric aircraft at Brisbane Airport. We also maintained our Airport Carbon Accreditation (ACA) Level 4 – Transformation status. This status recognises Brisbane Airport's long-term carbon management strategy towards absolute emissions reductions and evidence of forging meaningful partnerships to reduce the emissions of airport partners.

Scope 1 and 2



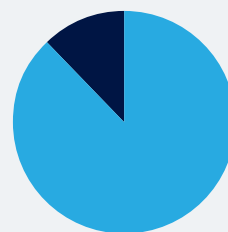
SCOPE 1

- **3%**
Diesel (fleet and plant equipment, diesel generators, fire pumps)
580 tCO₂e
- **0.03%**
Petrol, 6 tCO₂e

SCOPE 2

- **95.74%**
Electricity*
18,481 tCO₂e
- **0.99%**
Refrigerants
191 tCO₂e
- **0.23%**
SF6, 45 tCO₂e

Scope 3



SCOPE 3

- **88%**
Aircraft emissions**
3,387,455 tCO₂e
- **12%**
Other***
456,222 tCO₂e

* Material reduction in scope 2 emissions with introduction of renewable power purchase agreement on 1 January 2025.

** Aircraft emissions includes aircraft full flight emissions and aircraft maintenance, repair and overhaul.

*** Other includes, airside vehicles, landscaping, tenant (gas, refrigerants, generators, electricity), 'Well to Tank' emissions, transmission and distribution losses, fire training, waste, wastewater, airport construction (contractors), staff business travel, employee and passenger commutes to the airport.

Sustainable design



Case study

In FY24, Brisbane Airport's maintenance complex saw the construction of a new washbay and fuel station facility. The facility represents BAC's ongoing commitment to embedding sustainability into design and operational efficiency. The facility is equipped for future renewable diesel use, incorporates low carbon concrete through coloured precast panels, and makes use of recycled asphalt. A 16 kilowatt (kW) small-scale solar system was installed as a pilot, paving the way for similar future applications. Additional features such as rainwater harvesting and a high-pressure, low-flow wash system significantly reduce reliance on potable water.

Energy

BAC manages an embedded electrical network which provides electricity required to operate the precinct across several areas, including airfield and terminal operations, building services, transportation and IT infrastructure. We have been implementing considerable energy efficiency initiatives since 2013, resulting in significant energy savings — in turn leading to more sustainable and cost-effective services for customers.

In FY25, a total of 171.0 gigawatt (GW) hours of electricity was used by the airport site, with 52 GW hours consumed by BAC. Most of the electricity used by BAC is to power aeronautical operations on the airfield, the International Terminal, and Domestic Terminal. The remainder of the consumption is by airport tenants. Onsite solar energy generation accounts for 17% of total energy consumption by BAC.

A total of 10.7 GW hours of energy was produced and consumed from our on-site solar.

1.08 MW of new on-site solar was built, bringing the total installed on-site solar to 12.2 MW (11.1 MW BAC capacity + 1.1 MW tenant capacity.)

Upgrades of the existing chiller plant assets resulted in a 0.9 GW hour improvement in energy performance.

BAC is committed to the efficient use of energy in all aspects of its operations, and we recognise the significant sustainability impact and costs associated with energy consumption.

Airside safety fleet



Case study

As part of our commitment to decarbonisation and achieving our net zero target (scope 1 and 2), we have transitioned 30 fleet vehicles (almost half) from internal combustion engines (ICE) to electric. This initiative includes the introduction of 6 electric vehicles into our airside safety fleet. This marks an Australian first for our airside safety fleet, with the chosen vehicles selected for their fit-for-purpose outcomes, reduced operational costs, and improved driver ergonomics.

We're developing our management systems to align with ISO 50001 Energy Management, to meet future challenges resulting from expected growth in the years ahead. A comprehensive Utilities Master Plan has been developed which outlines the strategic development of essential services, ensuring the airport's infrastructure can support future expansion and operational efficiency.

Sustainable design

Our team has developed and implemented sustainable design guidelines, which are applicable for airport projects. The guideline includes a range of sustainable criteria such as environmental, health, technology, resilience and universal design. In FY25, BAC focused on lower carbon materials such as concrete, recycled asphalt and steel into projects. We will continuously revise the guideline to align with industry best standards to maintain our commitment to responsible growth.

Climate change

Brisbane Airport's unique location on the edge of Moreton Bay and surrounding rivers and creeks makes us highly susceptible to a changing climate. We understand the critical importance of addressing climate change and accelerating the transition to a lower carbon future.

Our operations are exposed to the physical impacts of climate change, and the challenges and opportunities associated with decarbonisation. The effects of climate change are already being experienced at Brisbane Airport, and climate change is included within strategic planning for the airport.

We are committed to playing a leadership role in climate action — reducing our own emissions, supporting the decarbonisation of the sector, and building resilience into our infrastructure and operations. We understand we cannot decarbonise alone and partnerships are critical to ensure Brisbane Airport remains resilient to climate change impacts.

Brisbane Airport has identified its material climate change impacts through undertaking risk assessments aligned to international climate science. The climate change risk assessments identify both physical and transitional climate risks which are referred to as:

- Physical risks which relate to the impacts of climate change and can be acute (i.e. event driven such as floods, cyclones etc.) or chronic (i.e. longer-term shifts in climate patterns such as sea level rise, increased temperatures etc.)
- Transitional risks which relate to risks and opportunities associated with transitioning to a lower-carbon economy.

Scenario analysis

Brisbane Airport has developed scenarios to test our resilience against climate change. The scenarios have been developed using the Intergovernmental Panel on Climate Change (IPCC) climate science. The IPCC has identified various plausible climate futures which consider the concentration of greenhouse gases in the atmosphere and socioeconomic global changes.

The physical risk assessment was undertaken using worst-case scenarios which outline no efforts to reduce global emissions, whereas the transition assessment was undertaken using a rapid decarbonisation scenario. Both assessments consider multiple time horizons including 2030, 2050 and 2090. The scenarios are detailed below.

Scenarios

Limited to no climate action

- High emissions scenario, continuing current carbon emissions to 2100 and beyond
- No significant mitigation efforts and heavy reliance on fossil fuel remains
- Slow technological innovation
- Physical impacts of climate change increase in frequency and severity
- No international policy, support or behavioural changes made
- Considered worst-case scenario

Rapid decarbonisation

- Low emissions pathway, strong emissions reduction peaking around 2020 and then rapidly declines
- Australia achieves net zero by 2050
- Rapid deployment of clean energy technology
- Supportive international and national policies
- Strong uptake of Sustainable Aviation Fuel (SAF) and hydrogen technology



We are committed to playing a leadership role in climate action — reducing our own emissions, supporting the decarbonisation of the sector, and building resilience into our infrastructure and operations.



Climate-related physical risks

As an airport operator, understanding our exposure to physical climate change-related risks is critical to increase resilience in our operations and inform future planning. Physical risks resulting from climate change can lead to impacts such as direct damage to assets and services, and can cause operational disruptions.

A total of 35 physical risks were identified across our assets and operations. However, 7 risks have been prioritised due to their high-risk rating:

Climate hazard	Identified risk	Existing controls
Extreme heat	Increasing temperatures and frequency of hot days resulting in degradation of hardstand assets (i.e. taxiways, aprons, pavements, roads and carparks) leading to increased maintenance expenses and shortened lifespan	- Australian standard pavement design specifications, including design life and heat conditions - Taxiway and apron are constructed using concrete, while airfield pavements are constructed on sand which is less susceptible to expansion and contraction
Extreme rainfall	Extreme rainfall events resulting in damage or failure of road or rainfall infrastructure leading to staff, customers and suppliers not being able to access the airport	- Airport-wide flood model developed and incorporates climate change scenarios 98% of infrastructure built above the 100-year flood levels
Storms	Storm events resulting in damage to power distribution systems requiring immediate action, leading to operational disruptions Extreme storm events resulting in dangerous conditions and flight delays, leading to increased volumes of passengers within the terminal buildings and business disruption	- Airport-wide flood model developed and incorporates climate change scenarios - High voltage network architecture has built-in redundancy with multiple route options for supply - Preliminary analysis undertaken to determine the capacity of the site for installation of renewables and potential locations, including unused land, within building and structures, underground spaces and rooftops - Adverse weather plan in place and reviewed regularly - Early storm warning systems and dashboard in place (MetOps) - Weather information also received from the Bureau of Meteorology (BOM), Local Disaster Management Group (LDMG) and District Disaster Management Group (DDMG) - Emergency management program incorporates training to respond to weather events

Climate hazard	Identified risk	Existing controls
Sea level rise	Sea level rise impacts resulting in damage or failure of infrastructure leading to operational disruptions and disruptions to the major capital work program	- Airport-wide flood model developed and incorporates climate change scenarios - Asset management plans developed to inform the upgrade and replacement of key airport infrastructure - Minimum design levels developed based on climate scenarios
	Sea level rise resulting in inundation of drainage outfalls leading to increased incidence of flooding, no staff access and service disruption	- Airport-wide flood model developed and incorporates climate change scenarios - Minimum design levels developed based on climate scenarios
	Storm surge exacerbating the impacts of sea level rise reducing drainage immunity	Sea wall protects existing foreshore from continued erosion of the coastal perimeter, where not protected by mangroves

Adaptation planning

Climate change adaptation planning at Brisbane Airport commenced in the 2000s, largely addressing sea level rise. Since then, we have continued to increase our adaptive capacity and updated our risk assessments as new science becomes available.

Our updated Climate Change Adaptation Plan is based on our most recent risk assessment. The adaptation plan outlines a comprehensive set of 14 actions to respond to our 7 priority physical risks. The adaptation actions are categorised under 5 themes, which are:

Theme 1	Theme 2	Theme 3	Theme 4	Theme 5
Building the baseline on climate data	Incorporating climate data into strategic and operational decisions	Implementing climate actions in design and planning	Implementing climate actions in operations and maintenance	Engaging with key external partners

In FY25, BAC focused on building our baseline of climate data. Key initiatives included establishing a systematic process to regularly review and update the airport's flood model to reflect ongoing development and catchment changes. The flood modelling data was integrated into guidelines to strengthen future resilience. Additionally, the installation of drainage gauges across the precinct has improved data collection, early warning and response capabilities.

Transitional risks

Transitioning to a lower-carbon economy may entail extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed and focus of these changes, transition risks may pose varying levels of financial and reputational risk to BAC.

The updated transition risk and opportunity assessment identified 27 risks, of which 10 were prioritised. The risks have been informed by an analysis of policy and market trends, and the development of transition drivers which represent the external forces that facilitate the risks.

Transition driver	Identified risk
Legal liabilities and regulation requirements	Risk of increased exposure to legal liability and potential to face penalties for failure to adequately disclose material physical and transition risks to meet BAC sustainability commitments, or for misrepresenting BAC's actual performance in responding to climate change and sustainability
Establishment of compulsory zero carbon design and building standards	Risk that future construction and expansion projects will experience regulatory approval delays, non-approval, increased material costs or costly design and planning amendments to meet changes in approval requirements or sustainable design regulations
Shift in energy consumption to electrification and efficiency	Risk that transition of the energy network to low carbon generation will increase volatility in energy pricing and reliability, resulting in increased expenditure which may be challenging to pass on to tenants, potentially reducing revenues, and operational impacts from brown or blackouts
	Risk of late adoption of energy-efficient, electrified and renewably powered technologies, resulting in lost opportunity to lower operational expenditures over the life of the asset/equipment
Increasing shareholder and employee expectations on corporate climate change response	Risk that efforts to reduce emissions lead to increased expenditures to meet compliance or targets, reducing profit margin
	Risk that climate-related risks and opportunities across BAC's supply chain are not well understood, and that BAC's procurement policy is unable to mitigate against these risks
	Risk that a lack of response and disclosure of material climate-related risks reduces shareholder confidence in BAC's capacity to manage risks, resulting in reputational loss, lack of confidence in senior management and impacts to company valuation
Uptake of alternative aviation fuels	Risk that new infrastructure or modification of existing infrastructure (e.g. terminal and gate infrastructure) is required to support refueling for hydrogen technology, resulting in increased expenditures, safety constraints, changes to operational procedures and training required for BAC employees, contractors and airside operators
	Risk of increased energy required to support electric or hydrogen powered aircraft (e.g. maintenance of cryogenic temperatures of hydrogen and to pressurise hydrogen for refueling), resulting in increased upfront and operational expenditure
	Risk of supply shortages or delays to imported sustainable aviation fuel and/or a lack of domestic market fuel resulting in an inability to contribute to global SAF targets

Transitional opportunities

Efforts to mitigate and adapt to climate change have potential opportunities for BAC through resource efficiency and cost savings, the adoption of low-emission energy sources, the development of new products and services, access to new markets, and building resilience along the supply chain.

The updated transition assessment identified 15 opportunities and 10 priority opportunities which have been paired with a transition driver associated with the transition to a low carbon economy.

Transition driver	Identified opportunity
Adoption of climate-related policies and targets	Opportunity to develop an internal shadow carbon price to measure the financial impact of greenhouse gas emissions, in anticipation of future process being set, or as a way to allocate funds from the shadow price to support BAC furthering its emissions reduction efforts
Establishment of compulsory zero carbon design and building standards	Opportunity to meet energy and emission performance standards for buildings and infrastructure through design and energy management tools, resulting in reduced operational expenditures (e.g. energy costs and emission offsets) and improved asset valuation and performance
Shift in energy consumption to electrification and efficiency	Opportunity to utilise technologies to reduce energy use, emissions and associated operational expenditures
	Opportunity to engage with tenants to implement precinct-wide sustainability initiatives, supporting tenants' emissions reduction goals and promoting more long-term leases and tenant retention
	Commercial opportunity to respond to higher electric charging requirements for electric vehicles travelling to and from BAC
	Opportunity to market BAC as a renewable leader and increase absorption rate if BAC can provide renewable power to tenants, resulting in reputational benefits
	Opportunity for BAC to increase renewable energy generation onsite through improved access to renewable technologies and declining technology costs, resulting in improved resource efficiency, reduced emissions and operational expenditure, and reputational benefits
Increasing shareholder and employee expectations on corporate climate change response	Opportunity to investigate pooling scheme mechanism for ground support equipment (GSE) to reduce volume of equipment required at the airport, reducing apron traffic, optimising maintenance regimes and reducing emissions through more efficient use
	Opportunity to access new forms of finance targeted at new technology research, development and deployment, diversifying and growing finance streams
Uptake of alternative aviation fuels	Opportunity for BAC to actively engage with airlines to support SAF uptake and mitigate the financial burden of SAF adoption by developing incentives for airlines, for example reducing landing fees for planes fuelled by SAF

Climate reporting

As the Task Force on Climate-Related Financial Disclosures has been officially disbanded, BAC is now focusing its efforts on preparing for the Australian Accounting Standards Board (AASB) mandatory climate reporting. BAC is continuing to implement the actions identified in the AASB Gap Analysis to prepare for mandatory reporting. BAC will develop its first AASB-aligned climate report in FY26.

Our community

Brisbane Airport is dedicated to serving Brisbane and Queensland, providing essential facilities and services that strengthen our state's social connectedness and enable economic growth. Our relationship with the people and communities we serve is built on a foundation of openness, honesty and unwavering support.

Our community benefits when we enable them to connect across Queensland, Australia and the world. Our community also benefits when we open the door to visitors and goods from around the globe.

Being a good neighbour and partner means working to balance the interests of our local community and those of airport users.

Aircraft noise

Brisbane Airport plays a critical role in connecting people and driving economic, social and cultural prosperity in our region. We are the country's most connected domestic airport and an international gateway for the South Pacific and beyond, serving Australia's national and regional interests.

Aircraft noise exposure is a genuine concern for some community members. There are areas which experience more aircraft overflight than others, particularly under primary aircraft arrival and departure paths, although perception of noise goes beyond proximity and acoustic factors alone.

Social responsibility and community engagement is therefore an integral part of Brisbane Airport's efforts to understand different perspectives and take a balanced approach to aircraft noise mitigation. Managing aviation-related noise is a complex issue requiring the whole aviation ecosystem to work together with a common purpose and commitment to improved outcomes.

Brisbane Airport is working to identify practical ways to minimise the impact of aircraft noise and collaborating with stakeholders such as airlines and air traffic control on options for quieter, sustainable operations. Each stakeholder has a role to play.





Being a good neighbour and partner means working to balance the interests of our local community and those of airport users.



In FY25:

- We continued our commitment to working closely with Airservices Australia on their Noise Action Plan for Brisbane, and our people joined them in multiple community engagement sessions across Brisbane
- We established an airline Night Operations Group as a forum to raise awareness and gain input from airlines operating overnight at Brisbane Airport regarding improving the community noise outcomes of their operations
- We continued to work with existing and prospective passenger and freight operators to encourage scheduling outside of the overnight period wherever operationally feasible
- Ongoing participation with the Brisbane Airport Community Airspace Advisory Board (AAB) and Brisbane Airport Community Aviation Consultation Group (BACACG)
- Brisbane Airport and Airservices Australia have worked together on raising industry awareness of the community benefits of safe over-water operations and engaged with key stakeholders such as the Civil Aviation Safety Authority (CASA) on enabling the increase of such operations
- Brisbane Airport commissioned and has installed monitoring stations and software to measure noise related to the operation of the airport, and will be publishing data and providing public access to flight track and noise monitoring data on our website in FY26

- Having participated in the Senate Inquiry on the impact and mitigation of aircraft noise in Australia, Brisbane Airport welcomed the release of the final report and continues to liaise with relevant industry stakeholders regarding findings
- Brisbane Airport has continued its work as part of the Hydrogen Flight Alliance, which is supporting the trial of quieter and cleaner transport using hydrogen electric aircraft, through the BNE based company Stralis
- Brisbane Airport is advocating on behalf of the community for airlines to operate next-generation quieter fleet variants at Brisbane Airport to reduce the production of noise at its source
- We continued our commitment to advocating for maximum use of noise abatement procedures such as Simultaneous Opposite Direction Parallel Runway Operations (SODPROPS) and other preferential runway modes.

Aircraft engine and airframe technology improvements have progressively reduced the noise footprint and increased the efficiency of individual aircraft movements in past decades. The International Civil Aviation Organisation (ICAO) defines noise limits through a certification process with standards becoming increasingly stringent over time. The standards are contained within ICAO Annex 16 Volume 1 and referred to by Chapters.

In Australia, where most aircraft currently operating are Chapter 3 and 4, the operation of older, noisier Chapter 2 aircraft is prohibited. For marginally Chapter 3 aircraft, Brisbane Airport applies operating restrictions and a noise surcharge.

The most stringent ICAO noise requirements are termed Chapter 14, and Brisbane Airport is proactively working towards increasing the proportion of quieter aircraft operating through Brisbane Airport with evolving policy initiatives and through slot negotiations with airlines. Cathay Pacific Airways introduced the A350-900 aircraft into Brisbane in FY25, replacing the B777 on the Brisbane-Hong Kong service. This aircraft, which is considered one of the most noise efficient aircraft in the world, is also operated by China Airlines, China Southern Airlines and Singapore Airlines on their Brisbane services. Emirates' A380 services to and from Dubai meet Chapter 14 noise standards.

Domestic airlines' progressive fleet replacement programs are enabling a move towards quieter, more efficient aircraft, with Qantas introducing Airbus A220s on selected flights between Brisbane and Melbourne and Virgin increasing its 737-Max fleet, which is quieter than previous 737 variants. In FY26, the introduction of the new A321-XLR into the Qantas fleet is also likely to contribute to a reduction on overall noise impacts.

Brisbane Airport is working to identify practical ways to minimise the impact of aircraft noise

Complaints relating to aircraft noise

In FY25 Brisbane Airport directly received 3,134 aircraft noise-related complaints from 146 complainants.

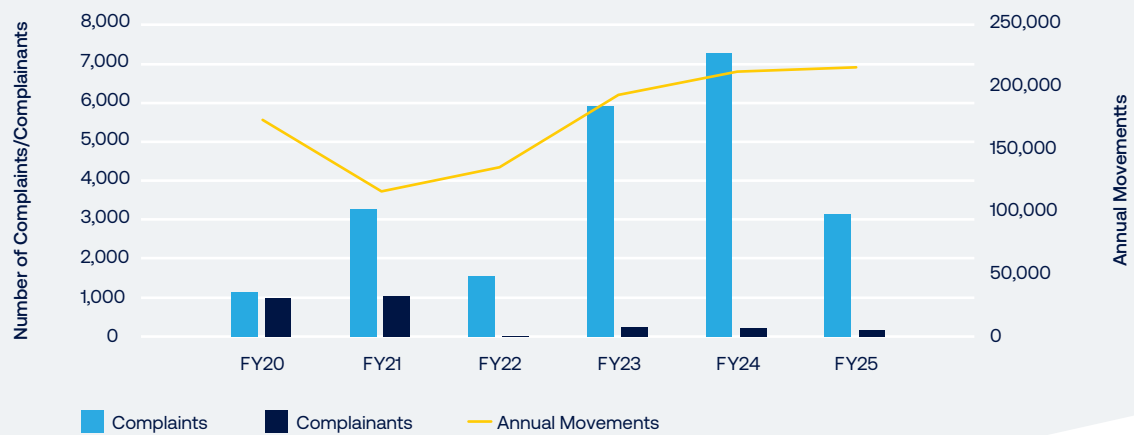
Of these, 2,628 complaints were received from one complainant. Overall, the number of complaints were down by 57% when compared to FY24.



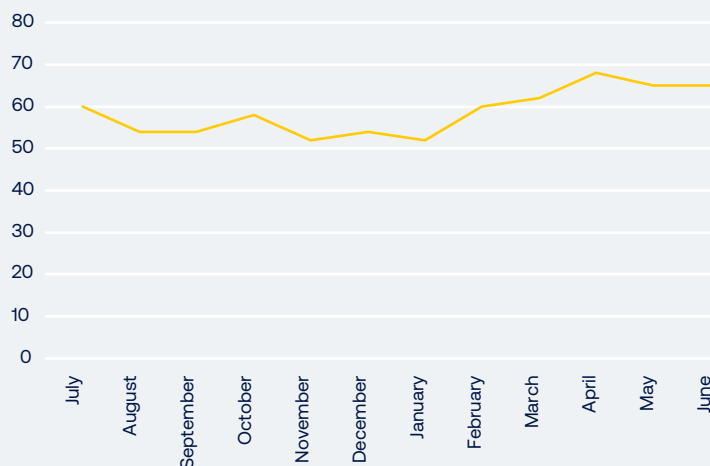
Complaints

↓ 57%
vs FY24

Noise complaints (BAC) FY20–FY25



FY25 — Over the Bay: % total night movements



Night operations

We understand that the hours from 10pm–6am are sensitive hours for residents. Where weather and traffic conditions allow, we ask Airservices Australia to prioritise operations over the bay, with a particular focus on night operations.

In late 2024, Airservices implemented new procedures to facilitate increased over the bay operations (SODPROPS). This graph demonstrates the percentage of aircraft arriving and departing over the bay and away from the city between 10pm and 6am during FY25. Seasonal wind and weather patterns drive variations across the year.

Enabling critical care where it's needed most

Construction commenced in FY25 on the \$217 million Aeromedical Precinct, designed to bring leading rescue and medical services together in one purpose-built hub to better serve Queenslanders. The new Aeromedical Precinct will include a dedicated patient transfer facility, and be the new home of the Royal Flying Doctor Service, LifeFlight, Retrieval Services Queensland and Queensland Police Service Aviation Capability group.

The facility, which will sit between the eastern and western runway for rapid access, will have capacity for:

- **26** aircraft
- **18,700 sqm** of hangar and headquarters space
- **17,800 sqm** of tarmac parking.

Brisbane hospitals are crucial for Queensland's healthcare due to the state's vast size and decentralised population. As the capital, Brisbane offers advanced medical facilities and specialist services unavailable in many remote and regional areas. The healthcare system relies on flying patients to Brisbane for urgent and specialised treatments. The Royal Flying Doctor Service and LifeFlight ensure rapid transport from distant regions, improving survival rates and health outcomes.

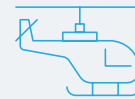


Brisbane Airport aeromedical operations

Royal Flying Doctor Service

2,334

patients flown to
Brisbane Airport



LifeFlight Helicopters

558

people helped including
109 cardiac transfers and
85 trauma patients

LifeFlight Jets

440

people helped



Reconciliation and Indigenous heritage

Brisbane Airport remains steadfast in its commitment to reconciliation and cultural heritage preservation through the ongoing evolution of its Reconciliation Action Plan (RAP). Building upon the achievements of previous years, this year marked an important period of progress and aspiration as we continue to deepen engagement with First Nations communities and drive meaningful outcomes aligned with national reconciliation objectives.

Key FY25 milestones

- **Strengthening relationships with Traditional Owners:** A central pillar of the FY25 plan has been building stronger connections with the Turrbal and Yuggera people, the Traditional Custodians of the land on which Brisbane Airport operates. We have expanded consultation, engagement and partnership initiatives to ensure Indigenous voices are central to decision-making processes.
- **National Reconciliation Week and NAIDOC Week celebrations:** In FY25, Brisbane Airport hosted a series of events to acknowledge and celebrate Indigenous culture and heritage, including forums, workshops, and cultural showcases during National Reconciliation Week and NAIDOC Week.
- **Educational partnerships:** Our ongoing partnership with Yalari continues to foster educational opportunities for Indigenous youth, supporting scholarships and mentorships to empower the next generation of leaders and bridge educational gaps.

Future goals and aspirations

- **Official endorsement of the Innovate RAP:** Brisbane Airport is on track for the formal endorsement of its revised RAP by Reconciliation Australia in FY26. The updated plan will focus on embedding cultural heritage preservation and community engagement at every level of airport operations.
- **Expanding community engagement:** We aim to broaden the scope and reach of community engagement programs, creating new platforms for dialogue and collaboration with Indigenous stakeholders, Elders and youth. Upcoming projects include expanded cultural awareness training for all staff, and the co-design of community spaces that reflect Indigenous heritage.
- **Cultural heritage preservation:** We will continue to invest in projects that celebrate and protect Indigenous culture, such as public art installations by local artists, the maintenance and enhancement of the Yarning Circle, and the ongoing support for cultural knowledge-sharing initiatives within the airport precinct.
- **Strengthening educational pathways:** BAC will further its partnership with Yalari and explore new collaborations with Indigenous-led organisations to support school-to-work transition programs and career pathways within the aviation sector.

Importance of ongoing initiatives and community partnerships

Fundamental to our approach is the recognition that reconciliation is an ongoing journey — one that requires active listening, genuine partnerships and the celebration of cultural diversity. Through its RAP, Brisbane Airport continues to champion initiatives that respect, preserve and promote the cultural heritage of the Turrbal and Yuggera peoples, while also nurturing the aspirations of future generations.

By investing in educational opportunities, cultural engagement and community infrastructure, we reaffirm our commitment to building a more inclusive, respectful and collaborative future. We look forward to working with Reconciliation Australia, local Indigenous communities and its many partners to set new benchmarks for reconciliation in the years ahead.



Supporting Brisbane's cultural life

Brisbane Airport contributes to Brisbane's creative communities that make this city a better place to live for residents, and a more attractive place to visit.

We work collaboratively through sponsorships to elevate Brisbane's place on the global stage and the benefits that flow from the experience economy.

During FY25 we supported many of the city's cultural organisations:

Australasian Dance Collective

Brisbane Festival

Brisbane Philharmonic Orchestra

Brisbane Powerhouse

Camerata

La Boite Theatre

Multicultural Australia

Museum of Brisbane

Opera Queensland

Queensland Art Gallery | Gallery of Modern Art (QAGOMA)

Queensland Ballet

Queensland Theatre

Queensland Symphony Orchestra.

Our support helped enable a vibrant mix of cultural and community initiatives — including the multicultural Luminous Festival, World Press Photo Exhibition, Queensland Theatre's free children's program and accessible programming at the Museum of Brisbane and QAGOMA — reinforcing our commitment to an inclusive, welcoming city.

Bringing sponsorships to life at our terminals

We also love showcasing our incredible arts partners by bringing their creativity into our terminals for passengers to enjoy. In the past year this included performances by Brisbane Philharmonic Orchestra, Camerata, Opera Queensland, Queensland Ballet and the Multicultural Australia MOSAIC Choir.

We also support teams and events that encourage inclusionary participation in sports in partnership with the Brisbane Broncos, Brisbane Lions, Brisbane Roar and Queensland Cricket.



Supporting local

Every year, Brisbane Airport partners with community-based organisations who are making a difference in the lives of people across Brisbane.

In the past year it included 10 local organisations sharing \$100,000 through our Giving Fund to mark 100-years of Brisbane Airport. Supported projects included creek catchment rehabilitation, Moreton Bay dolphin research, water safety programs and at-risk youth programs.

Through the airport's Giving Globes program, \$70,000 was donated to Guide Dogs Queensland, Assistance Dogs Australia, JT Academy and Foodbank.

Brisbane Airport also raised \$90,000 through the annual Lost Property Auction to support Baby Give Back, Fair Fight Foundation and Cystic Fibrosis Queensland.

Community engagement

We conducted 18 bus tours and presentations of BNE for education and community groups in FY25, as well as 11 community programs and airport visits, including 3 events for the plane spotting community.



Active transport

Following the development of Brisbane Airport's Active Transport Strategy and Action Plan, in FY25 the focus shifted to implementation.

Brisbane Airport completed the planning of over 8km of the Principal Cycle Network corridor, with input from the Queensland Department of Transport and Main Roads, Brisbane City Council and the Airport Bicycle User Group. A key outcome was the identification and preservation of the corridor to connect Lomandra Drive to the International Terminal Precinct and beyond. Design of approximately 2.5km of this corridor will commence in FY26.

Concept design of an on-road, separated bikeway has also been completed, connecting from Banksia Place to the Domestic Terminal Precinct. With detailed design commencing in FY26 and construction to follow thereafter, the Terminal Connection Bikeway will deliver approximately 1.1km of dedicated bike lanes and a priority crossing across Dryandra Road. This bikeway will include direct access to the P2 Extension Secure Device Storage Facility, currently in detailed design phase and scheduled for construction in FY26.

Further afield, the Da Vinci and Airport Industrial Park precincts have seen investments in almost 900m of new footpaths, including replacing and widening of a high traffic area near Aviation Australia.

A new 630m long and 3m wide shared path, that will form part of the Moreton Bay Cycleway, is now under construction with completion expected in FY26. The Brisbane City Council-led initiative will see approximately 145m of new shared path within the airport boundary, connecting from Schneider Road (off-airport) to Viola Place (on-airport). This path will allow people who walk, ride or roll to connect from the Gateway Bridge to Brisbane Airport with minimal on-road sections. Critically, this route will avoid a busy section of Sugarmill Road which is currently the primary access route from the south.



Our community benefits when
we enable them to connect
across Queensland, Australia
and the world.



Governance

Ownership

Brisbane Airport is operated by Brisbane Airport Corporation Pty Limited. It is part of a consolidated group, the ultimate holding company of which is BAC Holdings Limited (BACH), an unlisted public company.

The majority of BACH's shareholders are major Australian institutional investors that manage funds on behalf of ordinary Australians whose savings are invested in superannuation and other investment funds.

Overall, 20.13% is owned by the Royal Schiphol Group, the owner and operator of Amsterdam Airport Schiphol, Rotterdam The Hague Airport and Lelystad Airport, and holds a majority stake in Eindhoven Airport.

BAC's strong, long-standing ties with the Royal Schiphol Group help ensure world-class standards in maintaining, developing and operating Brisbane Airport.

Ownership structure*

QIC		30.23%
igneo Infrastructure Partners		24.76%
Schiphol		20.13%
IFM Investors 		20.01%
CareSuper 		4.86%

 Number of direct or indirect BACH shareholdings managed.

* Logos reflect the investment managers representing the direct or indirect BACH shareholding in their respective portfolio.

Governance structure

We believe that good corporate governance is based on a strong organisational culture, underpinned by shared principles and values.

Effective governance allows us to create value for our community, customers, employees and shareholders through innovation and development, while providing accountability and parameters commensurate with the risk landscape.

Our Board provides leadership and oversees corporate governance of the BAC Group and retains exclusive accountability for its role and responsibilities as set out in the BAC Group Board Charter.

The Board meets collectively approximately 6 times per year and delegates to the CEO the power and authority to manage the operations and activities of the BAC Group.

The Board and its sub committees have established charters outlining their responsibilities, and a policy framework that sets out the BAC Group position on key organisational matters and core corporate governance processes.

For more information regarding the role of our Board and its sub committees, please refer to the Directors' Report.

The Executive Leadership Team is accountable for strategically managing the commercial and operational activities of the BAC Group to ensure continuous and sustainable growth for community, customers, employees and shareholders by developing and driving the implementation of BAC's corporate vision and strategy.

Board and management responsibilities

Board of Directors

- Accountability
- Recruitment and relationship with the CEO
- Vision statement and strategy
- Oversee risk management
- Develop and approve key policies
- Monitor management.

Executive Leadership Team

- Set the vision and direction
- Provide leadership and support
- Drive company culture
- Develop and implement business strategies and plans
- Ensure all team members are adequately trained and adhere to compliance requirements.

Management

- Develop and implement division strategies
- Provide leadership and support
- Drive company culture
- Ensure all team members are adequately trained and adhere to compliance requirements.

Risk and opportunity management

Underpinned by the Board-approved Risk Management Policy, the effective management of risk across BAC is supported and delivered through the Risk Appetite Statement and Risk Management Framework.

Risk appetite

BAC balances risks and opportunities to respectively protect and create value for our community, customers, employees and shareholders. To guide the business in risk-based decision-making, BAC has defined a 'Risk Appetite Statement' that outlines the amount and type of risk that BAC is willing to pursue or accept to achieve its objectives.

Management and the Board have set 'key risk indicators' to monitor whether the business is working within, close to, or outside the risk appetite, as well as whether the business is driving value through the pursuit of opportunities, allowing for reassessment where required.

Risk Management Framework

Overseen by the Board and the Finance, Audit and Risk Management (FARM) Committee, BAC's Risk Management Framework supports the identification, assessment, management and reporting of risks that may have a negative impact on the achievement of strategic and operational objectives.

The goal of the Risk Management Framework is to improve decision-making by aligning and harmonising risk data at all levels of BAC, supporting business areas to apply risk management thinking and providing methodologies to all planned or projected activities.

All employees are responsible for making risk-based decisions within approved risk appetite limits.

The Board reviews BAC's material risks and Management's alignment with the risk appetite biennially, and regularly assesses the effectiveness of BAC's Risk Management Framework.

Risks

The risks identified in this section have the potential to materially affect BAC's ability to meet its strategic and business objectives and impact its future financial prospects. These risks are not exhaustive and are not arranged in order of significance.

BAC's Enterprise Risk Management Framework

Risk Management Policy

The Board-approved key principles for the oversight of risk management.

Risk Appetite Statement

Articulates the types and amount of risk that BAC is willing to accept in pursuit of our strategic objectives, and sets our risk-taking boundaries.

Risk Management Procedure

Defines how risks should be identified, assessed, treated, monitored and reviewed.

Risk Reporting

Management oversight and transparency on risk treatment and controls.

Training

Governance and Assurance



Risk Culture, Leadership, Capability and Awareness

Intuitive and seamless risk management culture that embeds risk into strategic planning, capital allocation and daily decision making. Builds capability to manage risk as part of day-to-day business.

Aligned to ISO 31000:2018 guidelines

Strategic risks

Our strategic risks are defined as risks that arise from internal and external uncertainties that can materially impact the achievement of the business' strategic objectives and direction. Our approach to managing strategic risks falls within our Enterprise Risk Management Framework through continuous monitoring and review, ongoing planning and the allocation of resources, and evaluation from Management and the Board.

Risk	Description	Management controls
1. Climate change	Failure to appropriately respond to or prepare for the impacts of climate change (physical and transitional) resulting in impacts to infrastructure, operations and BAC's social licence to operate and grow.	BAC has undertaken a climate change risk assessment to identify the key climate risks to our assets and operations, as well as the risks and opportunities associated with transitioning to a low carbon economy. Management has developed a Climate Change Adaptation Plan to address the priority risks identified. BAC has undertaken a vulnerability assessment to identify assets that are most vulnerable to identified climate risks. Climate change resilience is a key focus area in the Sustainability Strategy and is incorporated into all strategic and master planning.
2. Regulatory policy	BNE operates in a multi-layered regulatory environment in which governmental changes in policy may impact our business, including federal and state level restrictions and policies, and changing regulatory focus.	BAC has a consultative relationship with all three levels of government that regulate the airport and our stakeholders. We proactively engage with our stakeholders to reduce impacts on our local communities, and we highlight the considerable benefits to the economy, jobs and people of Queensland that result from Brisbane Airport's operations.
3. Organisational culture	To deliver our business plan and investment aspirations, it is fundamental that we maintain and enhance our current culture. The volume of new employees, contractors and deliverables provides both challenges and opportunities in ensuring our people feel engaged, supported, enabled and proud to work at BAC.	BAC continues to build a strong culture that attracts, retains and develops high-performing employees. Our Employee Value Proposition continues to be enhanced to meet the needs of our employees, while our Learning and Development Strategy identifies and grows our talent, linking to succession planning.
4. Macroeconomic environment	Uncertain geopolitical conditions create an increased level of global instability which is driving further pressure on supply chain (cost, supply and time). It also creates the likely potential for travel demand to be suppressed to and from impacted regions. Economic and supply side factors are increasingly impacting the Australian political landscape.	BAC adopts a proactive approach to the management of macroeconomic risk. Financial forecasts are regularly revisited to reflect trends in revenue and expenditure to allow real-time adjustments to BAC's operational and investment decisions. This positions BAC to be responsive to changes in the environment that represent either risks or opportunities.

Risk	Description	Management controls
5. Project interface with airport operations	Major construction will be occurring over the next 10 years within the live environment of the International and Domestic Terminal precincts. During construction, these precincts must continue to operate 24/7, and provide a safe and secure environment for passengers, airlines, visitors, workers and contractors.	BAC undertakes extensive stakeholder engagement and planning particularly with airlines, tenants, BAC's aviation, commercial and security groups. This includes actively ensuring BAC's internal community, neighbours and the public are kept informed of changes that may impact them as a result of project deliverables. BAC engages experienced contractors to ensure adequate planning and safe construction occurs.
6. Capability for delivery	BAC's capex program is a key enabler for strategic objectives and growth. A focus on resourcing and capability is required to deliver various complex and interdependent projects.	BAC undertakes strategic planning and long-term master planning to inform and prioritise projects in the capital program. Business planning identifies short-term priorities in the capex program. BAC's Project Management Framework is supported by talent management and resource allocation practices to ensure capabilities are available to meet planned delivery timelines.

Financial risks

Financial risks are those that have the potential to impact BAC's financial position.

Risk	Description	Management controls
7. Financial management	BAC is exposed to a diverse array of financial risks including liquidity, interest rate, currency, refinancing and counterparty risks. Failure to establish and adhere to policies and practices that control and/or mitigate those risks could lead to a range of adverse consequences, including insufficient access to funding, significant increase in BAC's interest expense and/or debt liabilities, failure to receive monies owed and risk of credit rating downgrade.	BAC manages financial risks in accordance with the Board-approved financial policies. These policies set out the delegated authority from the Board in respect of credit rating risk, financing and refinancing risk, interest rate risk, foreign exchange risk, credit and counterparty risk and distribution risk. BAC's risk appetite and capacity are reflected in the limits and other requirements set by the policy.

Operational risks

Operational risks arise from inadequate or failed internal processes, people and systems or from external events.

Risk	Description	Management controls
8. Work Health & Safety (WHS)	BAC operates and maintains diverse and complex infrastructure and work environments over a large geographical area that are accessed daily by multiple parties including BAC workers, contractors, tenants, airline partners and members of the public. The complexity of these operations may expose these parties to potential risks to their health and safety.	BAC's WHS Policy is approved by the Board and documents our commitment to health and safety at BAC. The policy governs the WHS Strategy and sets the direction of BAC's health and safety management system, which is accredited to ISO 45001:2018 and is externally audited for legal compliance. BAC continues to create a proactive WHS culture that supports health and safety behaviours and decisions throughout the organisation and airport community. BAC has increased its focus on contractor safety management through 5 key pillars, flexing our capability in training, tools, assurance, reporting, and partnering.
9. Physical security	An intentional or unintentional compromise of a physical, procedural or technical security measure may impact the secure operation of BAC and affect the security of people, assets or infrastructure. This may include attacks perpetrated through acts of terrorism, foreign interference or criminality, which may have catastrophic impacts to our aviation operations, commercial customers and BAC operational and social licences.	BAC's Transport Security Program is approved by the Australian Department of Home Affairs and regulated by the Cyber and Infrastructure Security Centre (CISC). BAC maintains regulatory compliance and assures the protection of people, assets and infrastructure through an intelligence driven, risk-based and outcomes-focused approach, coupled with an internal quality assurance and compliance program.
10. Cyber security	A cyber security incident has the potential to cause a disruption to critical business processes, a breach to privacy, or compromise of commercially sensitive data, that may impact BAC, its operations and/or its customers.	BAC has a Cyber Security Program supported by BAC's Cyber Security Strategy which has Board oversight and is reported regularly. BAC's Cyber Security Program has independent assurance activities annually to test and confirm BAC's cyber controls are in place, including financial systems audit, PCI Level 2 merchant certification, cyber insurance annual review and penetration testing, as well as oversight by Internal Audit as directed by the FARM Committee.

Risk	Description	Management controls
11. Resilience	Brisbane Airport's operations are dependent on the ability to maintain continuous business operations and to safeguard people, assets and infrastructure in the event of an unplanned disruption. Operations may be impacted by risks such as network or systems outages, natural disasters, aircraft accidents or potential terrorist attacks.	BAC manages disruption risks in accordance with the Board-approved Resilience Policy. This policy outlines BAC's approach to prepare for, respond to and recover from a business disruption, ensuring the continued provision of critical business functions to its customers and stakeholders through a risk-based resilience framework. The framework comprises the core programs of Incident Management, Emergency Management, Crisis Management and Business Continuity Management.
12. Sustainability	Failure to adequately assess and mitigate environmental, social, and socio-economic impacts leading to potential consequences, including environmental harm, community backlash, regulatory enforcement, legal action and damage to reputation and revenue.	BAC manages sustainability risks in accordance with its Board-approved Environmental Policy and Sustainability Policy. The Environmental Policy sets the direction for BAC's Environmental Management System to deliver continuous improvements in BAC's environmental performance. The Sustainability Policy outlines BAC's sustainability framework which is consistent to the 3 pillars within BAC's Sustainability Strategy. BAC is committed to growing responsibly and minimising our footprint through embedded sustainability principles and practices across our operations. BAC's sustainability controls include the implementation of the Sustainability Roadmap, Climate Adaptation Plan and risk assessments, sustainable design guidelines, procurement policy (including sustainability), participation in the JetZero Council, noise abatement procedures and community engagement.
13. Legal and regulatory obligations	BAC operates in a regulated environment with a number of obligations that may impact the environment in which we conduct our business.	BAC manages its broader legal risk in accordance with the Board-approved risk appetite and its compliance risk in accordance with the Board-approved compliance policy (as part of the broader enterprise risk management framework). BAC pursues its objectives and conducts its business and operations in accordance with its legal and regulatory obligations.

Opportunities

Brisbane Airport is on a transformational journey over the next decade to deliver over \$5 billion of investment to support the needs of Queensland's growing population and economy. As we evolve to meet the needs of our customers, employees, community and shareholders, we are focused on unlocking opportunities that will drive long-term value and position Brisbane Airport as a key community asset and gateway into Queensland.

Brisbane Airport has a maturing strategic risk management process, which includes the identification of both strategic and operational opportunities. Considering risk during the strategy planning and execution process supports Brisbane Airport's ability to seize opportunities that have the potential to maximise value and to identify areas where it may wish to take more risk in the future. By integrating enterprise risk management into strategy and business planning, Brisbane Airport is better positioned to create value through identifying opportunities for growth and preserving value for a sustainable future.

Key opportunity	Trend	Our response
Economic growth of South East Queensland	South East Queensland is experiencing strong population growth and economic development, driven by post-pandemic migration and tourism. The 2032 Olympic and Paralympic Games will further elevate Brisbane's global profile and stimulate infrastructure investment. New long-range aircraft also open up previously unserved international routes.	- Develop aviation services and routes to meet forecast demand in passenger, freight and cargo growth. We will continue to leverage our unique geographical advantages and support access to key domestic and international destinations for business, leisure and trade. - Support Brisbane's growth and maturity as a global city in the lead up to the 2032 Olympic and Paralympic Games. - Work closely with government and key industry stakeholders to align infrastructure and service delivery with the needs of passengers and the community.
Property, car parking and retail growth	Demand for car parking continues to exceed capacity, and BAC's property portfolio is nearly fully occupied. With Queensland's projected economic boom, there is strong potential for commercial diversification and placemaking. Retail and ground transport businesses remain resilient despite economic pressures.	- Develop vibrant, sustainable, and people-centric precincts that support the long-term growth of South East Queensland. - Deliver outcomes on our major infrastructure projects including the International Terminal security and retail upgrade, and the Domestic Terminal security upgrade. - Develop landside solutions to support passengers, visitors and workers to travel to, from and within the Brisbane Airport precinct. - Continue to enhance our retail experience and business through partnering with our Airport retailers to drive customer experience and sustainability outcomes.

Key opportunity	Trend	Our response
New technology and AI	Rapid advancements in AI and digital technologies are transforming aviation, infrastructure and consumer sectors. These innovations offer opportunities to enhance efficiency, safety, and customer experience, while also introducing new risks such as cyber security threats.	• Leverage data, technology and analytics to enhance our decision making, drive improvements in our operations and optimise internal processes.
Social licence to grow	There is a growing opportunity for Brisbane Airport to create long-term value through community engagement, government and industry partnerships, and delivering sustainability outcomes. We continue to support the growth of South East Queensland, contributing to the region's economic, social and culture vitality.	• Ensure Brisbane Airport remains a sustainable and inclusive hub, balancing growth with the needs of the community. • Minimise the impact of our operations, including decarbonisation, circularity and climate, social impact and noise impacts for the community. • Maintain the integrity, safety, security and quality of all airport operational processes during delivery of major capital works across our precincts.
Our people and culture	Our people and culture are foundational to our success. Our organisation is well-positioned to adapt to market changes and deliver our strategy.	• We are committed to nurturing our high-performing, inclusive culture that empowers our people. Our focus remains on capability and leadership development, workforce agility and maintaining our strong values.



Responsible business

BAC conducts its business responsibly and respectfully, supporting our ongoing social licence to operate and grow through an Ethical Behaviour Framework comprising policies and programs focusing on:

- diversity and inclusion
- preventing corruption
- whistleblower protection
- supplier principles
- modern slavery
- Reconciliation Action Plan.

BAC's Conflict of Interest, Fraud and Corruption and Gifts, Benefits and Entertainment policies support employees behaving lawfully and ethically in the workplace, including when dealing with existing stakeholders and business partners, and during procurement and supply practices.

BAC's Whistleblower Policy empowers employees, business partners and customers to report behaviour potentially damaging to our organisation. This policy is supported by an independent reporting service and BAC's Confidential Reporting Committee ensuring that appropriate protections are provided to eligible disclosers.

In FY25, BAC continued to develop and enhance our sustainable and social procurement practices, placing a strong emphasis on deepening supplier relationships and implementing more rigorous assessment processes. This included the introduction of new circular economy roadmaps designed to promote resource efficiency and waste reduction. Furthermore, BAC expanded training programs for all stakeholders, empowering both internal teams and external partners to actively contribute to these sustainability goals.

The BAC Modern Slavery Working Group has broadened its membership to include key representatives from both aviation and commercial business units. The group is currently developing a refreshed three-year strategy to meet the latest requirements under the Modern Slavery Act, following the appointment of the new Commonwealth Commissioner for Modern Slavery. This new strategy is on target to be implemented early in FY26.

To date, more than 400 BAC staff have completed modern slavery awareness training, and more than 100 supply chain audits have been undertaken, strengthening BAC's commitment to addressing modern slavery risks across its operations. We continue to work closely with our airline and border agency partners to drive awareness and improve our resilience to modern slavery risks at our border. BAC preserves its licence to operate and grow by maintaining appropriate compliance with all laws, regulations and standards in accordance with the Board-approved Compliance Policy. Compliance risks are addressed in the Risk Appetite Statement, and conformance to them is tracked via the compliance-based risk appetite metrics that are reported to the FARM Committee and Board.

Privacy

Protection of personal information and transparency about our data handling is a vital part of BAC's relationship with our customers, tenants and other parties who interact with us. BAC's Privacy Policy describes how we handle and keep personal information safe, and aligns with the *Privacy Act 1988 (Cth)* and the Australian Privacy Principles.

Financial performance

Driven by solid increases in both domestic and international passenger volumes, BAC achieved strong financial results for the 2025 financial year.

During FY25, BNE welcomed 24.2 million passengers through its terminals, representing a 7.2% year-on-year increase (revenue pax). This was despite Tropical Cyclone Alfred and the loss of Regional Express Airlines operating on capital city routes, and reflects the operational resilience of Brisbane Airport. The company's results mirror robust growth across all revenue-generating segments.

Total revenue surpassed \$1 billion, at \$1,091.6 million, the largest in the company's history, an increase of 11.4% year on year. EBITDA was up 11.4% to \$786.4 million with the company delivering an operating profit of \$417.4 million.

Revenue from aviation (including mandated security) was up \$49.3 million (10.2%) and finished the year at \$533.9 million, representing 48.9% of total revenue. Landside transport services earned \$212.2 million in FY25, an increase of \$17.7 million (9.1%) from the previous year, driven by higher travel volumes and customer preference for dynamic parking options over public transport or ride sharing.

Our retail division's revenue grew 24.4% (\$23.7 million) over last year, driven by rising passenger numbers, new service outlets at both terminals, and strong Skygate precinct performance.

Investment property revenue increased by 8.4% year on year due to strong tenant demand, especially for industrial properties. Operating property revenue also rose by 2.5% compared to last year.

The company remained focused on cost discipline against inflationary pressures across operating expenditure categories, although above trend escalation impacted a number of, in particular, labour related categories and total operating costs finished the year at \$305.2 million.

The capital expenditure program accelerated into FY25, with the construction commencement and delivery of some of BAC Group's largest industrial property projects to date. Elsewhere, major projects, including the government mandated security projects, check-in and baggage handling, and domestic P2 car parking expansion, drove forward significantly, ahead of delivery in FY26. Total capital expenditure for FY25 was \$708.2 million, the highest in the company's history.

Ongoing positive operating cash flow coupled with significant available liquidity in the form of cash and committed bank facilities strengthened the BAC Group's balance sheet.

The company consistently maintained strong liquidity during the year, supported by more than \$600 million in available cash and undrawn credit facilities, which provides a robust financial buffer for the business. The BAC Group's financial performance, liquidity position and credit metrics contributed to the decision to increase distributions to shareholders in FY25, including the payment of \$35.9 million (gross) in Redeemable Preference Share dividends and \$300 million in ordinary dividends.



Ongoing positive operating cash flow coupled with significant available liquidity in the form of cash and committed bank facilities strengthened the BAC Group's balance sheet.

In FY25,
BNE welcomed

a year-on-year
increase of

24.2m passengers

7.2%

Aviation

Aviation oversees the integrated management of runways, taxiways and terminal infrastructure; ensures airside safety and regulatory compliance; fosters airline commercial partnerships and drives passenger growth.

Key passenger results

The strong growth trajectory continued at Brisbane Airport in FY25, with a record 24.2 million passengers passing through the airport, an increase of 7.2% compared to the previous year.

Passenger statistics for FY25

	Domestic Terminal	International Terminal	Total
Passengers	17,710,596	6,518,653	24,229,249
Growth vs last year	+715,129	+914,885	+1,630,014
Growth vs last year (%)	+4.2%	+16.3%	+7.2%
Seat capacity	21,490,921	8,293,446	29,784,367
Growth vs last year	+32,435	+1,085,188	+1,117,623
Growth vs last year (%)	+0.2%	+15.1%	+3.9%
Load factor	82.4%	78.6%	81.3%
Growth vs last year (pts)	+3.2 pts	+0.9 pts	+2.5 pts



Domestic

17.7m

passengers

+4.2%

FY25 vs FY24



International

6.5m

passengers

+16.3%

FY25 vs FY24



Total

24.2m

passengers

+7.2%

FY25 vs FY24



The strong growth trajectory continued at Brisbane Airport in FY25, with a record 24.2 million passengers passing through the airport.

Busiest days in FY25



Domestic

61,243

passengers on

Thu 17 April

Easter peak. The day before Good Friday



International

24,368

passengers on

Sun 22 December

Christmas peak.
The Sunday before Christmas



Overall

82,569

passengers on

Thu 17 April

Easter peak. The day before Good Friday

Key factors impacting FY25 passenger growth

Collapse of REX: The collapse of Regional Express (REX) B737 operations in July 2024 changed the domestic airline landscape. The loss of the REX seats was offset by significant growth from Virgin Australia and Jetstar.

Record domestic load factors: Domestic flights were fuller than ever in FY25 with record high load factors of 82.4%. Strong competition between Virgin Australia, Jetstar and Qantas helped drive these results.

US expansion: The launch of seasonal flights by American Airlines to Dallas Fort Worth and Delta Air Lines to Los Angeles resulted in a significant increase in seat capacity to the US. For the first time, 5 carriers operated between BNE and North America.

Jetstar now #2: The significant growth in international capacity by Jetstar saw them rise to be BNE's second largest international airline. The launch of flights to Bangkok added a popular direct route back to Brisbane.

Qantas remains #1: Targeted international capacity growth by Qantas ensured they maintained their position as the largest international carrier at BNE. New routes to Vanuatu, Manila and Palau contributed to the growth, along with capacity increases on existing routes.

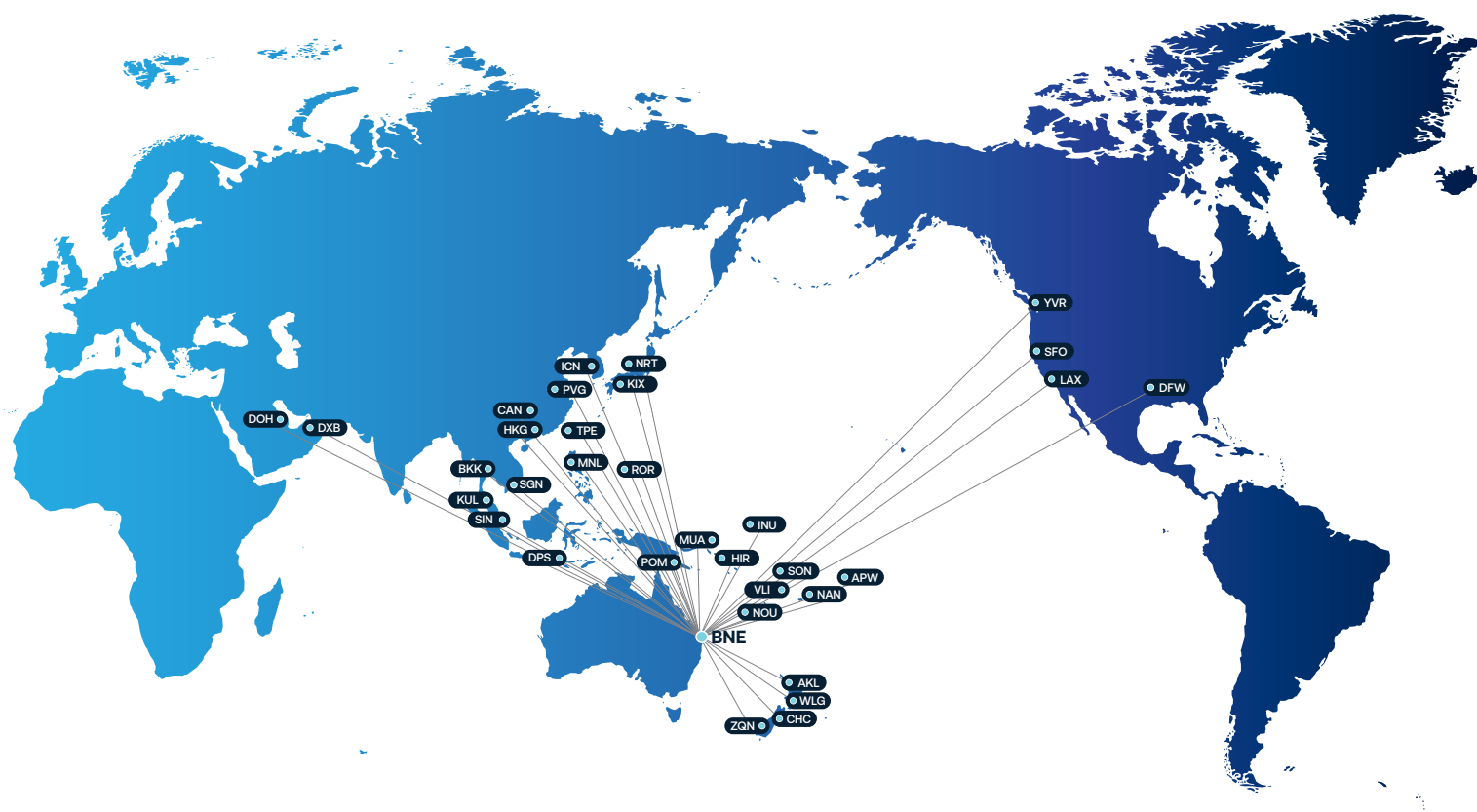
Tropical Cyclone Alfred impacts: The effects of Tropical Cyclone Alfred in March disrupted flights and passengers. Between 5 and 10 March, it is estimated that 1,377 flights were cancelled, preventing 180,900 passengers from travelling. There were zero passengers on Friday 7 March and Saturday 8 March.

New International Route Launches — FY25

- Sep-24 Qantas to Port Vila (Vanuatu)
- Oct-24 Qantas to Manila (Philippines)
- Oct-24 American Airlines to Dallas Fort Worth (USA)
- Dec-24 Qantas resumed flights to Noumea (New Caledonia)
- Dec-24 Jetstar to Bangkok (Thailand)
- Dec-24 Qantas to Koror (Palau), replacing Nauru Airlines
- Dec-24 Delta Air Lines to Los Angeles (USA)
- Feb-25 Solomon Airlines to Auckland (New Zealand)
- Jun-25 Virgin Australia to Doha (in partnership with Qatar Airways)



International network



33

international ports

Middle East

Doha (DOH)
Dubai (DXB)

Asia

Bangkok (BKK)
Denpasar (DPS)
Guangzhou (CAN)
Ho Chi Minh City (SGN)
Hong Kong (HKG)
Kuala Lumpur (KUL)
Manila (MNL)
Osaka (KIX)
Seoul (ICN)
Shanghai (PVG)
Singapore (SIN)
Taipei (TPE)
Tokyo (NRT)

South Pacific

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

New Zealand

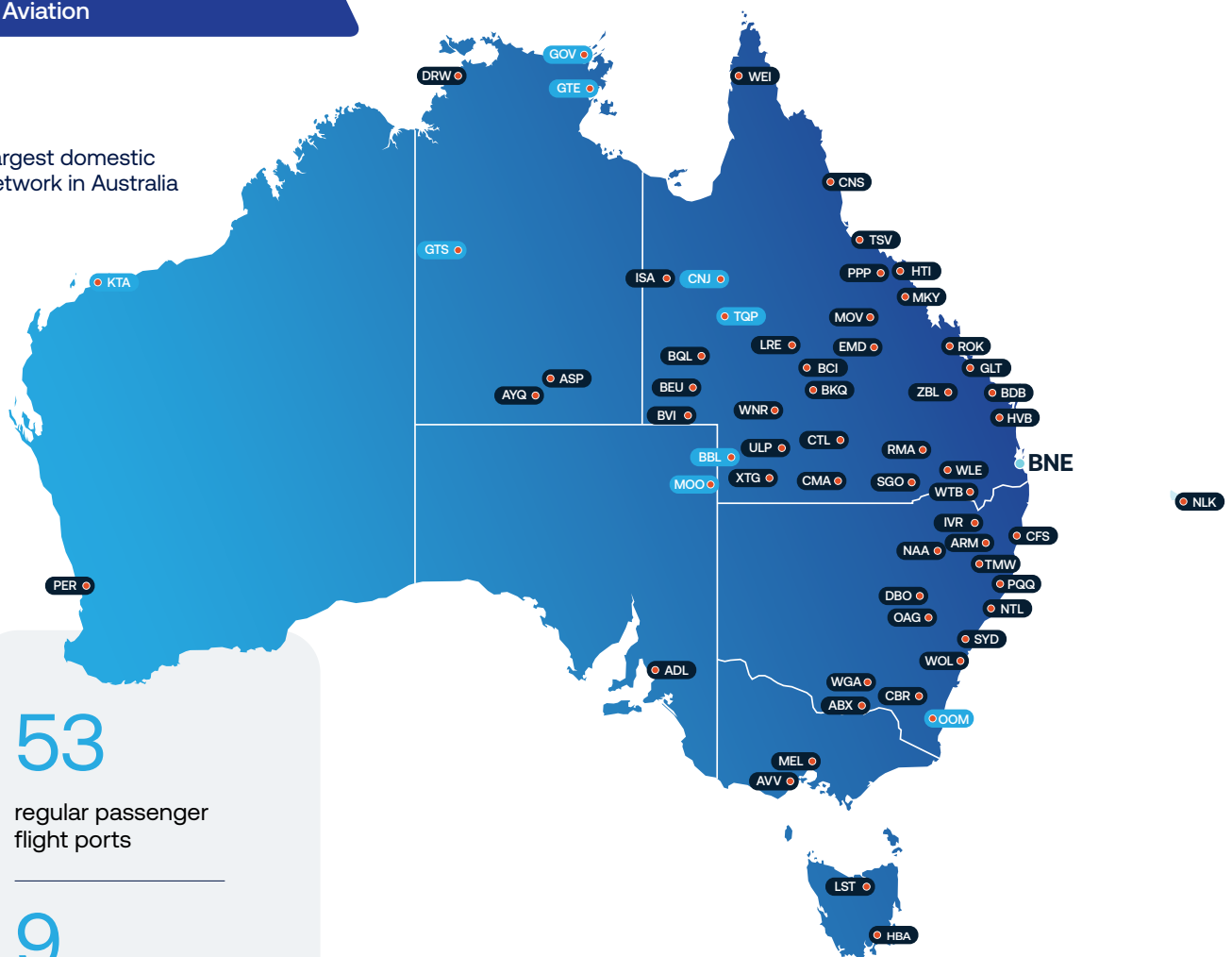
Auckland (AKL)
Christchurch (CHC)
Queenstown (ZQN)
Wellington (WLG)

North America

Dallas Fort Worth (DFW)
Los Angeles (LAX)
San Francisco (SFO)
Vancouver (YVR)

Aviation

Largest domestic network in Australia



53

regular passenger flight ports

9

regular charter flight ports

62

domestic ports

Current airline partners



26 international partners

Aircalin (SB)
Air Canada (AC)
Air New Zealand (NZ)
Air Niugini (PX)
American Airlines (AA)
Batik Air Malaysia (OD)
Cathay Pacific Airways (CX)
China Airlines (CI)
China Eastern Airlines (MU)
China Southern Airlines (CZ)
Delta Air Lines (DL)
Emirates (EK)

EVA Air (BR)
Fiji Airways (FJ)
Jetstar Airways (JQ)
Korean Air (KE)
Malaysia Airlines (MH)
Nauru Airlines (ON)
Philippine Airlines (PR)
Qantas Airways (QF)
Qatar Airways (QR)
Solomon Airlines (IE)
Singapore Airlines (SQ)
United Airlines (UA)

Virgin Australia (VA)

Vietjet (VJ)

9 domestic partners

Aerlink (HT)
Alliance (QQ)
Jetstar (JQ)
Link Airways (FC)
National Jet Express (NC)
Qantas (QF)
Qantas Link (QF)
Regional Express (ZL)
Virgin Australia (VA)

Freight

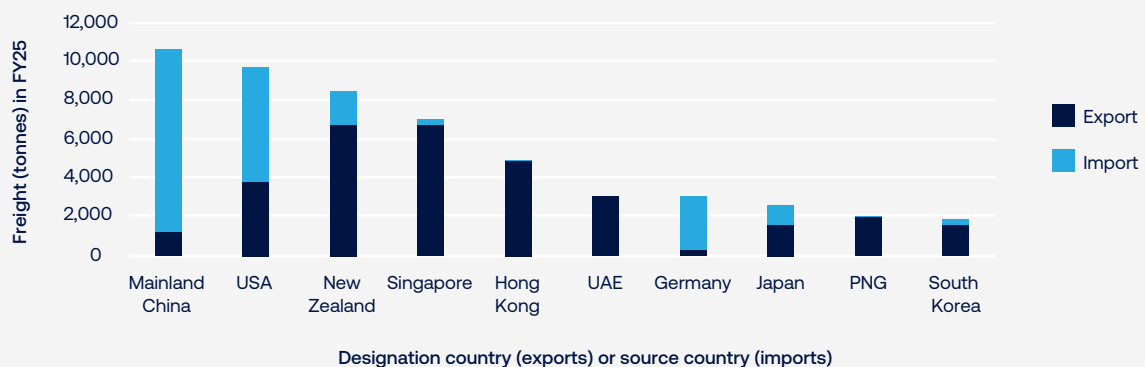
Brisbane Airport facilitates major freight movements of both exports and imports via the cargo holds onboard passenger aircraft and dedicated cargo flights. For FY25 there were 47,939 tonnes of exports, and 37,935 tonnes of imports.

In FY25, China has risen to be the top trading country with Brisbane (from 3rd last year) as airlines continue to grow flights, with 9,680 tonnes of imports and 1,240 tonnes of exports. Trade with China and Hong Kong is expected to grow further, as in June 2025 Cathay Pacific Cargo commenced a weekly dedicated cargo service to/from Hong Kong using the iconic B747-800 freighter aircraft, enabling 135 tonnes of freight uplift per flight to/from BNE.

The United States has moved to 2nd (from 1st last year), with freight volumes declining since March 2025 vs prior year, likely due to trade tariffs and the uncertainty of the changing trade environment.

Brisbane Airport remains Australia's largest exporting airport for beef, with 50% of Australia's beef exports by air travelling through Brisbane (16,367 tonnes), destined for the markets of Hong Kong, Singapore, USA, South Korea, Taiwan and the Middle East.

Top 10 freight trading countries at BNE International Terminal (FY25)



Top 5 export and import categories at BNE International Terminal (FY25)

Rank	Export category	Tonnes	Rank	Import category	Tonnes
1	Beef, pork, seafood (fish and crustaceans), milk and other animal products	21,196	1	Machinery, construction and mining equipment, engine parts, pumps and electronics	12,678
2	Fresh fruit and vegetables, seeds and nuts	13,277	2	Clothing and textiles	6,011
3	Construction and mining equipment, and other machinery or electrical equipment	2,946	3	Chemical products including pharmaceuticals, cosmetics, and chemicals for mining industry	3,319
4	Pharmaceutical products, cosmetics, sunscreen, provitamins and vitamins	2,087	4	Cut flowers, fresh fruit and vegetables	2,909
5	Base metals and metal products (wire, tubes and pipes) and tools	1,315	5	Building materials, tubes, pipes and tools	1,906
	Other	7,118		Other	11,112
Total exports from BNE in FY25:		47,939	Total imports from BNE in FY25:		37,935

Total freight tonnes: **85,874**

Airside Operations

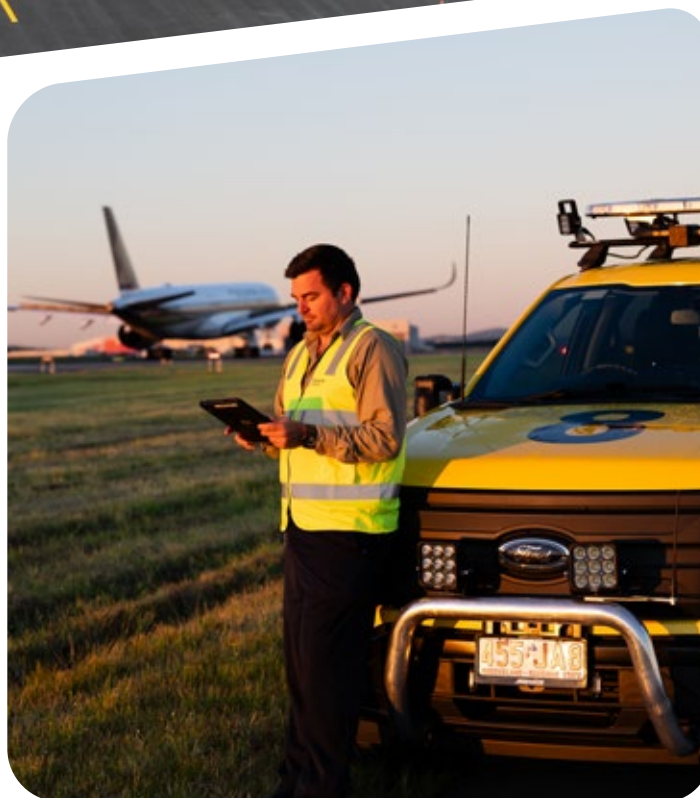
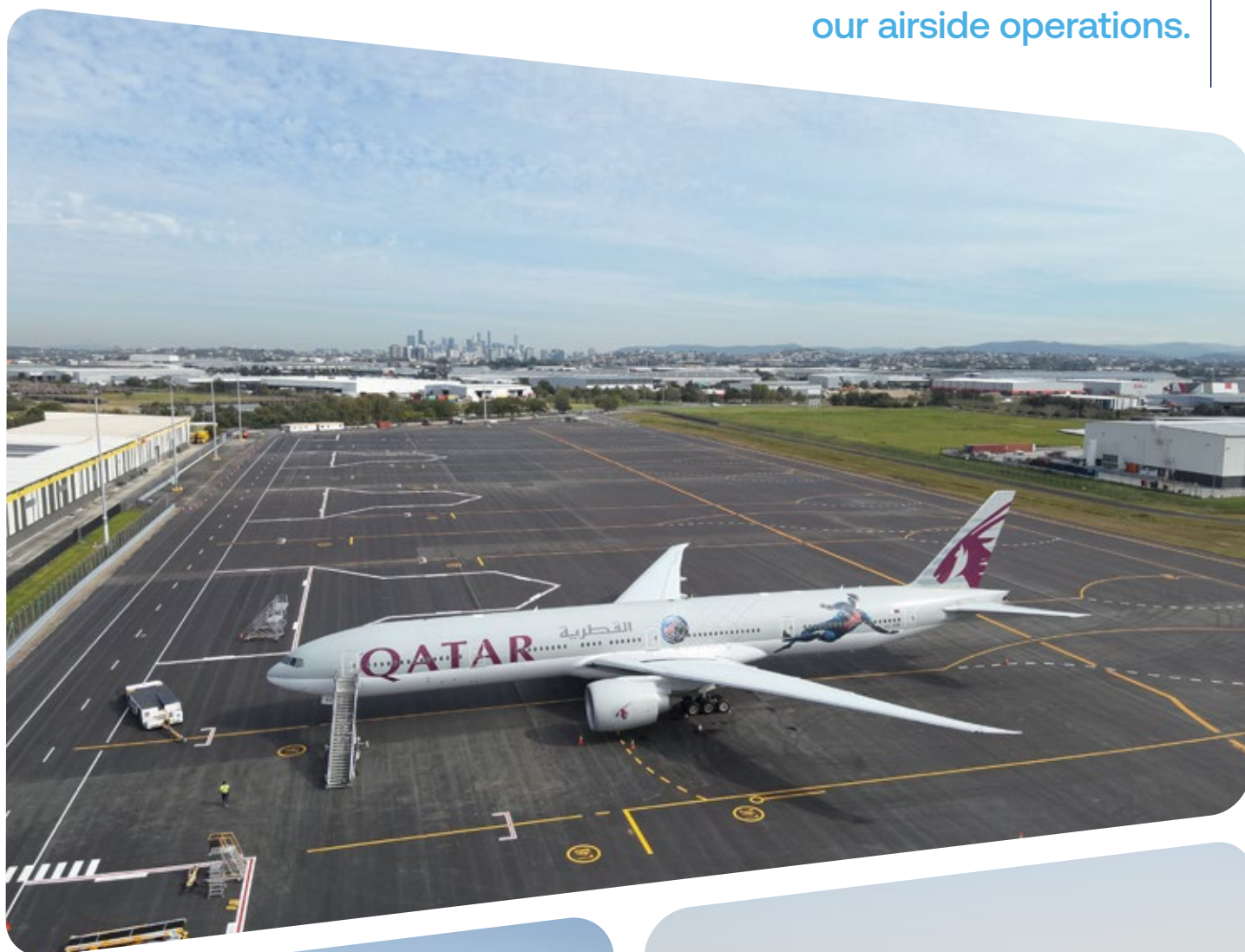
For the 9th consecutive year, the annual Civil Aviation Safety Authority Audit and annual technical inspection resulted in no safety findings. This remarkable achievement underscores the dedication and hard work of the teams responsible for managing aerodrome standards.

During FY25, we made several notable advancements:

- Introduced Aerosimple, a new mobile reporting platform for recording inspections and team activities. Its successful implementation, without any disruptions, has provided increased customisation flexibility and improved analytics through reliable and accessible data sources
- Innovation continued with the arrival of robot mowers and a tethered drone, an Australian airport first
- Our habitat management program was reviewed and enhanced, further mitigating wildlife risks on the aerodrome. This included managing the risk of Brazilian keyhole wasps
- We conducted a comprehensive review and improvement of training and document compliance related to airside operations
- A stakeholder incident reporting tool was implemented, allowing stakeholders to report incidents and unsafe behaviour directly into the BAC system
- CASA approval was given for aerodrome lighting requirements to support 300m Runway Visual Range (RVR) and Low Visibility Take-Off (LVTO) operations 125m RVR
- Aircraft parking upgrades and apron efficiencies were made, adding additional capacity 4 code C B737/A321 bays at the Logistic Apron, and one code C bay 112 at Northern Domestic Apron. There was also an additional 2,000 sqm created for operational space at minimal cost.



Our accomplishments reflect our continuous efforts to maintain high standards of safety and efficiency in our airside operations.



Commercial

The commercial team at Brisbane Airport is responsible for the development and management of the property, retail, eCommerce, parking and ground transport portfolios across the airport precinct.

The team is focused on developing sustainable, vibrant and people-centric terminal and property precincts at Brisbane Airport, through delivering a diverse mix of businesses, hotels and entertainment that offer experiences for workers, locals and visitors. Through strong partnerships, the commercial team aims to drive performance and enhance the customer and employee experience.

Property

Our vision to connect the world and create the future drives us to be more than an airport. We are a place where business grows, a place where people come even when they are not flying.

We are a destination that creates jobs for generations to come in a sustainable way, with new developments targeting 5 star Green Star rating where possible. Making Brisbane Airport an attractive hub by delivering a diverse, sustainable mix of businesses, entertainment and experiences for locals and visitors continues to be a focus for FY26, and part of our 5-year strategy.

Industrial development projects live in FY25 totalled \$215 million (\$433 million including the Aeromedical Precinct).

FY25 key achievements

\$2.6 billion property portfolio

33 lease renewals

1% property portfolio vacancy rate

4.1MW of solar installed

Acquisition of 2 buildings from ground lease tenants, spanning 2.1Ha Net Lettable Area (NLA)

\$475.4 million capex investment in industrial property development FY21–25

\$899.6 million forecast property capex investment over next 5 years

Practical completion achieved on 4 sites, all targeting a 5 star Green Star rating:

- Australia Post: 33,881 sqm NLA
- Martin Brower: 7,996 sqm NLA
- 47 Boronia Rd: 8,724 sqm NLA
- 49 Boronia Rd: 8,642 sqm NLA

Australia Post

In June, Practical Completion was achieved on a state-of-the-art 33,000 sqm parcel facility for Australia Post. This development is now Brisbane Airport's largest industrial facility, with 200 workers on shift at any time and the ability to process up to 176,000 parcels each day, scaling up in peak periods.

Martin Brower

A purpose-built, temperature controlled 8,000 sqm distribution centre was completed for Martin Brower ANZ, a recognised global leader in logistics services for a restaurant chain. Home to a team of one hundred staff, this facility includes solar panels generating 625 kW of power.

Under construction

Three developments are currently under construction, all targeting a 5 star Green Star rating. This includes a 7,500 sqm development for United Rentals, a 4,500 sqm development for Trivantage and a 2,250 sqm proactive development in Export Park.

Airport Industrial Park

The 100 hectares Airport Industrial Park (AIP) is set to become one of Australia's premium industrial parks, with unrivalled access to aviation and transport connections. Stage 1 (23 hectares) of AIP is 90% leased or under construction, with only one lot remaining for lease. Stage 2 (25 hectares) is nearing land preparation completion, with the first lots available for Commercial development in FY26. Further stages of AIP are currently in the planning and approval phase, for future development. Developments in other established precincts continue to be a focus, unlocking the last available parcels of land airport wide. These include both proactive and tenant-led opportunities.



The team is focused on developing sustainable, vibrant and people-centric terminal and property precincts at Brisbane Airport.



Retail

The retail team manages the retail, commercial and advertising portfolio across the Domestic Terminal, International Terminal and Skygate precinct. This includes the Duty Free concession, which is the single largest lease revenue agreement in the portfolio.

BAC partners with our retailers to drive performance and deliver an exceptional customer experience. This includes delivery of the Retail Engagement Program, designed to deliver targeted customer service training initiatives, including cultural training sessions based on key international markets. We also partner with an external provider to deliver a Mystery Shopper Program across both terminals, providing recommendations for improvements and rewarding customer service excellence.

FY25 key achievements

85 leasing deals completed

Winner of **2025 Airport Food and Beverage Marketing Campaign of the Year** at the FAB Awards

The Independent — joint winner of **2025 Airport Restaurant Design of the Year** for Asia Pacific at the FAB Awards

Opening of **Prosecur Change** at the International Terminal, as the new foreign exchange provider terminal-wide

Opening of **Bellissimo Coffee, Sushi Sushi** and **Brooki Bakehouse** at the Domestic Terminal

Opening of **Escape Lounge** at the International Terminal, a pay-to-use lounge option for international travellers

Launched cross-sell email and SMS programs linking **parking** with **Brisbane Airport Duty Free**

\$832 million of retail sales across the terminals and Skygate precincts (including DFO)

International Terminal retail upgrade

Brisbane Airport has commenced the transformation of retail at the International Terminal, with the evolution of all speciality, travel essentials, foreign exchange and food and beverage concessions.

In FY25, Prosecur Change was welcomed to the BNE community and introduced as the new foreign exchange provider.

The RELAY brand will be introduced across 5 Travel Essentials sites, expanding BAC's long-standing partnership with Lagardère AWPL.

Negotiations on all other sites are currently underway, including the 10 food and beverage sites and 14 specialty sites available.



Parking and ground transport

The parking and ground transport team is focused on continuing the transformation to a customer-centric business through sustained investment in technology solutions to improve the customer experience, the development of a varied product range to provide choice and the development of additional capacity to meet customer needs. The team facilitates all modes of transport for passengers and airport employees, as well as managing all non-terminal parking airport wide.

FY25 key achievements

2.1 million users

958,565 online transactions

142,853 ITB ParkValet and DTB Park&Fly customers

Over **264,000 kg** of carbon offset by parking customers

Carbon offsets

Brisbane Airport provides a carbon offset program for drivers parking at BNE and was the first airport in Australia to match every offset purchased, dollar for dollar. Tasman Environmental Markets deliver the environmental benefits of this program.

As at 30 June 2025, 264,615 kg of carbon offsets has been purchased by Brisbane Airport customers, with the program continuing to exceed expectations.

Parking capacity projects

Construction of the Domestic P2X expansion project continued in FY25 and is due for completion in early FY26. The project will deliver an additional 1,700 parking bays for domestic travellers, and a storage facility for 48 bicycles.

The expansion of Airpark is also underway, due for completion in FY26. This project will deliver 1,700 budget-friendly, additional spaces for both domestic and international travellers.



Financial report 2025

Directors' Report	79
Corporate Governance	90
Consolidated statement of profit or loss and other comprehensive income	92
Consolidated statement of financial position	93
Consolidated statement of cash flows	94
Consolidated statement of changes in equity	95
Notes to the financial statements	96
Directors' Declaration	140
Independent Auditor's Report	141
Auditor's Independence Declaration	144



Directors' report

The Directors present their report along with the consolidated financial statements of BAC Holdings Limited (BACH) and its subsidiaries, BAC Holdings No. 2 Pty Limited and Brisbane Airport Corporation Pty Limited (BAC) (collectively, the Group or BAC Group) for the year ended 30 June 2025, to comply with the provisions of the *Corporations Act 2001* (Cth).

1. Principal activities

The principal activity of the BAC Group during the year was the operation and development of Brisbane Airport.

2. Operating and financial review

Brisbane Airport marked its centenary year with significant growth in passenger volumes across both domestic and international sectors, alongside strong financial performance for FY25. During this period, domestic and international networks experienced sustained expansion, resulting in significant growth across passenger-driven commercial sectors such as retail and landside transportation.

The Group accelerated its capital investment program, reaching a record \$708.2 million (cash payments) in capital expenditure. FY25 also featured the commencement and completion of several of BAC Group's most substantial industrial property projects to date.

Passenger numbers for FY25 reached 24.2 million. International travel demonstrated robust growth, increasing by 16.3% year on year, while the domestic market also expanded by 4.3%. Overall, passenger volumes rose 7.2% compared to the previous year, despite challenges such as the voluntary administration of a domestic airline, the impact of Cyclone Alfred, ongoing airline capacity constraints, operational challenges, and labour shortages.

The BAC Group's revenue from ordinary activities surpassed \$1 billion for the first time in the Group's history, at \$1,091.6 million, up \$111.7 million (11.4%) relative to FY24. Reflecting the growth in volumes, passenger driven revenue streams delivered year-on-year performance up \$49.3 million for aeronautical (including mandated security), \$23.7 million in retail and \$17.7 million in landside transport.

Retail revenue was strengthened by a strong partnership with a new international foreign exchange provider and the launch of several new food and beverage outlets domestically, resulting in revenue of \$121.0 million, exceeding FY24 by 24.4%.

Ongoing demand for carparking delivered a \$212.2 million result for landside transport revenue generation, up 9.1% on the prior year. Consumers continue to preference to drive and park as opposed to alternative methods of transport, bolstering demand for BAC Group's diverse range of carpark products. Additional capacity of 1,700 bays is underway with the construction of the Domestic P2X expansion in FY25, due for completion in FY26.

Revenue for investment property increased year-on-year by \$11.0 million (8.4%). In addition, operating property was up \$0.8 million (2.5%) on the prior year.

Other revenue and interest income included \$9.7 million and \$1.0 million respectively, received as a result of litigation on historical PFAS costs.

Total operating expenses rose by \$31.5 million (11.5%) over the previous year due to increased organisational activity. Despite inflationary pressures, BAC Group kept costs in check, with notable rises in staffing (\$3.4 million), and corporate and administration (\$2.4 million). Government-mandated security costs were \$78.0 million, up \$6.2 million (8.6%), reflecting ongoing passenger recovery and growth.

FY25 resulted in an operating profit of \$417.4 million (profit from ordinary activities before the redeemable preference shares ("RPS") dividend, change in fair value of investment property, and income tax expense) for BAC Group, an increase of \$49.9 million from FY24.

The BAC Group balance sheet in FY25 reflects ongoing positive operating cash flow and available liquidity, including cash and committed undrawn bank facilities. The BAC Group was in a net current liability position of \$822.9 million at 30 June 2025 (30 June 2024: net current liability of \$527.4 million) with undrawn committed bank facilities of \$541.0 million, (2024: \$1,170.0 million). On 30 June 2025, BAC signed a new Syndicated Facility Agreement structured as an Asian Term Loan (ATL) totalling \$600.0 million.

The BAC Group's strong cash balance, credit metrics and operating cashflow enabled continued distributions to shareholders throughout the year, in the form of \$35.9 million of gross RPS dividends and \$300.0 million in ordinary dividends.

At 30 June 2025, the BAC Group recorded an increase in fair value on investment property of \$143.1 million, compared to an increase of \$49.4 million in the prior year. In terms of total portfolio value (2025: \$2,650.7 million) this year's uplift of \$363.9 million was mainly comprised of a valuation increase of \$148.7 million, and capital expenditure of \$219.7 million. The Group continues to report robust results within its industrial portfolio. The valuation incorporates comprehensive general and economic considerations, including analysis of sales and leasing transactions for comparable properties.

The year-on-year movement in the change in fair value of derivatives of \$27.8 million is predominantly attributable to changes in underlying market data (interest rates and foreign exchange rates).

BAC Group's financial results highlight the continued rebound of the aviation industry after the pandemic years. The Company reported a profit before income tax of \$522.8 million, up from \$379.3 million in 2024 — a year-on-year growth of \$143.5 million.

3. Dividends

Dividends and distributions declared and paid by BACH during the current financial year were \$335.9 million in the form of RPS dividends and ordinary dividends (2024: \$285.9 million). This included a RPS dividend declared of \$35.9 million (2024: \$35.9 million) and ordinary share dividends of \$300.0 million (2024: \$250.0 million).

4. Changes in state of affairs

There were no significant changes in the state of affairs of the BAC Group during the year.

5. Events subsequent to reporting date

On 30 June 2025, BAC signed a new Syndicated Facility Agreement structured as an Asian Term Loan (ATL) totalling \$600.0 million. Financial close was achieved on 3 July 2025, with funds subsequently drawn down on 16 July 2025. The ATL comprises two tranches: a seven-year \$300.0 million tranche maturing in FY32, and a ten-year \$300.0 million tranche maturing in FY35.

Since the end of the financial year to the date of signing, there were no other subsequent events to report.

	2025 \$'000	2024 \$'000
Revenue from ordinary activities	1,091,551	979,864
Operating expenses	(305,152)	(273,674)
Revenue from ordinary activities less operating expenses	786,399	706,190
Depreciation and amortisation	(151,938)	(150,921)
Profit/(loss) on asset disposals	(7,246)	(901)
Impairment	(3,412)	(2,122)
Finance costs	(206,413)	(184,746)
Operating results	417,390	367,500
RPS dividend	(37,675)	(37,640)
Change in fair value of investment property	143,094	49,419
Unrealised foreign exchange gain/(losses)	10	
Profit before income tax	522,819	379,279
Income tax expense	(163,888)	(113,896)
Profit for the year	358,931	265,383

6. Directors

The Directors of the BAC Group at any time during FY25 or up to the date of this report are set out below¹:

Name, qualifications, and any special responsibilities	Experience and other directorships
 DAVID PEEVER BEC, MSC (MINERAL ECONOMICS) Board Chair, Non-Executive Director and member of the Human Resources and Remuneration Committee and the Property Committee Appointed: 05/05/2017	David is also a Non-Executive Director of the Australian Investment Company Services and Australian Foundation Investment Company. He was previously: • A Member of the Foreign Investment Review Board • Chair of the Naval Group • Chair of Cricket Australia and World Twenty20 2020 Ltd • A Director of the International Cricket Council • A Director of The Stars Foundation • Until July 2017, the Chair of the Minister of Defence's First Principles Review of Defence and following the acceptance of the review by Government the Oversight Board which helped guide implementation of the Review's recommendations • A Director of the Business Council of Australia • Vice Chairman of the Minerals Council of Australia • A Member of Former Prime Minister Abbott's Indigenous Advisory Council. David retired as Managing Director of Rio Tinto Australia in October 2014 after 27 years with Rio Tinto. During his career with Rio Tinto, David worked across a range of disciplines including strategy and planning, industrial relations, operations, sales and marketing, business improvement, shipping and policy. David worked in many parts of Australia and across most of Rio Tinto's commodity suites. His Rio Tinto career also saw him live in Singapore, Los Angeles and London. He travelled extensively with Rio Tinto and has done business in most parts of the world.
 ROBERT CARSOUW Non-Executive Director Appointed: 01/04/2021	Robert is Executive Vice President and Chief Financial Officer of Royal Schiphol Group. Prior to starting his journey at Schiphol, Robert worked at Procter & Gamble and for 23 years at McKinsey & Company in various roles, since 2011 as a Senior Partner. He served clients mainly in the public sector and in the mobility/logistics sector. In addition, Robert worked with clients on digital transformations across a wide range of sectors. Robert was co-founder and Chair of the Supervisory Board of Social Enterprise NL and co-founder and Vice-Chair of LittleBitz. Robert is a graduate of the Erasmus University in Rotterdam and has a master's degree in Econometrics/Computer Science.

¹ Directors were in office for the entire period unless otherwise stated.

Name, qualifications, and any special responsibilities	Experience and other directorships
 BRAD GEATCHES BCOM, MAICD Non-Executive Director Chair of the Terminal 3 Precinct Program Committee Member of the Property Committee and Aeronautical Pricing Policy Special Committee Appointed: 22/11/2018	Brad has over 30 years of senior executive experience in underground mining, airports, and seaports, including 16 years as CEO of four corporations. From 2007 to 2016, Brad was CEO of Perth Airport and in that capacity led a \$1.1 billion capital investment program that greatly expanded the airport's capacity and transformed the airport's customer experience. Prior to this, Brad was CEO of Cairns Port Authority, the operator of the Cairns airport and seaport. Through these capacities, Brad has developed expertise in governance, financial and risk management, land use and infrastructure planning, capital development and life cycle asset management of complex facilities with high levels of public engagement. Brad is currently a Director of MATES in Construction WA, a charity providing mental health and suicide prevention services to workers in the construction and mining industries. He is also Director of Canberra Airport and is Deputy Chair Pilbara Ports Authority, having served as Chair from May 2019 to June 2024. He has previously served as a Director of Perth Zoo Authority and Genotyping Australia Pty Ltd.
 BELINDA GIBSON BEC, LLB, LLM, FAICD, FGIA Non-Executive Director Member of the Human Resources and Remuneration Committee and Terminal 3 Precinct Program Committee Appointed: 05/05/2017	Belinda is the Chair of Humbli Pty Limited and a Director of the Yalari group of companies. She also serves as a member of the ASX Cash Equities Clearing and Settlement Advisory Group and as Chair of the Professional Conduct Oversight Committee of Chartered Accountants Australia and New Zealand. She was a Corporate and Securities Partner with the global law firm Mallesons Stephen Jaques for 20 years. She particularly focused on transaction strategies, partnerships and joint venture arrangements and governance issues. In 2007, she was appointed Commissioner and then Deputy Chair of the Australian Securities and Investments Commission ('ASIC'), with primary responsibility for oversight of the capital markets. In 2013, she left ASIC and established her independent corporate advisory and legal business. Belinda previously served as a Director of Ausgrid (representing the NSW State interests in the Ausgrid partnership) and was a former Director of Airservices Australia, the air traffic control agency, GetSwift Limited, Chief Executive Women Inc, The Sir Robert Menzies Memorial Foundation, Thorn Group Ltd and Citigroup Australian retail bank.
 TONY HARRINGTON AM, BCOM Non-Executive Director Member of the Finance, Audit and Risk Management Committee, Property Committee and Aeronautical Pricing Policy Special Committee Appointed Alternate Director: 01/01/2015 to 31/05/2025 Non-Executive Director: 01/06/2025	Tony has a distinguished career in financial and professional services, with over 35 years of business and strategic leadership experience, in Australia and internationally. Tony was the Chief Executive of leading legal and consulting firm MinterEllison and represents Schiphol as an Alternate Director for Hobart Airport. Prior to this, he was Managing Director of the fast-growing and innovative global investment bank, Moelis & Company. He also held a number of senior roles at PwC including Global Managing Partner, Strategy and Transformation and was a member of the PwC Global Executive Leadership Team. From 2000 to 2008, Tony was Australian Senior Partner and Chief Executive of PwC, coming into the position not long after the merger of Price Waterhouse with Coopers & Lybrand, and oversaw the successful cultural integration and significant growth of the merged firm in Australia. At Coopers & Lybrand, Tony was Deputy Chair of the firm and National Managing Partner of Taxation Services. He was appointed a Member of the Order of Australia (AM) in 2011 in recognition of his charitable work.

Name, qualifications, and any special responsibilities	Experience and other directorships
 DAVID KENNY LLB, BCOM, MBA Non-Executive Director Chair of the Finance, Audit and Risk Management Committee and Aeronautical Pricing Policy Special Committee Appointed: 25/08/2023	David is a Senior Principal in the Global Infrastructure Division at Queensland Investment Corporation (QIC). David has extensive airport sector experience, having served on the boards of several capital city and regional airports in Australia, the United Kingdom and Turkey. David holds a Bachelor of Laws and Bachelor of Commerce from the University of Melbourne, and Master of Business Administration degrees from Tulane University (USA) and Universidad de Chile.
 MARIGOLD LOOK BACC, CFA, GDIPAPFFIN, GAICD Non-Executive Director Member of the Finance, Audit and Risk Management Committee and Human Resources and Remuneration Committee Appointed: 28/04/2023	Marigold is an Executive Director at IFM Investors and has more than 20 years of experience in investment evaluation, asset management, corporate finance, and valuations. Marigold is responsible for managing IFM Investors' low carbon infrastructure assets. Since joining IFM Investors in September 2006, Marigold has been involved in executing and managing various investments in Australia and globally across a broad range of infrastructure sectors including energy, transportation (airports, ports, toll roads) and social infrastructure. Prior to joining IFM Investors, Marigold held roles with stockbroking firm Wilsons as an equities research analyst, and with PwC specialising in corporate valuations and strategy consulting. Marigold has previously represented IFM Investors on the Boards of Airport Development Group (NT Airports), where she was also Chair of the Risk and Audit Committee, as well as Axiom Education (NSW Schools PPP) and Eastern Distributor (M1 toll road).
 ALISON QUINN Non-Executive Director Member of the Property Committee Appointed: 09/10/2024	Alison is a Brisbane-based, professional non-executive director with more than 25 years' experience as a CEO and senior executive in the real estate, property development and aged care / seniors sectors. Through her roles with public, private and government organisations Alison has developed valuable operational and commercial expertise in the areas of property investment, funding, infrastructure and development and stakeholder management.

Name, qualifications, and any special responsibilities	Experience and other directorships
 LYELL STRAMBI Non-Executive Director Chair of the of the Property Committee Member of the Terminal 3 Precinct Program Committee Appointed: 10/10/2023	Lyell has a wealth of experience in the aviation sector both in Australia and abroad, spanning 40 years. In June 2022, Lyell concluded his tenure as CEO and Managing Director of Australia Pacific Airports Corporation (APAC). Having been appointed in September 2015, during his time at APAC he was responsible for the operation and development of both the Melbourne and Launceston airports and for overseeing a direct workforce of 300 staff and assets valued in excess of \$10 billion. Prior to his role at APAC, Lyell was the Chief Executive Officer of Qantas Airways Domestic, a role he held for three years following four years as the airline's Group Executive Operations. Between 2001 and 2008 Lyell was based in London, working in senior roles at Virgin Atlantic that included Executive Director — Airline Services and followed by six years as Chief Operating Officer. Lyell is also a director of the Aurizon group and has been appointed Chair of Aurizon Network Pty Ltd since October 2021.
 ALAN WU MCOM, CFA, GAICD Non-Executive Director Member of the Finance, Audit and Risk Management Committee and Terminal 3 Precinct Program Committee Appointed: Alternate Director 03/11/2014 to 18/02/2022 Non-Executive Director: 18/02/2022	Alan is Director at Igneo Infrastructure Partners (Igneo). He is responsible for the management of transport and utilities infrastructure assets, as well as sourcing, evaluating and securing investment opportunities within the infrastructure team. He currently serves as a Director on the boards of Adelaide Airport Group and coNEXA Infrastructure Partners. He has previously served as a Director of Bankstown and Camden Airports and the International Parking group of companies. Alan has been involved in the investment, management and divestment of infrastructure assets, as well as portfolio management since 2000. Prior to being appointed Director, Alan held various roles within the team including Head of the Analytics. Alan was also actively involved in the establishment and growth of Igneo's flagship infrastructure funds in Australia.
 PAUL DESOUSA BCOM, BBUS (ACC) (HONS), CA Alternate Director for David Kenny Appointed: Non-Executive Director 16/02/2017 to 25/08/2023 Alternative Director 25/08/2023	Paul is a Partner in the QIC Global Infrastructure team having been with QIC since 2006. Within QIC Global Infrastructure, Paul is a member of the Infrastructure Investment Committee and is the Chair of the Investment Management Committee. Paul has more than 25 years of experience in investment management, banking and finance and professional services, including more than 16 years in the infrastructure sector where he has been involved in a broad range of transactions in Australia, Europe, Asia and North America across the transport, energy and utility and social infrastructure sectors. Prior to joining QIC, Paul was a Director in the Infrastructure Advisory and Lending team at ING Bank in London and worked in the Corporate Finance and Audit Divisions of Deloitte, both in London and Australia. Paul is on the board of the Evolution Healthcare Group. Paul is also an alternate director of the Titles Queensland group. Paul previously served for more than six years on the board of the Port of Brisbane group of entities (including being the Chair of the Audit and Risk Committee). Paul has also been a Director (or Alternate Director) of the Epic Energy Group of entities, the Nexus Hospitals group, MI Longbeach LLC (the project vehicle for the Long Beach Courthouse PPP project), Portobar Capital (investment entity for Grup Maritim TCB, a container terminal developer and operator) Westlink M7 toll road group of entities in Sydney, the Titles Queensland, and the Sea Swift groups.

Name, qualifications, and any special responsibilities	Experience and other directorships
 CALVIN KER CA, BBUS, GAICD Alternate Director for Marigold Look and Lyell Strambi Appointed: 28/04/2023	Calvin is a Vice President at IFM Investors and has more than 9 years of experience across the infrastructure sector. Calvin is responsible for the origination, execution and management of infrastructure investments with a focus on aviation, technology and social infrastructure. Prior to joining IFM Investors, Calvin held roles with EY's Financial Services Team and IBM Australia.
 GERHARD VORSTER BSC (CIVIL ENGINEERING), MBA (CUM LAUDE), MAICD Alternate Director for Robert Carsouw Chair of the Human Resources and Remuneration Committee Member of the Terminal 3 Precinct Program Committee Appointed: 01/01/2019	Gerhard is the Managing Director of Quidni Advisory, a boutique strategy advisory firm. Working directly with boards and senior leaders, Gerhard guides businesses to reposition them in pragmatic yet unexpected ways. Previously, Gerhard was the Chief Strategy Officer for Deloitte Australia and Asia-Pacific, a position he held for five years. Prior to that, Gerhard was the Managing Partner (Consulting) for the South African, East Asian, Australian, and Asia-Pacific practice regions. He has broad sector experience with a specific focus on growth, innovation, technology, and leadership. He is published widely on these topics. Gerhard trained and practised as a professional engineer and spent some time at an investment bank prior to joining Deloitte in 1987. In addition to his MBA, he also completed several executive education programs at Harvard, Stanford, Kellogg, INSEAD, IESE and IMD. Gerhard is the Chair of the Advisory Board of Bio Capital Impact Fund, a member of the Advisory Board of Intersective, a Director of Seeing Machines Limited and the Patron Emeritus of Good Design Australia. He was a Director of Georgiou Group and the inaugural Chair of the RMIT University College of Business Advisory Board. Gerhard is also: • A member of the Advisory Board of Commercial and Infrastructure • Chair of 365 Mechanix Limited • Chair of Rise Q Consulting • Chair of the HRR Committee of Trovio LimitedA Strategic Advisor to Maximus International.

Director appointment cessations during the 2025 financial year

Name and qualifications	Appointment details and any special responsibilities
DIRK (DICK) BENSCHOP Appointed: 01/04/2019 Resigned: 01/06/2025	Non-Executive Director
CHRIS FREEMAN AM BCOM, FAICD, FFIN, FDIA Appointed: 01/03/2014 Resigned: 31/08/2024	Non-Executive Director and Chair of the Property Committee Following Mr Freeman's resignation, he has continued as a member of the Property Committee.
JOHN WARD BSC, FAICD, FCILT, FRAES Appointed: 24/11/1997 Ceased: 17/08/2024	Non-Executive Director, member of the Finance, Audit and Risk Management Committee and member of the T3 Precinct Program Committee John was first appointed to the BAC Group Board in 1997 and played an integral role in shaping Brisbane Airport's history and its future. John passed away on 17 August 2024, leaving a lasting legacy for Brisbane Airport.
WARREN MUNDY BSC (HONS UNSW), DIPEC(SYD), MPHIL PHD(CANTAB), GRADCERTAPPFIN(MACQ), MENVLAW(HONS, ANU) FAICD FRAES Appointed: 15/02/2024 Resigned: 20/08/2024	Alternate Director for Alan Wu

7. Company Secretary

During the financial year, each of the following individuals held the role of Company Secretary:

- Raechel Paris (BA, LLB, GAICD) was appointed as Company Secretary from 26 March 2020 to 31 August 2025. Raechel has more than 20 years' experience in legal, commercial and governance roles with national and international accountability, and brings a wealth of corporate governance knowledge to the business;
- Melissa Hill (LLB, BEnvSc, GAICD) is General Counsel and Head of Legal Services and was appointed as Company Secretary on 19 November 2021. Melissa has more than 20 years' experience as a corporate/commercial lawyer and prior to her role at the BAC Group, Melissa worked in private practice and in house legal roles supporting a broad range of clients; and
- Brady Dennis (LLB, BBus) was appointed Group Company Secretary on 18 February 2022. Brady joined the BAC Group in June 2021 following 11 years working within the franchising sector where he developed a passion for corporate governance and the impact that good governance practice has toward the execution of organisational objectives.

8. Directors' meetings

The number of Directors' meetings (including meetings of Board sub-committees of Directors) and the number of meetings attended by each of the Directors during the financial year were:

Director	Board of Directors		FARM Committee		HRR Committee		BAC Property Committee		Terminal 3 Precinct Program Committee		Aeronautical Pricing Policy Special Committee	
Total meetings held	11		9		3		5		4		3	
	A	B	A	B	A	B	A	B	A	B	A	B
D Peever (Board Chair)	11	11	2 [#]	-	3	3	5	5	1 [#]	-	-	-
D Benschop	6	11	-	-	-	-	-	-	-	-	-	-
R Carsouw	1	11	-	-	-	-	-	-	-	-	-	-
C Freeman	2	2	1 [#]	-	-	-	-	-	-	-	-	-
B Geatches	11	11	1 [#]	-	-	-	4	5	4	4	3	3
B Gibson	11	11	2 [#]	-	3	3	-	-	4	4	-	-
T Harrington	0	0	1	1			1	1			3	3
D Kenny	11	11	9	9	-	-	-	-	3 [#]	-	3	3
M Look	10	11	9	9	3 [*]	2	-	-	2 [#]	-	-	-
A Quinn	8	8	1 [#]	-	1 [#]		4 [*]	3	2 [#]	-	-	-
L Strambi	11	11	2 [#]	-	1	1	5	5	4	4	-	-
J Ward	1	1	0	1	-	-	-	-	0	1	-	-
A Wu	11	11	9	9	-	-	-	-	4	4	3 [#]	-
P DeSouza (Alternate Director for D Kenny)	0	11	-	-	-	-	-	-	-	-	-	-
C Ker (Alternate Director for M Look and L Strambi)	1	11	-	-	-	-	-	-	-	-	-	-
T Harrington (Alternate Director for D Benschop)	7 [^]	11	7 [*]	7	-	-	4	4	1 [#]	-	-	-
W Mundy (Alternate Director for A Wu)	0	1	-	-	-	-	-	-	-	-	-	-
G Vorster (Alternate Director for R Carsouw)	11 [*]	11	1 [#]	-	3	3	-	-	4	4	-	-

A Number of meetings attended.

B Number of meetings held during the year where the Director held office or was a member of the relevant Committee.

Attended the relevant committee meetings as an invitee.

* In capacity of invitee for one meeting.

^ In capacity of invitee for two meetings.

If any Circulating Written Resolutions were passed during the year, these are included in the number of meetings held and attended.

9. Indemnification and insurance of officers and auditors

BACH on behalf of the BAC Group has entered into Deeds of Indemnity, Insurance and Access (Deeds) with each Director, Alternate Director, Company Secretary, and each member of BAC's Executive Leadership team (collectively, Officers) within the Group.

BACH has agreed to indemnify and maintain insurance in favour of each Officer with respect to certain liabilities which the Officer may incur acting as an Officer.

During the year, the BAC Group paid insurance premiums in respect of a Directors' and Officers' Liability Insurance Contract for current and former Directors and Officers, including Officers of the BAC Group.

To the extent permitted by law, the BAC Group has agreed to indemnify its external auditor, Deloitte Touche Tohmatsu (Deloitte), as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Deloitte during or since the end of the year.

10. Environmental regulation

Environmental management of BAC's operations is primarily governed by the *Airports Act 1996* (Cth) and associated *Airports Regulations 2025* (Cth) and the *Airports (Environment Protection) Regulations 1997* (Cth), which address soil, air, water, preservation of habitat and excessive ground-based noise regulation.

Airport Environment Officers employed by the Department of Infrastructure, Transport, Regional Development, Communications, Sports and the Arts assist with the administration of the *Airports (Environment Protection) Regulations 1997* (Cth) and have a number of specific statutory functions under the *Airports Act 1996* (Cth) and the *Airports Regulations 2025* (Cth). In addition to the *Airports Act*, the following applies to federally-leased airports:

- the *Environment Protection and Biodiversity Conservation Act 1999* (Cth), which is administered by the Department of Climate Change, Energy, the Environment and Water; and
- the *Biosecurity Act 2015* (Cth), which manages biosecurity risk at Brisbane Airport and is administered by the Department of Agriculture, Fisheries and Forestry.

Environmental matters not specifically dealt with by Commonwealth legislation are regulated by applicable State legislation and local government by-laws.

BAC takes all reasonable and practicable measures to comply with its general environmental duty to avoid or minimise pollution. BAC also exercises its rights under tenant lease agreements to require entities responsible for pollution to monitor and remediate contamination on Brisbane Airport.

There have been no significant breaches by the BAC Group of any applicable environmental regulations.

11. Non-audit services

The BAC Group's external auditor, Deloitte may perform certain other services in addition to its statutory duties in accordance with BAC's External Audit Policy. This policy ensures controls are placed on all non-audit related services, including quarterly reporting to the Finance, Audit and Risk Management (FARM) Committee, as required.

In addition to providing an annual declaration on its compliance with independence requirements, the External Audit Policy requires the external auditor to maintain a quality control system to provide assurance that its independence will not be impaired.

Details of the amounts paid to the auditor of BACH, Deloitte, and its related practices for services provided during FY25, are set out in note 2.4 to the financial statements.

12. Auditor's independence declaration

The auditor's independence declaration is included on page 144.

13. Sustainability reporting

The BAC Group has undertaken preparatory steps for the mandatory adoption of International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards and associated requirements. As a Tier 1 reporting structure, BAC Group will be required to report climate-related risks and opportunities and their financial impacts for the financial year commencing 1 July 2025 onwards.

14. Consolidated entity disclosure statement

Subsection 295(3A) of the *Corporations Act 2001* applies to BACH.

		Body corporates		Tax residency	
Entity name	Entity type	Place formed or incorporated	% of share capital held	Australian or foreign	Foreign jurisdiction
BAC Holdings No 2 Pty Limited	Body Corporate	Australia	100%	Australian	No
Brisbane Airport Corporation Pty Limited	Body Corporate	Australia	100%	Australian	No

15. Future developments

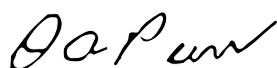
The BAC Group's future developments and operations are included in the Brisbane Airport 2020 Master Plan. Published approximately every five (5) years, the master plan sets the strategic direction for the efficient and economical planning and development of the airport, and outlines aviation and non-aviation infrastructure needs over a 20-year period. The timing of infrastructure, like passenger terminal development, is based on long range forecasts and engagement with airlines.

The 2020 Master Plan was approved by the Australian Government on 10 March 2020. The next master plan will be submitted by 9 March 2026 for Ministerial approval.

16. Rounding off of amounts

BACH is an entity of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that instrument amounts in the financial report and the Directors' Report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in Brisbane on 16 September 2025 in accordance with a resolution of the Directors made pursuant to s.298(2) of the *Corporations Act 2001* (Cth).



David Peever
Director

Corporate governance

BACH is an unlisted, public company limited by shares, primarily subject to the corporate governance requirements of the BACH Shareholders' Agreement, the BACH Constitution, the Corporations Act 2001 (Cth) and common law principles.

The Directors are committed to embracing good corporate governance policies, practices and procedures, where practicable to do so.

Role of the Board

The Board is responsible for the overall corporate governance of the BAC Group, including participation in charting its strategic direction, business planning, strategic and financial objective and priority setting, policy guidelines, goals for management and monitoring of the achievement of these matters.

It actively engages in and guides the development of strategy, as well as the approval of the business plan, operating and capital budgets each financial year. The Board also reviews matters of a major or unusual nature which are not in the ordinary course of business.

In conjunction with setting the BAC Group's strategic direction, the Board delegates management responsibility to the Chief Executive Officer. The Board has also established a risk management framework including a system of internal control, a business risk management process and a delegation of authority policy.

To augment the roles, responsibilities and functions of the Board and individual Directors, as described in the Constitution and the BACH Shareholders' Agreement, the Board has a complementary Board Charter and BAC Code of Conduct.

The Board generally holds no less than six (6) scheduled meetings each year, in addition to an annual strategy workshop and any meetings as may be necessary to address specific significant matters that may arise outside the normal Board meeting schedule. In addition, the Board utilises Circulating Written Resolutions of Directors pursuant to the Constitution and *Corporations Act 2001* (Cth) as required.

Board sub committees

To assist in the execution of its responsibilities, the Board has established a number of Board sub committees including the:

- Finance, Audit and Risk Management (FARM) Committee;
- BAC Property Committee²; and,
- Human Resources and Remuneration (HRR) Committee.

The Board also establishes various Board sub-committees as the needs of the business require from time to time, including the Terminal 3 Precinct Program Committee and Aeronautical Pricing Policy Special Committee. Each Board sub-committee is governed by its respective Committee Charter that sets out the Board sub-committees' responsibilities and governance arrangements.

Risk management

BAC Group's approach to managing its risk and governance is guided by the effective principles established within the policies and procedures that have been endorsed by the Board.

2 The BAC Property Committee is a Board sub committee of Brisbane Airport Corporation Pty Ltd only.

Consolidated financial statements

30 June 2025

In this financial report ...

The note disclosures have been grouped into five sections: basis of preparation, results, operating assets and liabilities, capital structure and financing costs and other. Each section sets out the accounting policies applied in producing the relevant notes, along with any key estimates and judgements used.

Consolidated statement of profit or loss and other comprehensive income

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$000	2024 \$000
Revenue from ordinary activities			
Aeronautical		440,167	403,065
Landside transport		212,181	194,443
Investment property		142,088	131,071
Retail		120,963	97,252
Operating property		34,881	34,034
Government mandated security		93,734	81,545
Interest		7,398	7,236
Other		40,139	31,218
Total revenue from ordinary activities	2.1	1,091,551	979,864
Operating expenses			
Maintenance and contract services		(79,575)	(70,735)
Government mandated security		(77,926)	(71,748)
Staff		(68,316)	(64,935)
Utilities		(26,182)	(27,057)
Corporate and administration		(50,333)	(47,976)
Doubtful debt expense	4.3(a)	(2,820)	(2,469)
Environmental remediation		-	11,246
Total operating expenses		(305,152)	(273,674)
Revenue from ordinary activities less operating expenses		786,399	706,190
Depreciation and amortisation		(151,938)	(150,921)
Loss on asset disposals		(7,246)	(901)
Impairment loss		(3,412)	(2,122)
Finance costs	2.2	(206,413)	(184,746)
Operating profit		417,390	367,500
Redeemable preference shares dividend	4.1	(37,675)	(37,640)
Change in fair value of investment property	3.6	143,094	49,419
Unrealised foreign exchange gain		10	-
Profit before income tax		522,819	379,279
Income tax expense	2.5	(163,888)	(113,896)
Profit for the year		358,931	265,383
Items that will not be reclassified subsequently to profit or loss			
Defined benefit superannuation fund actuarial loss, net of tax		(235)	(312)
Items that may be reclassified subsequently to profit or loss			
Hedge reserve, net of tax		(42,902)	9,286
Total other comprehensive income		(43,137)	8,974
Total comprehensive income		315,794	274,357

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$000	2024 \$000
Current assets			
Cash and cash equivalents	3.1	64,388	102,429
Trade receivables and other	3.2	111,490	96,914
Inventories		2,614	2,427
Intangible assets		617	-
Derivative instruments	4.3(d)	-	50,258
Total current assets		179,109	252,028
Non-current assets			
Trade receivables and other	3.2	26,251	34,594
Intangible assets	3.3	823,014	823,014
Property, plant and equipment	3.4	3,961,266	3,583,440
Investment property	3.6	2,650,694	2,286,843
Derivative instruments	4.3(d)	142,944	148,691
Total non-current assets		7,604,169	6,876,582
Total assets		7,783,278	7,128,610
Current liabilities			
Trade payables and other current liabilities	3.8	191,165	198,207
Interest-bearing liabilities and borrowings	4.1	771,424	534,934
Derivative instruments	4.3(d)	35,171	-
Current tax payable		4,248	46,289
Total current liabilities		1,002,008	779,430
Non-current liabilities			
Interest-bearing liabilities and borrowings	4.1	3,717,566	3,298,475
Deferred tax liabilities	2.6	913,979	855,081
Derivative instruments	4.3(d)	106,894	170,284
Other liabilities	3.10	70,472	68,775
Total non-current liabilities		4,808,911	4,392,615
Total liabilities		5,810,919	5,172,045
Net assets		1,972,359	1,956,565
Equity			
Issued capital		78,388	78,388
Reserves		(32,374)	10,763
Retained earnings		1,926,345	1,867,414
Total equity		1,972,359	1,956,565

The consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$000	2024 \$000
Cash flows from operating activities			
Cash receipts from customers		1,190,617	1,060,757
Cash paid to suppliers and employees		(432,240)	(361,556)
Cash generated from operating activities		758,377	699,201
Interest paid		(250,123)	(169,408)
Interest received		7,562	7,081
Income and other taxes paid		(128,542)	(92,333)
Net cash flows from operating activities	3.1	387,274	444,542
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		383	416
Acquisition of property, plant and equipment		(491,925)	(222,648)
Acquisition of investment property		(216,694)	(113,350)
Net cash flows used in investing activities		(708,236)	(335,582)
Cash flows from financing activities			
Proceeds from interest-bearing liabilities and borrowings		1,169,000	855,846
Repayments of interest-bearing liabilities and borrowings		(497,100)	(664,000)
Repayments of derivative structured products		(53,483)	(66,614)
Subsequent measurement of lease liabilities		388	(519)
Redeemable preference share dividend paid		(35,884)	(35,892)
Dividends paid		(300,000)	(250,000)
Net cash flows from/(used) in financing activities		282,921	(161,179)
Net decrease in cash and cash equivalents		(38,041)	(52,219)
Cash and cash equivalents at 1 July		102,429	154,648
Cash and cash equivalents at 30 June	3.1	64,388	102,429

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2025

	Issued capital \$000	Defined benefit superannuation fund deficit reserve \$000	Hedge reserve \$000	Retained earnings \$000	Total equity \$000
Balance at 1 July 2024	78,388	(717)	11,480	1,867,414	1,956,565
Profit for the year	-	-	-	358,931	358,931
Other comprehensive income					
Defined benefit superannuation fund actuarial loss, net of tax	-	(235)	-	-	(235)
Hedge reserve, net of tax	-	-	(42,902)	-	(42,902)
Total other comprehensive income	-	(235)	(42,902)	-	(43,137)
Total comprehensive income	-	(235)	(42,902)	358,931	315,794
Dividends	-	-	-	(300,000)	(300,000)
Balance at 30 June 2025	78,388	(952)	(31,422)	1,926,345	1,972,359
Balance at 1 July 2023	78,388	(405)	2,194	1,852,031	1,932,208
Profit for the year	-	-	-	265,383	265,383
Other comprehensive income					
Defined benefit superannuation fund actuarial gain, net of tax	-	(312)	-	-	(312)
Hedge reserve, net of tax	-	-	9,286	-	9,286
Total other comprehensive income	-	(312)	9,286	-	8,974
Total comprehensive income	-	(312)	9,286	265,383	274,357
Dividends	-	-	-	(250,000)	(250,000)
Balance at 30 June 2024	78,388	(717)	11,480	1,867,414	1,956,565

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Notes to the financial statements

SECTION 1: BASIS OF PREPARATION

In this section ...

This section sets out the BAC Group accounting policies that relate to the financial statements as a whole. Where an accounting policy is specific to one note, that policy is described in the note to which it relates.

Keeping it simple ...

Notes to the financial statements provide information required by accounting standards to explain a particular feature of the financial statements. The notes also provide explanations and additional disclosures to assist readers' understanding and interpretation of the financial statements.

1.1 Defined terms

Entity names

BACH	BAC Holdings Limited
BACH No. 2	BAC Holdings No. 2 Pty Limited
BAC	Brisbane Airport Corporation Pty Limited
BAC Group or Group Company	The consolidated entity comprising BACH, BACH No. 2 and BAC

1.2 Reporting entity

BACH is an unlisted, public company limited by shares incorporated and domiciled in Australia. The financial statements comprise the consolidated financial statements of the BAC Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

The BAC Group is primarily involved in the operation and development of Brisbane Airport which is its principal activity.

The BAC Group's registered office address is shown on page 145.

1.3 Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the *Corporations Act 2001* (Cth), Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board (AASB) and comply with other requirements of the law.

Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Group comply with International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board (IASB). Consequently, this financial report has been prepared in accordance with and complies with International Financial Reporting Standards as issued by the IASB.

The financial statements were approved by the Board of Directors on 16 September 2025.

1.4 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material items in the consolidated statement of financial position which are measured at fair value:

- investment property – note 3.6;
- defined benefit obligation – note 3.9; and
- derivative financial instruments – note 4.2.

SECTION 1: BASIS OF PREPARATION (continued)

1.5 Presentation currency and rounding

These financial statements are presented in Australian Dollars (AUD or \$).

BACH is an entity of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that instrument amounts in the financial report and the Directors' Report are rounded off to the nearest thousand dollars, unless otherwise indicated.

1.6 Going concern

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The BAC Group was in a net current liability position of \$822.9 million at 30 June 2025 (2024: net current liability position of \$527.4 million) with undrawn bank facilities of \$541.0 million (2024: \$1,170 million). On 30 June 2025, BAC signed a new Syndicated Facility Agreement structured as an Asian Term Loan (ATL) totalling \$600.0 million. Financial close was achieved on 3 July 2025, with funds subsequently drawn down on 16 July 2025. The ATL comprises two tranches: a seven-year \$300.0 million tranche maturing in FY32, and a ten-year \$300.0 million tranche maturing in FY35.

The Directors have reviewed detailed cash flow projections prepared by management covering a period of at least 12 months after the date of signing this financial report.

These projections take into account forecast passenger numbers and the extent and timeframe by which these passenger numbers will recover, forecast revenue, forecast operating cash flows, forecast capital expenditure and the Group's liquidity position.

Cash flow forecasts indicate a net positive cash flow position, and this position is additionally supported by the availability of significant amounts of committed undrawn bank facilities.

On the basis of the cash flow forecasts prepared, the Directors have concluded that BACH and the BAC Group have the ability to pay their debts in full as and when they become due and payable for the period of at least 12 months from the date of signing this financial report, and that it is appropriate to apply the going concern basis of accounting.

Refer to note 4.1 for details of the BAC Group's finance facilities.

1.7 Use of estimates and judgements

The financial statements are subject to the use of estimates and judgements. The estimates and judgements that could have a significant impact on the financial statements are as follows:

- taxation – note 2.5;
- depreciation and amortisation – note 3.4;
- investment property – note 3.6;
- impairment – note 3.7;
- derivative financial instruments – note 4.2; and
- financial risk management – note 4.3.

The BAC Group acquired Brisbane Airport in 1997 under a 50-year lease with the option to extend 49 years. The investment property valuation, depreciation and impairment modelling are based on the assumption that the BAC Group intends to exercise this option.

Notes to the financial statements (continued)

SECTION 1: BASIS OF PREPARATION (continued)

1.8 Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has a right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

1.9 Foreign currency translation

Functional and presentation currency

Both the functional and presentation currency of BACH and each controlled entity is AUD.

Transactions and balances

Transactions in foreign currencies are translated to AUD at the exchange rate on the transaction date. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange prevailing at the reporting date. Foreign currency differences on translation are recognised in the consolidated statement of profit or loss, or where hedge accounting is applied the cash flow hedge reserve/statement of other comprehensive income.

1.10 Prior period presentation

Changes, if any, to the presentation of transactions and balances during the current year were also made to the prior year in order to facilitate comparisons.

1.11 New and amended accounting standards

Keeping it simple ...

New and revised accounting standards were issued by the Australian Accounting Standards Board (AASB) during the year. The BAC Group intends to adopt new standards, amendments to standards and interpretations when mandatory. This section describes those standards which have been adopted during the financial year.

Accounting policies and disclosures

The BAC Group has adopted new and amended Australian Accounting Standards and AASB Interpretations as of 1 July 2024 as outlined below. The adoption did not have any material impact on the financial position or performance of the BAC Group at adoption date or period end. Several other amendments apply for the first time from 1 July 2024, however, these do not impact the annual financial statements. All other accounting policies adopted are consistent with those of the previous financial year.

SECTION 1: BASIS OF PREPARATION (continued)

AASB No.	AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback
Nature of change	The new amendments to AASB 16 <i>Leases</i> add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in AASB 15 <i>Revenue from Contracts with Customers</i> to be accounted for as a sale. The amendments illustrate the initial and subsequent measurement of the lease liability including with consideration of leaseback transactions that may include variable payments that do not depend on an index or rate.
Impact	There is no impact on the BAC Group's financial report.
Mandatory application date	The amendments are effective for annual reporting periods beginning on or after 1 January 2024.
AASB No.	AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current – Deferral of Effective Date and AASB 2020-6 Amendments to Australian Accounting Standards – Non-Current Liabilities with Covenants
Nature of change	The amendments to AASB 101 <i>Presentation of Financial Statements</i> clarify that covenants of loan arrangements will not affect the classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. An entity will need to make additional disclosures if they have a non-current liability that is subject to covenants which the entity must comply with within 12 months of the reporting date.
Impact	BAC reviewed its loan agreements and covenant terms in light of the AASB 2020-1 amendments to AASB 101. The assessment confirmed that covenant compliance occurs after the reporting date and does not affect liability classification. Therefore, no reclassification is required, and the amendments are not expected to have a material impact on BAC's financial statements for the current year.
Mandatory application date	The new amendments are effective for annual reporting periods beginning on or after 1 January 2024 and override the previous amendments.

Accounting standards and interpretations issued or amended but not yet effective

The accounting standards which have not been early adopted for the financial year ended 30 June 2025 but will be applicable to the Company in future reporting periods are detailed below:

AASB No.	AASB 2024-2 Classification and Measurement of Financial Instruments
Nature of change	The amendment provides clarification of the timing of the recognition and derecognition of financial assets and financial liabilities, particularly when they are settled using electronic payment systems. The amendment also provides an exception if certain criteria are met, for the timing of derecognition of certain financial liabilities settled using an electronic payment system. Further, it provides further guidance about specific types of financial assets, specifically contractually linked instruments (CLIs); clarification of the classification of financial assets that are linked to environmental, social and governance (ESG) and similar characteristics; and finally, requires additional disclosure requirements with regard to investments in equity instruments measured at fair value through other comprehensive income and financial instruments with contingent features.
Impact	This change is not expected to have a material effect on the BAC Group's financial report.
Mandatory application date	The new amendment is effective for annual reporting periods beginning on or after 1 January 2026.

Notes to the financial statements (continued)

SECTION 1: BASIS OF PREPARATION (continued)

AASB No.	AASB 2023-5 <i>Lack of Exchangeability</i>
Nature of change	The amendments to AASB 121 <i>The Effects of Changes in Foreign Exchange Rates</i> clarifies when a currency is exchangeable into another currency, and how a company estimates a spot rate when a currency lacks exchangeability.
Impact	This change is not expected to have a material effect on the BAC Group's financial report.
Mandatory application date	The new amendment is effective for annual reporting periods beginning on or after 1 January 2025.
AASB No.	AASB 2025-1 <i>Contracts Referencing Nature-dependent Electricity</i>
Nature of change	The amendments to AASB 9 <i>Financial Instruments</i> to are updated to include guidance on the application of 'own-use' exemption on nature dependent power purchase agreements (PPAs) and the hedge accounting requirements for purchases and sellers of PPAs that are classified as derivative financial instruments.
Impact	The BAC Group PPAs are a supplier arrangement and are not the nature of a derivative. This change does not have a material impact on the BAC Group's financial report.
Mandatory application date	The new amendments are effective for annual reporting periods beginning on or after 1 January 2026 and override the previous amendments.
AASB No.	AASB 18 <i>Presentation and Disclosure in Financial Statements</i>
Nature of change	The amendments to AASB 18 <i>Presentation and Disclosure in Financial Statements</i> aims to provide greater consistency in presentation of the income and cash flow statements, and more disaggregated information. An entity will need to change how it presents its results on the face of the income statement and disclose information in the notes to the financial statements.
Impact	These changes are not expected to have a material effect on the BAC Group's financial report.
Mandatory application date	The new amendments are effective for annual reporting periods beginning on or after 1 January 2027 and override the previous amendments.

Sustainability reporting standards and interpretations issued or amended but not yet effective

The sustainability standards which have not been early adopted for the financial year ended 30 June 2025 but will be applicable to the Company in future reporting periods are detailed below:

AASB No.	AASB S2 <i>General Requirements for Disclosure of Sustainability-related Financial Information</i> and AASB <i>Climate-related Disclosures</i>
Nature of change	This standard requires the disclosure of information about sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term (i.e. prospects). Disclosure requirements cover governance, strategy, risk management and metrics, and targets.
Impact	The new amendments will have a material impact on the BAC Group's financial report, by way of new additional disclosures.
Mandatory application date	The new standards are effective for annual reporting periods beginning on or after 1 January 2025.

SECTION 1: BASIS OF PREPARATION (continued)

1.12 Determination of fair values

A number of the BAC Group's accounting policies and disclosures require the determination of fair value for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to the asset or liability. Assets and liabilities for which a determination of fair value is required are as follows:

- investment property – note 3.6;
- defined benefit obligation – note 3.9; and
- derivative financial instruments – note 4.2.

Fair value measurements hierarchy

In fair value measurement, the BAC Group uses the following fair value measurements hierarchy levels 1 to 3 that are based on the degree to which the fair value is observable, being fair value measurements derived from:

- Level 1: quoted prices (unadjusted) in an active market for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: valuation techniques using inputs that are not based on observable market data (unobservable inputs).

Notes to the financial statements (continued)

SECTION 2: RESULTS

In this section ...

This section sets out the disclosures explaining the BAC Group revenue, finance costs, leases and taxation.

Keeping it simple ...

This section explains how revenue is recognised for each of the BAC Group's key revenue streams and the recognition and composition of finance costs. It also details lease commitments and explains how the BAC Group is structured for tax purposes and how deferred and current taxes are treated.

2.1 Revenue

Aeronautical revenue

Aeronautical revenue comprises runway and terminal charges. Domestic and international flights are ordinarily charged on a per passenger basis for landings and departures. General aviation aircraft and dedicated freight flights are charged based on the maximum take-off weight of aircraft on landings only. Revenue is recognised over time when the performance obligation is satisfied (i.e. when the service is provided). Accrued aeronautical revenue is recognised as a contract asset.

Incentives are provided through incentive agreements with individual airlines and are generally based on passenger numbers, flight frequency and/or new routes. Revenues from passenger charges therefore have variable consideration and are estimated monthly. Variable revenue is only recognised when it is highly probable the revenues will not reverse.

Landside transport revenue

Landside transport revenue comprises revenue from public and staff car parks, ground facilities fees and car rental operators. Revenue for public and staff car parks and ground facilities fees are recognised over time when the performance obligation is satisfied (i.e. when the service is provided). Car rental operation revenue is recognised on a straight-line basis over the term of each lease.

Property revenue

Investment property revenue comprises rental revenue from the BAC Group's owned buildings and leased areas held for investment (note 3.6).

Operating property revenue comprises rental revenue from the BAC Group's owned terminals, buildings and other leased areas.

Property rental revenue is accounted for on a straight-line basis over the term of each lease.

Retail revenue

Retail revenue comprises rental income from retail tenants whose sale activities include duty free, newsstands, food and beverage, banking and currency, and advertising services. Base rent revenue is recognised on a straight-line basis over the term of each lease and turnover revenue is recognised on an accrual basis from tenant statements.

Government mandated security revenue

The BAC Group is required by the Australian Government to undertake certain security measures, the costs of which are generally recoverable from the airlines. Government mandated security revenue comprises recharges of expenditure incurred by the BAC Group in respect of security services such as passenger and checked baggage screening as well as a return on capital invested for the development of security related assets. Revenue and expenses are disclosed separately.

SECTION 2: RESULTS (continued)

2.1 Revenue (continued)

Interest revenue

Interest received from other parties is recognised as it accrues, taking into account the effective yield of the financial asset.

Other revenue

Other revenue comprises recharge revenue from tenants and includes items such as utilities and rates. Revenue is recognised over time when the performance obligation is satisfied (i.e. when the service is provided).

Timing of revenue recognition

Revenue can be categorised as follows:

	2025 \$000	2024 \$000
Total services revenue from contracts with customers transferred over time	748,528	674,125
Revenue not related to contracts with customers transferred over time	343,023	305,739
Total revenue	1,091,551	979,864

Revenue from contracts with customers consists of aeronautical, government mandated security, other revenue and a portion of landside transport revenue (2025: \$174.5 million, 2024: \$158.3 million).

2.2 Finance costs

Accounting policies

Finance costs comprise interest payable on borrowings and finance leases and are calculated using the effective interest basis. Borrowing costs are either capitalised and amortised over the life or expensed as incurred and included in net financing costs unless they are capitalised to capital work in progress for qualifying assets.

RPS dividends are recognised in the profit or loss as a finance cost (disclosed as a separate line item) and calculated on an effective interest basis.

	2025 \$000	2024 \$000
Interest costs	226,562	196,581
Amortisation of deferred borrowing costs	4,628	3,859
Interest on lease liabilities	346	391
Capitalised borrowing costs	(32,116)	(8,253)
Other finance costs	1,244	1,135
Total finance costs excluding hedge ineffectiveness and other hedge accounting impacts	200,664	193,713
Hedge ineffectiveness and other hedge accounting impacts	5,749	(8,967)
Total finance costs	206,413	184,746

Notes to the financial statements (continued)

SECTION 2: RESULTS (continued)

2.3 Leases

BAC Group as the lessor

The BAC Group has entered into commercial property leases on its property portfolio. Future minimum lease receipts under non-cancellable operating leases, excluding the recovery of outgoings, were as follows:

	2025 \$000	2024 \$000
Less than 1 year	170,691	168,996
1 to 5 years	573,043	489,804
More than 5 years	757,439	910,807
	1,501,173	1,569,607

Finance lease receivable

The finance lease receivable relates to an asset held under a finance lease recognised at the net present value of future lease payments at inception of the lease. The lease is due to expire in 2047.

	2025 \$000	2024 \$000
Less than 1 year	2,488	2,488
1 to 5 years	12,440	12,440
More than 5 years	40,015	42,503
Undiscounted lease payments	54,943	57,431
Future finance charges	(34,380)	(36,660)
Net investment in the lease	20,563	20,771

BAC Group as the lessee

The BAC Group recognises right of use assets (ROUA) as a lessee. As at 30 June, the following amounts relating to ROUA were included in plant and equipment:

	2025 \$000	2024 \$000
Cost		
At beginning of year	9,092	9,230
Additions/adjustments	617	(138)
At end of year	9,709	9,092
Accumulated depreciation		
At beginning of year	2,944	2,396
Depreciation/adjustments	566	549
At end of year	3,510	2,945
Carrying amount at 30 June	6,199	6,147

Lease liabilities of \$0.4 million current and \$2.2 million non-current have been recognised in the consolidated statement of financial position (2024: \$0.4 million current and \$1.8 million non-current).

Right of use assets are recognised on commencement of the lease as the net present value of future lease payments less any incentives received, and any initial direct costs and make good provision. The cost is depreciated over the life of the underlying asset. Lease liabilities are measured by the net present value of lease payments and are allocated between lease liability and finance cost.

SECTION 2: RESULTS (continued)

2.4 Auditor's remuneration

	2025 \$	2024 \$
Amounts received or due and receivable by the auditor for:		
Audit services		
Audit fees	472,234	482,446
Other regulatory/contract audit services	177,000	166,743
	649,234	649,189
Other services		
Other	-	287,582
Total remuneration	649,234	936,771

2.5 Taxation

Accounting policies

Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except where it relates to items recognised in other comprehensive income or directly in equity.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between carrying amounts of assets and liabilities for financial reporting purposes, and amounts applicable for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates applicable at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets where they relate to income taxes levied, and the entities intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Tax consolidation

BACH is the head entity in the tax-consolidated group including all wholly owned subsidiaries, being BACH No. 2 and BAC. The implementation date for the tax-consolidated group was 30 June 2004.

The tax-consolidated group has entered into a tax sharing and funding agreement that requires wholly-owned subsidiaries to make contributions to the head entity for:

- deferred tax balances recognised on implementation date, including the impact of any relevant reset tax cost bases; and
- current tax assets and liabilities and deferred tax balances arising from external transactions occurring after the implementation of tax consolidation.

Under the tax sharing and funding agreement, contributions are calculated on a 'stand-alone basis' so that the contributions are equivalent to the tax balances generated by external transactions entered into by wholly-owned subsidiaries. The contributions are payable as set out in the agreement and reflect timing of the entity's obligations to make tax liability payments to the relevant tax authorities. The assets and liabilities arising under the agreement are recognised as inter-company assets and liabilities with a consequential adjustment to income tax benefit/(expense).

Notes to the financial statements (continued)

SECTION 2: RESULTS (continued)

2.5 Taxation (continued)

Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

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

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

Cash flows are included in the consolidated statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO are classified within operating cash flows.

Taxation recognised in profit or loss and other comprehensive income

	2025	2024
	\$000	\$000
Current tax expense		
Current year expense	(85,164)	(88,194)
Amendments relating to prior years	(1,338)	2,174
	(86,502)	(86,020)
Deferred tax expense		
Origination and reversal of temporary differences	(73,727)	(25,701)
Amendments relating to prior years	(3,659)	(2,175)
	(77,386)	(27,876)
Total income tax expense recognised in profit or loss	(163,888)	(113,896)
Defined benefit superannuation fund actuarial gain	101	134
Hedge reserve	18,387	(3,980)
Total income tax expense recognised in other comprehensive income	18,488	(3,846)

The reconciliation between income tax expense and pre-tax accounting profit is as follows:

	2025	2024
	\$000	\$000
Profit for the year	358,931	265,383
Income tax expense	163,888	113,896
Profit before income tax	522,819	379,279
Income tax using the corporate tax rate of 30%	(156,846)	(113,785)
Increase in income tax due to:		
Other non-deductible expenses	(2,045)	(110)
(Under)/over provided in prior years	(4,997)	(1)
Income tax expense on pre-tax accounting profit	(163,888)	(113,896)

SECTION 2: RESULTS (continued)

2.6 Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2025	2024	2025	2024	2025	2024
	\$000	\$000	\$000	\$000	\$000	\$000
Property, plant and equipment	-	-	(948,554)	(870,373)	(948,554)	(870,373)
Finance lease receivable	-	-	(2,124)	(2,186)	(2,124)	(2,186)
Derivatives	-	-	(219,596)	(239,714)	(219,596)	(239,714)
Lease incentive asset	-	-	(2,053)	(4,196)	(2,053)	(4,196)
Inventories	-	-	(723)	(728)	(723)	(728)
Intangibles	76	-	-	-	76	-
Employee benefits	4,287	3,265	-	-	4,287	3,265
Other provisions	15,607	18,557	-	-	15,607	18,557
Interest-bearing liabilities and borrowings	236,115	235,792	-	-	236,115	235,792
Accruals	2,986	4,502	-	-	2,986	4,502
Total deferred tax assets/(liabilities)	259,071	262,116	(1,173,050)	(1,117,197)	(913,979)	(855,081)

The movement in temporary differences during the year is as follows:

	Balance at 1 July 2024 \$000	Recognised in profit or loss \$000	Recognised in other comprehensive income \$000	Balance at 30 June 2025 \$000
Property, plant and equipment	(870,373)	(78,181)	-	(948,554)
Finance lease receivable	(2,186)	62	-	(2,124)
Derivatives	(239,714)	1,731	18,387	(219,596)
Lease incentive asset	(4,196)	2,143	-	(2,053)
Inventories	(728)	5	-	(723)
Intangibles	-	76	-	76
Employee benefits	3,265	921	101	4,287
Other provisions	18,557	(2,950)	-	15,607
Interest-bearing liabilities and borrowings	235,792	323	-	236,115
Accruals	4,502	(1,516)	-	2,986
Total deferred tax liabilities	(855,081)	(77,386)	18,488	(913,979)

Notes to the financial statements (continued)

SECTION 2: RESULTS (continued)

2.6 Deferred tax assets and liabilities (continued)

The movement in temporary differences during the previous year is:

	Balance at 1 July 2023 \$000	Recognised in profit or loss \$000	Recognised in other comprehensive income \$000	Balance at 30 June 2024 \$000
Property, plant and equipment	(839,031)	(31,342)	-	(870,373)
Finance lease receivable	(2,242)	56	-	(2,186)
Derivatives	(233,101)	(2,633)	(3,980)	(239,714)
Lease incentive asset	(5,856)	1,660	-	(4,196)
Inventories	(693)	(35)	-	(728)
Employee benefits	1,981	1,150	134	3,265
Other provisions	15,305	3,252	-	18,557
Interest-bearing liabilities and borrowings	235,478	314	-	235,792
Accruals	4,800	(298)	-	4,502
Total deferred tax liabilities	(823,359)	(27,876)	(3,846)	(855,081)

SECTION 3: OPERATING ASSETS AND LIABILITIES

In this section ...

This section shows the assets used to generate the BAC Group trading performance and the liabilities incurred as a result. Liabilities relating to the BAC Group financing activities are addressed in section 4. Deferred tax assets and liabilities are shown in note 2.6.

Keeping it simple ...

Operating assets and liabilities are those that relate to the trading activities of the BAC Group. These include property, plant and equipment, investment property, inventories as well as trade and other receivables and payables. In this section, further information can be found regarding the elements of operating assets and liabilities.

3.1 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and term deposits, balances of which at reporting date are as follows:

	2025 \$000	2024 \$000
Cash in bank and on hand	64,388	102,429
Cash and cash equivalents	64,388	102,429

The reconciliation of cash flows from operating activities is as follows:

	Note	2025 \$000	2024 \$000
Profit for the year		358,931	265,383
Adjustments for:			
Depreciation and amortisation		151,938	150,921
Impairment		3,412	2,122
Capitalised interest		(32,116)	(8,253)
Change in fair value of investment property	3.6	(143,094)	(49,419)
Hedge ineffectiveness and other hedge accounting impacts		5,759	(8,967)
Unrealised foreign exchange loss		(10)	-
Amortisation of borrowing costs		4,628	3,859
Finance lease interest		(45)	(43)
Loss on sale of property, plant and equipment		7,246	901
RPS dividend	4.1	37,675	37,640
Income tax expense	2.5	163,888	113,896
Cash flow before changes in working capital and provisions		558,212	508,040
Increase in trade receivables and other		(10,646)	(8,117)
Increase in inventories		(187)	(118)
Increase/(decrease) in trade payables and other		(31,563)	37,070
Income taxes paid		(128,542)	(92,333)
Net cash from operating activities		387,274	444,542

Notes to the financial statements (continued)

SECTION 3: OPERATING ASSETS AND LIABILITIES (continued)

3.2 Trade receivables and other

Accounting policies

Trade receivables and other are recognised initially at fair value and subsequently stated at their amortised cost less impairment losses. Trade receivables are normally settled within 35 days.

Trade receivables and other are as follows:

	Note	2025 \$000	2024 \$000
Current			
Trade receivables and accrued income		57,598	52,093
Provision for expected credit losses	4.3(a)	(3,657)	(864)
Contract assets	2.1	44,356	35,539
Prepayments		6,662	5,523
Sundry receivables		6,299	4,415
Finance lease receivable		232	208
		111,490	96,914
Non-current			
Finance lease receivable		20,331	20,563
Sundry receivables		3,067	10,320
Prepayments		410	837
Employee benefits	3.9	2,443	2,874
		26,251	34,594

3.3 Intangible assets

Accounting policies

Goodwill is measured at cost less accumulated impairment losses. Goodwill is tested annually for impairment (note 3.7).

The cost and carrying amount of goodwill is as follows:

	2025 \$000	2024 \$000
Goodwill	823,014	823,014

SECTION 3: OPERATING ASSETS AND LIABILITIES (continued)

3.4 Property, plant and equipment

Keeping it simple ...

This section shows the physical assets used by the BAC Group and includes runways, roads, taxiways, car parks, aprons, terminals, and equipment to operate Brisbane Airport. The cost of these assets is the amount initially paid for them, with the exception of items adjusted as a result of the transition to Australian equivalent IFRS. Depreciation and amortisation are charged to the consolidated statement of profit or loss to reflect annual wear and tear and the reduced value of the asset over time. Depreciation and amortisation are calculated by estimating the number of years the BAC Group expects the asset to be used. This section also explains the accounting policies followed by the BAC Group.

Accounting policies

Owned assets

Items of property, plant and equipment (PPE) are stated at cost less accumulated depreciation and amortisation.

Where significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Leased land

Leased land represents prepaid rental payments on land leased by the BAC Group from the Australian Government. The leased land is amortised over the life of the lease.

Capital work in progress

Capital work in progress is measured at cost and includes all expenditure directly attributable to specific projects not yet commissioned and includes contractor charges, materials, and direct labour and related overheads. The most significant current project is the Standard 3 Security Upgrade project.

Borrowing costs are capitalised to qualifying assets as set out in note 4.1.

Maintenance

Pavement surfacing costs incurred on runways, taxiways and aprons are capitalised and depreciated over the period between surfacing projects. This recognises that the benefit relates to both current and future years.

Airfield pavements, roads, leasehold improvements, plant and equipment are required to be maintained on a periodic basis. This is managed as part of an ongoing major cyclical maintenance program. The costs of this maintenance are charged as expenses as incurred. Other routine operating maintenance, repair and minor renewal costs are expensed as incurred.

Notes to the financial statements (continued)

SECTION 3: OPERATING ASSETS AND LIABILITIES (continued)

3.4 Property, plant and equipment (continued)

Depreciation and amortisation

Depreciation and amortisation are charged to profit or loss on a straight-line basis over the estimated useful lives of each item of property, plant and equipment.

The annual depreciation and amortisation rates used for each class of asset in the current and prior year are as follows:

Item	Rate %
Runways, taxiways, and aprons	
Runways, taxiways and aprons	1.0 – 8.3
Expansion, extension, line marking, earthworks and overlay	2.5 – 20.0
Runway overlay	2.5 – 8.4
Minor assets less than \$1,000	100.0
Roads and car parks	
Roads and car park infrastructure	1.0 – 10.0
Security, signage, lighting and other	2.5 – 15.0
Buildings	
Passenger terminal buildings and other permanent buildings	2.5 – 4.2
Fit-out, finishing, services, heating, ventilation and air-conditioning	2.5 – 20.0
Security, signage, lighting and other	5.0 – 20.0
Minor assets less than \$1,000	100.0
Plant and equipment	
Mains services and fences and gates	1.3 – 20.0
Mobile plant and equipment (including motor vehicles)	6.7 – 25.0
Computer equipment and software	10.0 – 33.3
Furniture and fittings, office equipment and artwork	1.3 – 33.3
Minor assets less than \$1,000	100.0
Leased land	
Operating land	1.0 – 1.3

The residual value, useful life, depreciation and amortisation methods applied to assets are reassessed annually.

A review of capital work in progress at 30 June 2025 was undertaken resulting in the provision for impairment decreasing to \$19.4 million (2024: \$20.0 million) for projects which were deferred or are expected to change significantly.

SECTION 3: OPERATING ASSETS AND LIABILITIES (continued)**3.4 Property, plant and equipment (continued)**

	Runways, taxiways and aprons \$000	Roads and car parks \$000	Buildings \$000	Plant and equipment \$000 ³	Leased land \$000	Capital work in progress \$000 ⁴	Total \$000
Cost or deemed cost							
At 1 July 2024	1,922,640	695,740	1,166,036	1,137,399	117,955	326,601	5,366,371
Additions/transfers	11,490	6,589	61,264	75,400	4,681	377,281	536,705
Disposals	-	-	(8,642)	(14,542)	-	(1,892)	(25,076)
At 30 June 2025	1,934,130	702,329	1,218,658	1,198,257	122,636	701,990	5,878,000
Accumulated depreciation, amortisation and impairment							
At 1 July 2024	301,953	216,928	642,344	578,430	23,319	19,957	1,782,931
Depreciation and amortisation	30,632	18,664	49,657	51,631	1,342	-	151,926
Disposals	-	-	(5,784)	(11,798)	-	(3,699)	(21,281)
Impairment	-	-	-	-	-	3,158	3,158
At 30 June 2025	332,585	235,592	686,217	618,263	24,661	19,416	1,916,734
Cost or deemed cost							
At 1 July 2023	1,918,275	691,789	1,162,494	1,108,057	118,115	138,737	5,137,467
Additions/transfers	4,365	3,951	4,822	34,066 ⁵	(160)	188,414	235,458
Disposals	-	-	(1,280)	(4,724)	-	(550)	(6,554)
At 30 June 2024	1,922,640	695,740	1,166,036	1,137,399	117,955	326,601	5,366,371
Accumulated depreciation, amortisation and impairment							
At 1 July 2023	268,124	198,347	594,221	535,077	21,973	18,843	1,636,585
Depreciation and amortisation	33,829	18,581	49,335	47,828	1,346	-	150,919
Disposals	-	-	(1,212)	(4,475)	-	(1,008)	(6,695)
Impairment	-	-	-	-	-	2,122	2,122
At 30 June 2024	301,953	216,928	642,344	578,430	23,319	19,957	1,782,931
Carrying amounts							
At 30 June 2025	1,601,545	466,737	532,441	579,994	97,975	682,574	3,961,266
At 30 June 2024	1,620,687	478,812	523,692	558,969	94,636	306,644	3,583,440

There were \$23.9 million borrowing costs capitalised to Property, Plant and Equipment in 2025 (2024: \$6.5 million), of this \$5.7 million relates to capital work in progress (2024: \$3.9 million).

³ Plant and equipment include right of use assets with a carrying value of \$6.2 million (2024: \$6.1 million) as detailed in note 2.3.

⁴ Impairment of capital work in progress (WIP) is a provision for projects at risk of not proceeding.

Notes to the financial statements (continued)

SECTION 3: OPERATING ASSETS AND LIABILITIES (continued)

3.5 Capital commitments

Capital expenditure commitments can be analysed as follows:

	2025 \$000	2024 \$000
Less than 1 year	406,776	404,681
1 to 5 years	86,498	219,746
	493,274	624,427

3.6 Investment property

Keeping it simple ...

Investment property is held to earn rental income or for capital appreciation, but not for sale. Investment property includes aircraft maintenance facilities, aviation training and education centres, freight facilities, distribution warehouses, offices, and all other non-aviation facilities, such as retail, entertainment and leisure facilities. The basis of the valuation of the properties is fair value, with the valuations based on independent assessments made by an accredited independent valuer annually.

Accounting policies

Investment properties are initially measured at cost and subsequently stated at fair value with any further change recognised in profit or loss. When the use of property changes such that it is reclassified as property, plant and equipment including capital work in progress, its fair value at the date of reclassification becomes its cost for subsequent accounting.

An external, independent valuation company, with an appropriate recognised professional qualification and recent experience in the location and category of property being valued, values the portfolio annually. The basis of the valuation of the properties is fair value, being the amount for which the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and same condition being subject to similar leases. The determination of fair value is therefore more heavily supported by market evidence as opposed to other factors. The 2025 valuation was based on independent assessments made by CBRE, an accredited independent valuer (2024: CBRE).

In undertaking their valuation, CBRE utilised the following valuation approaches:

- discounted cash flow analysis;
- straight-line present value assessment;
- single rate capitalisation approach;
- dual rate capitalisation approach; and
- direct comparison approach (used for vacant unleased land).

CBRE used these calculation methods concurrently and then applied its professional judgement to determine the adopted fair value.

Fair market value has been adopted, taking into consideration such influencing elements as the current approved master plan, head lease tenure and conditions, location, quality of building structures, lease covenants, lease terms and conditions, fair market rental, recent transactions and the size of the market for the asset type.

Any gain or loss arising from a change in fair value is recognised in profit or loss under change in fair value of investment property.

The valuation was prepared on a leasehold basis.

SECTION 3: OPERATING ASSETS AND LIABILITIES (continued)

3.6 Investment property (continued)

Capital work in progress

Capital work in progress is measured at cost unless a fair value of developments can be determined reliably and includes all expenditure directly attributable to specific projects not yet commissioned and includes contractor charges, materials and direct labour and related overheads.

Borrowing costs are capitalised to qualifying assets as set out in note 4.1.

The movement in investment property is as follows:

	Completed investment property \$000	Capital work in progress \$000	Capital work in progress \$000	Total \$000
Basis of measurement	Fair value	Fair value	Cost	
2025				
Balance at 1 July	2,052,132	218,071	16,640	2,286,843
Additions/(transfers) ⁶	226,059	2,199	(8,524)	219,734
Disposals	-	18	(153)	(135)
Reclassified (to)/from property, plant and equipment	(4,239)	313	(543)	(4,469)
Fair value adjustments	142,946	5,775	-	148,721
Balance at 30 June	2,416,898	226,376	7,420	2,650,694
2024				
Balance at 1 July	1,996,896	110,839	4,591	2,112,326
Additions/(transfers)	19,953	76,892	12,493	109,338
Disposals	-	(439)	(9)	(448)
Reclassified from/(to) property, plant and equipment	8,662	-	(435)	8,227
Fair value adjustments	26,621	30,779	-	57,400
Balance at 30 June	2,052,132	218,071	16,640	2,286,843

There was \$8.8 million of borrowing costs capitalised to capital work in progress in 2025 (2024: \$1.7 million).

Investment property comprises commercial properties that are leased or are intended to be leased to third parties. Contractual obligations to purchase, construct or develop investment property are included within note 3.5.

Investment property is measured at fair value and its categorisation in the fair value hierarchy is as follows:

Input	2025 \$000	2024 \$000
Level 1 Quoted prices in active markets for identical assets	-	-
Level 2 Inputs other than quoted prices included in Level 1 that are observable for the asset	-	-
Level 3 Inputs for the asset that are based on unobservable market data	2,643,274	2,270,203
	2,643,274	2,270,203

Significant unobservable inputs

Annual net property income (price per square metre): the annual rent per square metre at which space could be let in the market conditions prevailing at the date of valuation.

⁶ Net additions/transfers to investment property at fair value includes additions and land transfers for works commencing and completed in 2025. Transactions include land transfers to work in progress (\$8.7 million) and capitalised work in progress (\$237 million).

Notes to the financial statements (continued)

SECTION 3: OPERATING ASSETS AND LIABILITIES (continued)

3.6 Investment property (continued)

Capitalisation rate: the rate at which net property income is capitalised to determine the value of a property. The rate is determined with regard to market evidence. The rates used in the valuation range between 4.75% and 10.37% (2024: 5.25% and 8.50%).

Discount rate: the rate used to discount the net cash flows generated from rental and investment activities during the period of analysis. The rates used in the valuation range between 6.75% and 10.50% (2024: 6.25% and 9.50%), having regard to the cash flow risk of each property.

Sensitivity to changes in significant unobservable inputs

The relationship between the significant unobservable inputs and fair value is as follows:

- annual net property income: the higher the income, the higher the likelihood of a higher valuation;
- capitalisation rate: the lower the capitalisation rate, the higher the likelihood of a higher valuation; and
- discount rate: the lower the discount rate, the higher the likelihood of a higher valuation.

Reconciliation of change in fair value

The gain on change in fair value has been adjusted in profit or loss for lease straight lining and incentives relating to investment properties. The reconciliation of the amounts is as follows:

	2025 \$000	2024 \$000
Fair value adjustment from valuation by CBRE	148,721	57,400
Less: straight lining of lease income and lease incentives	(5,627)	(7,981)
Fair value recognised in profit or loss	143,094	49,419

3.7 Impairment

Accounting policies

The carrying amounts of the BAC Group's non-current assets, other than investment property (note 3.6), derivatives (note 4.2) and deferred tax assets (note 2.6) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated on an annual or more frequent basis as may be required.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (cash-generating unit or CGU). The BAC Group is treated as a single CGU and goodwill has been allocated for impairment on this basis.

Key assumptions used in value in use calculation

The BAC Group undertakes an annual assessment of the recoverable amount of the CGU based on a value in use calculation, which uses cash flow forecasts for 10 years (from its business plan) with key assumptions of a terminal growth rate of 2.5% (2024: 2.5%) and an appropriate post-tax discount rate relating to the airport. The assessment represents management's view of the most probable outcome with respect to future cash flows based on externally verified passenger forecasts.

Sensitivity to changes in assumptions

With regard to the assessment of value in use, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of goodwill to materially exceed its recoverable amount.

SECTION 3: OPERATING ASSETS AND LIABILITIES (continued)

3.7 Impairment (continued)

With consideration to the impact of current economic conditions and recovery of international travel, a downside cash flow scenario was considered as part of the impairment testing. This was consistent with the sensitivity scenarios adopted for the BAC Group's 20-year business plan. In addition, scenarios reflecting higher than expected inflation in the near future were considered. These factors then flow to associated impacts on various passenger related income streams and cost projections.

These scenarios did not have a materially different impact on the impairment result, providing management with additional comfort in the base assumptions.

3.8 Trade payables and other current liabilities

Accounting policies

Trade payables and other current liabilities are stated at their amortised cost. Trade payables are non-interest-bearing and are normally settled on 28-day terms. Trade payables and other current liabilities are as follows:

	Note	2025 \$000	2024 \$000
Trade payables and accruals		145,671	156,479
RPS dividend		17,826	17,826
Employee benefits	3.9	12,120	10,371
Unearned lease revenue		8,784	9,710
Contract liabilities		3,697	979
Retentions and deposits held on behalf of third parties		2,650	2,438
Lease liabilities		417	404
		191,165	198,207

The RPS dividend payable reflects the actual amount due to shareholders and is not impacted by the interest expense movement recognised in the consolidated statement of profit or loss due to the remeasurement of the carrying value (refer to note 4.1).

Contract liabilities reflect unearned revenue under contracts with customers. The amount of revenue recognised during the year relating to contract liabilities totalled \$1.0 million (2024: \$2.2 million).

Notes to the financial statements (continued)

SECTION 3: OPERATING ASSETS AND LIABILITIES (continued)

3.9 Employee benefits

Keeping it simple ...

The BAC Group has 11 employees in a defined benefit superannuation fund. In a defined benefit superannuation fund, members receive cash payments when they retire and during their retirement, the value of which are dependent on factors such as salary and length of service. In the event of poor returns for the fund, the BAC Group needs to address this through a combination of increased levels of contribution or by making adjustments to the fund. Under defined contribution superannuation funds, the BAC Group pays fixed contributions into a separate fund on behalf of the employees and has no further obligations to the employees. The risks and rewards associated with this type of fund are assumed by the members rather than the BAC Group. It is the member's responsibility to make investment decisions relating to their retirement benefits.

Accounting policies

Defined contribution superannuation funds

Obligations in respect of defined contribution superannuation funds are recognised as an expense in profit or loss as incurred.

Defined benefit superannuation funds

The BAC Group's obligation in respect of defined benefit superannuation funds is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior years; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any fund assets are deducted. The discount rate is the yield at the reporting date on Australian corporate bonds that have maturity dates approximating the terms of the BAC Group's obligations. The calculation is performed by a qualified actuary using the projected unit credit method.

Actuarial gains and losses are recognised in other comprehensive income in the year in which the actuarial gains or losses arise.

Long term service benefits

The BAC Group's net obligation in respect of long-term service benefits, other than defined benefit superannuation funds, is the amount of future benefit that employees have earned in return for their service in the current and prior years. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates and is discounted using the rates attached to Australian corporate bonds at the reporting date which have maturity dates approximating the terms of the BAC Group's obligations. Remeasurements are recognised in profit or loss in the period in which they arise.

In determining the liability, consideration has been given to the BAC Group's experience with staff departures.

Wages, salaries and annual leave

Liabilities for wages and salaries (including non-monetary benefits and annual leave) in respect of employees' services up to the reporting date which are expected to be settled within 12 months of the reporting period, are recognised in other payables and accruals. They are measured at the amounts expected to be paid when the liabilities are settled. The obligation for non-accumulated sick leave is recognised when the leave is taken and is measured at the rates paid or payable.

Executive long-term incentive plan (ELTIP)

The cost of cash settled transactions is measured initially at fair value. The fair value is expensed over the period until the vesting date, with recognition of a corresponding liability. The liability is remeasured to fair value at each reporting date up to and including the settlement date, with changes in fair value recognised in staff expenses.

SECTION 3: OPERATING ASSETS AND LIABILITIES (continued)

3.9 Employee benefits (continued)

Liabilities/(assets) for employee benefits can be analysed as follows:

	Note	2025 \$000	2024 \$000
Current			
Wages and salaries accrued		3,094	2,274
Liability for annual leave		4,027	3,560
Liability for long service leave		4,999	4,537
	3.8	12,120	10,371
Non-current			
Present value of unfunded obligation		4,913	4,695
Fair value of plan assets		(7,356)	(7,569)
Recognised asset for defined benefit obligation	3.2	(2,443)	(2,874)
Liability for annual leave		964	636
Liability for long service leave		2,899	2,446
ELTIP		1,806	1,064
	3.10	5,669	4,146
Net non-current employee benefits		3,226	1,272

3.10 Other non-current liabilities

Keeping it simple ...

Other non-current liabilities consist of non-current employee benefits, finance lease payable and unearned revenue resulting from prepaid property rentals.

Other non-current liabilities can be analysed as follows:

	Note	2025 \$000	2024 \$000
Unearned revenue		58,496	58,643
Employee benefits	3.9	5,669	4,146
Lease liabilities		2,168	1,838
Make-good provision		4,139	4,148
		70,472	68,775

Notes to the financial statements (continued)

SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS

In this section ...

Capital structure is how the BAC Group finances its overall operations and growth by using different sources of funding. This section outlines the BAC Group's capital structure and related financing costs, including balance sheet liquidity.

Keeping it simple ...

The BAC Group borrows money from financial institutions and debt investors in the form of bank loans and bonds in a combination of AUD and USD, with bonds held for a fixed term. The interest payable on these instruments is recorded in the consolidated statement of profit or loss unless it relates to qualifying assets which are capitalised to the cost of the asset.

4.1 Interest-bearing liabilities and borrowings

Accounting policies

Interest-bearing liabilities and borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing liabilities and borrowings are stated at amortised cost with any difference between cost and redemption value (i.e. transaction costs) recognised in profit or loss over the period of the borrowings on an effective interest basis.

Finance costs include interest, amortisation of deferred borrowing costs and finance charges on capitalised leases. Establishment costs incurred in connection with the arrangement of borrowings are capitalised and recognised on an effective interest basis over the anticipated term of the applicable borrowings.

Finance costs are expensed as incurred unless they relate to qualifying assets. Qualifying assets are assets which generally take a substantial period of time to prepare for their intended use or sale. In these circumstances, borrowing costs are capitalised to the cost of the assets using a weighted average capitalisation rate.

	2025 \$000	2024 \$000
Current		
Secured bank loan	422,000	-
Secured bank loan transaction costs	(230)	(110)
Secured domestic bond issues	250,000	350,000
Secured domestic bond issue transaction costs	(281)	(610)
Secured USPP bond issues	100,000	127,514
Secured USPP bond issue transaction costs	(65)	(78)
Derivative structured products	-	58,227
Derivative structured product transaction costs	-	(9)
Total current	771,424	534,934
Non-current		
Secured bank loan	687,000	-
Secured bank loan transaction costs	(6,763)	(2,927)
Secured domestic bond issues	1,024,697	1,239,469
Secured domestic bond issue transaction costs	(6,197)	(7,624)
Secured USPP bond issues	1,484,096	1,539,657
Secured USPP bond issue transaction costs	(3,553)	(4,765)
Derivative structured products	82,277	80,465
Derivative structured product transaction costs	(36)	(55)
Shareholder loans	456,045	454,255
Total non-current	3,717,566	3,298,475
Total interest-bearing liabilities and borrowings	4,488,990	3,833,409

4.1 Interest-bearing liabilities and borrowings (continued)

Annual nominal interest rate	Financial year of maturity	Face value 2025 \$000	Carrying amount 2025 \$000	Face value 2024 \$000	Carrying amount 2024 \$000
Bank loan – AUD					
BBSY + margin - Tranche J	2027	171,000	170,838	-	(110)
BBSY + margin - Tranche K	2026	422,000	421,770	-	(782)
BBSY + margin - Tranche L	2028	216,000	214,827	-	(1,659)
BBSY + margin - Tranche M	2030	-	(397)	-	(486)
BBSY + margin - Tranche N	2035	-	(1,780)	-	-
BBSY + margin – ATL	2033	300,000	296,748	-	-
		1,109,000	1,102,006	-	(3,037)
Domestic bonds – AUD					
Fixed 3.9%	2025	-	-	350,000	349,390
Fixed 3.1%	2026	250,000	249,719	250,000	249,438
Fixed 4.5%	2031	600,000	522,203	600,000	486,533
Fixed 5.9%	2034	500,000	496,297	500,000	495,873
		1,350,000	1,268,219	1,700,000	1,581,234
USPP bonds – AUD					
BBSW + margin	2026	100,000	99,934	100,000	99,802
Fixed 8.3%	2027	98,863	98,731	98,863	98,598
Fixed 4.4%	2029	130,000	129,678	130,000	129,573
Fixed 5.6%	2030	152,550	152,038	152,550	151,920
Fixed 5.5%	2037	50,000	49,812	50,000	49,796
Fixed 3.5%	2030	26,000	25,913	26,000	25,898
Fixed 3.7%	2032	24,000	23,932	24,000	23,915
		581,413	580,038	581,413	579,502
USPP bonds – USD					
Fixed 3.6%	2025	-	-	90,470	90,059
Fixed 4.0%	2025	-	-	37,696	37,377
Fixed 3.7%	2027	99,297	98,391	98,010	95,390
Fixed 3.8%	2027	152,765	149,125	150,784	142,324
Fixed 4.2%	2028	119,157	117,339	117,612	112,535
Fixed 3.9%	2029	152,765	146,668	150,784	139,510
Fixed 3.9%	2030	38,191	37,541	37,696	36,274
Fixed 4.1%	2032	152,765	141,993	150,784	135,673
Fixed 3.6%	2030	163,459	155,754	161,339	147,706
Fixed 3.7%	2032	164,986	153,630	162,847	145,979
		1,043,385	1,000,441	1,158,022	1,082,827
Derivative structured products					
Fixed 2.3%	2025	-	-	14,378	14,371
Fixed 1.6%	2027	16,538	16,531	16,270	16,263
Fixed 1.7%	2027	6,161	6,158	6,059	6,056
Fixed 2.0%	2025	-	-	43,850	43,829
Fixed 2.7%	2027	22,152	22,142	21,565	21,555
Fixed 0.8%	2027	2,067	2,066	2,051	2,050
Fixed 0.8%	2027	3,839	3,838	3,808	3,807
Fixed 2.6%	2028	31,519	31,506	30,711	30,697
		82,276	82,241	138,692	138,628
Redeemable preference shares					
Fixed 7.6%	2032	470,494	456,045	470,494	454,255
		4,636,568	4,488,990	4,048,621	3,833,409

Notes to the financial statements (continued)

SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS (continued)

4.1 Interest-bearing liabilities and borrowings (continued)

RPS are subject to an annual dividend rate and accounted for using an effective interest rate of 8.37% (2024: 8.37%) per annum. The fixed annual dividend rate is 7.6% per annum. The holders of RPS are entitled to fixed rate dividends, declared semi-annually (in arrears) in relation to the prior financial year, and on redemption. In the event that RPS dividends are not paid, any unpaid dividend will accrue interest using the dividend rate for that year (2025: 7.6%). RPS rank equally with each other, but in priority over ordinary shares for the payment of dividends and repayment of capital. Holders of RPS are not entitled to voting rights except in the event of winding up of BACH, or any resolution impacting on the rights applicable to RPS. The percentage of RPS held by a Shareholder must be equal at all times to the percentage of ordinary shares held.

The redeemable preference shares gross dividends declared of \$35.9 million including withholding tax (2024: \$35.9 million) were paid by BACH in FY25. The resulting shift in forecast cashflows associated with these instruments (whilst maintaining a fixed effective interest rate) has resulted in a change to the carrying value of RPS to \$456.0 million (2024: \$454.3 million) impacting the RPS dividend expense in the consolidated statement of profit or loss.

	2025 \$000	2024 \$000
Redeemable preference shares dividends		
Dividend	35,758	35,758
Interest on unpaid dividends	127	134
Change in fair value	1,790	1,748
RPS dividend recognised in the consolidated statement of profit or loss	37,675	37,640

Finance facilities

The BAC Group has bank facilities of \$1,650 million (2024: \$1,170 million), of which \$541 million is undrawn (2024: \$1,170 million). \$442 million expires in November 2025, \$100 million expires in July 2026, \$71 million matures in August 2026, \$437 million expires in November 2027, \$100 million expires in November 2029, \$300 million matures in March 2033 and \$200 million expires in November 2034.

Security for financing arrangements

The bank loan and the domestic and international bond issues are secured by a first ranking mortgage over the airport lease and a fixed and floating charge over the BAC Group's other assets and undertakings.

SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS (continued)

4.2 Derivative financial instruments

Keeping it simple ...

A derivative is a type of financial instrument typically used to manage risk. A derivative's value changes over time in response to underlying variables such as interest rates or exchange rates and is entered into for a fixed period. A hedge is where a derivative is used to manage an underlying exposure. The BAC Group is exposed to changes in interest rates and foreign exchange rates on its borrowings and uses derivatives to hedge these underlying exposures.

Derivative financial instruments are measured at their marked to market value at each reporting date. The BAC Group applies hedge accounting which allows the value movement in these instruments to be allocated across both the consolidated statement of financial position and the consolidated statement profit or loss and other comprehensive income.

Accounting policies

The BAC Group uses derivative financial instruments to hedge its exposure to interest rate and foreign currency risk.

Derivative financial instruments are recognised initially at fair value, with any directly attributable transaction costs recognised in profit or loss as they are incurred. Subsequent to initial recognition, derivative financial instruments are stated at fair value and changes therein are recognised in profit or loss, unless hedge accounting is adopted.

The fair value of interest rate and cross currency swaps is the estimated amount that the BAC Group would receive or pay to terminate the swap at the reporting date, taking into account current interest and foreign exchange rates and the current creditworthiness of the swap counterparties.

Current versus non-current classification

The BAC Group applies the maturity date approach to classify derivative financial instruments. Derivative financial instruments held as economic hedges are classified as non-current, except for those instruments that mature less than 12 months from the balance date which are classified as current.

Hedge accounting

The BAC Group designates all economic hedges into hedge accounting relationships and documents the nature of the economic hedge relationship, the risk management objective and strategy for undertaking the hedge. Hedge relationships are assessed on an ongoing basis to determine that they are effective throughout the financial reporting periods for which they were designated.

Cash flow hedges

Where a derivative financial instrument is designated to hedge the variability in cash flows of a recognised asset or liability or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in equity. When the forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or the forecast transaction becomes a firm commitment for which fair value hedge accounting is applied, the associated cumulative gain or loss is removed from equity and included in the initial cost or other carrying amount of the non-financial asset or liability. If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the amount accumulated in equity is retained in other comprehensive income and reclassified to profit or loss in the same period.

Hedge accounting is discontinued prospectively if the forecast transaction is no longer expected to occur, the hedge no longer meets the criteria for hedge accounting, the hedging instrument expires or is sold, terminated or exercised. If the forecast transaction is no longer expected to occur, the amount accumulated in equity is reclassified to profit or loss.

Notes to the financial statements (continued)

SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS (continued)

4.2 Derivative financial instruments (continued)

Fair value hedges

Where a derivative or financial instrument is designated as hedging the change in fair value of a recognised asset or liability, the gain or loss on the derivative is recognised in profit or loss immediately, together with the gain or loss on the hedged asset or liability that is attributable to the hedge risk.

Cross currency interest rate swaps⁷

	Average pay fixed rate %	Average pay floating rate	Average foreign exchange rate	Notional maturity profile USD\$000
Less than 1 year	-	-	-	-
1 to 5 years	5.5037	BBSW3m + 190 bps	0.8036	475,000
More than 5 years	-	BBSW3m + 179 bps	0.7333	208,000

Interest rate swaps

	Average pay fixed rate ⁸ %	Average pay floating rate ⁹	Notional maturity profile AUD\$000
Less than 1 year	5.5837	-	1,525,000
1 to 5 years	3.7676	-	900,000
More than 5 years – pay fixed	4.0165	-	3,983,000 ¹⁰
More than 5 years – pay float	-	BBSW3m + 365 bps	600,000

⁷ Cross currency interest rate swaps are used for the purpose of swapping USD notional principal and interest for AUD notional principal and fixed/floating interest in relation to the BAC Group's non-AUD borrowings.

⁸ Interest rate swaps convert floating rate interest exposure to fixed rate obligation.

⁹ Interest rate swaps convert fixed rate exposure into floating rate obligation.

¹⁰ Various interest rate swaps commencing on 1 July 2026 and maturing on 30 June 2032 have a profiled notional value structure. The notional value for the first quarter of the relevant interest rate swaps has been expressed in this table.

Notes to the financial statements (continued)

SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS (continued) 4.2 Derivative financial instruments (continued)

2024	Fair value hedges		Cash flow hedges		Total
	Interest bearing liabilities	Interest bearing liabilities	Interest rate risk on highly probable floating rate debt	Interest bearing liabilities	
	Interest rate swap	Cross currency interest rate swap ¹⁵	Interest rate swap	Cross currency interest rate swap and interest rate swap ¹⁵	
	\$000	\$000	\$000	\$000	\$000
Carrying amount of hedging instruments					
Assets	-	109,371	72,486	35,069	216,926
Liabilities	(112,685)	(28,009)	(46,136)	(1,432)	(188,262)
	(112,685)	81,362	26,350	33,637	28,664
At 30 June 2024					
Cumulative fair value adjustment on hedged item ¹⁶	(110,532)	(72,263)	N/A	N/A	(182,795)
Effective portion recognised in reserves ¹⁷	-	127	14,126	2,146	16,399
During the year					
Change in fair value of the hedging instrument for effectiveness testing	15,807	(59,793)	(47,658)	3,731	(87,913)
Change in fair value of the hedged item	(15,787)	65,904	57,724	2,416	110,257
Effective portion of hedging instrument recognised in cash flow hedge reserve ¹⁷	-	(148)	(47,393)	3,848	(43,693)
Change in effective portion of discontinued hedges recognised in cash flow hedge reserve	-	-	56,959	-	56,959
Hedge ineffectiveness recognised in profit or loss ¹⁸	20	6,259	(265)	-	6,014
Amount recognised in profit and loss for discontinued hedges	-	-	(56,959)	-	(56,959)
Unwind of inception fair values recognised in profit or loss	135	-	50,257	1,220	51,612
Amount reclassified from hedging reserves to profit or loss	-	-	8,195	58,404	66,599

¹⁵ Cross currency interest rate swaps are split designated in cash flow and fair value hedge relationships in order to hedge against risks associated with USD borrowings.

¹⁶ The cumulative fair value adjustment is included in the BAC Group's interest-bearing liabilities.

¹⁷ Hedging reserves includes both cash flow hedge reserve and cost of hedging reserve. Cost of hedging reserve at 30 June 2024 amounts to \$0.5 million (gain), a \$1.7 million (gain) movement for the financial year.

¹⁸ Hedge ineffectiveness, reclassification of cash flow hedge reserve for continued and discontinued hedges and unwinding of inception fair value has been recognised within line item of "Hedge ineffectiveness and other hedge accounting impacts" of "Finance costs" on the face of the statement of profit and loss account. Key sources of hedge ineffectiveness for the BAC Group are (1) changes in credit risks inherent within the hedging instruments' fair values that are not offset by the fair value movement of the hedged item; and (2) designating the non-zero fair values hedging instruments in hedge accounting relationships post trade date (late designations). The non-zero fair value at inception is a source of ineffectiveness.

SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS (continued)

4.3 Financial risk management

Keeping it simple ...

The BAC Group activities expose it to a variety of financial risks: credit, liquidity, and market risk (including interest rate, foreign exchange and price risk). The BAC Group seeks to minimise potential adverse effects on its financial performance and uses derivative financial instruments to manage certain risk exposures. The BAC Group does not use derivatives to speculate.

Overview

The BAC Group's principal financial instruments comprise receivables, payables, bonds, bank loans, cash and short-term deposits and derivatives.

The BAC Group has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

The BAC Group manages its exposure to key financial risks, including interest rate and currency risk, in accordance with the BAC Group's financial risk management policies. The objective of these policies is to support the delivery of the BAC Group's financial targets, while protecting future financial security and reducing volatility on financial performance.

Risk management policies are established to identify and analyse the risks faced by the BAC Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the BAC Group's activities.

The FARM Committee oversees how management monitors compliance with the BAC Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the BAC Group. The FARM Committee is assisted in its oversight role by regular internal audits conducted by KPMG. The internal audit reviews risk management controls and procedures and the results are reported to the FARM Committee.

The BAC Group's policy is not to enter, issue or hold derivative financial instruments for speculative trading purposes. Derivative transactions are entered into to hedge the risks relating to underlying physical positions arising from business activities.

(a) Credit risk

Credit risk is the risk of financial loss to the BAC Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the BAC Group's receivables from customers.

The BAC Group has policies in place to ensure that transactions are made with commercial customers with an appropriate credit history. However, as an operator of large infrastructure assets, the BAC Group is exposed to credit risk with its financial counterparties through undertaking financial transactions intrinsic to its business. These include funds held on deposit, cash investments, bank loans and the market value of derivative transactions.

Notes to the financial statements (continued)

SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS (continued)

4.3 Financial risk management (continued)

The BAC Group assesses the credit strength of potential financial counterparties using objective ratings provided by multiple independent rating agencies. Board approved limit allocation rules allow higher limits to be granted to higher rated counterparties. The BAC Group also seeks to mitigate its total credit exposure to counterparties by only dealing with counterparties meeting certain credit criteria, limiting the exposure to any one counterparty, minimising the size of the exposure where possible through netting offsetting exposures, diversifying exposures across counterparties, closely monitoring changes in total credit exposures and changes in credit status, and taking mitigating action when necessary.

Trade and other receivables

The BAC Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographic of the customer base, including default risk of the industry and country in which the customer operates, has less of an influence on credit risk.

The BAC Group Board has established a credit policy under which customers are analysed individually for creditworthiness before the standard payment terms and conditions are offered. The review of creditworthiness includes external ratings, when available, and/or the possible requirement of bank guarantees or cash deposits of up to six months' rent plus outgoings in the case of property tenants. The majority of customers have been transacting with the BAC Group for over 10 years and losses have been incurred infrequently. In monitoring customer credit risk, customers are classified according to their credit characteristics.

An allowance for impairment has been prepared that represents the BAC Group's expected credit loss (ECL) in respect of trade and other receivables. The ECL is estimated using a provision matrix with reference to past default experience and an analysis of the current financial position of the trade receivables, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date.

The following amounts were included in the consolidated statement of profit or loss for the year relating to ECL:

	2025	2024
Description	\$000	\$000
ECL relating to rental relief provided to tenants	-	3,211
General ECL from provision matrix	-	(1,105)
Other specific provisions for doubtful debts	2,820	363
	2,820	2,469

Cash and swaps

Cash, interest rate and cross currency swaps, and bank loans are held with bilateral banks with credit ratings of not less than either A- (Standard & Poor's) or A3 (Moody's) in line with the BAC Group's External Debt Funding and Liquidity Policy.

SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS (continued)

4.3 Financial risk management (continued)

Exposure to credit risk

The carrying amounts of the financial assets represent the maximum credit exposure. The financial assets at the reporting date were as follows:

	Classification	Note	2025 \$000	2024 \$000
Cash and cash equivalents	Current	3.1	64,388	102,429
Trade receivables, accrued income, and contract assets	Current	3.2	98,297	86,769
Sundry receivables	Current	3.2	6,299	4,415
Finance lease receivable	Current	3.2	232	208
Sundry receivables	Non-current	3.2	3,067	10,320
Finance lease receivable	Non-current	3.2	20,331	20,563
Derivative instruments		4.3(d)	142,944	198,949
			335,558	423,653

The maximum exposure to credit risk for trade receivables, accrued income, and contract assets at the reporting date by customer type was:

	2025 \$000	2024 \$000
Aeronautical	65,184	65,731
Property	32,179	20,935
Other	933	103
	98,296	86,769

The most significant customer accounted for 26.6% of the trade receivables, accrued income, and contract assets carrying amount at 30 June 2025 (2024: 30.8%).

Impairment losses

The ageing of the trade receivables, accrued income, and contract assets at reporting date was as follows:

	2025 Gross \$000	2025 Impairment \$000	2025 Net \$000
Not past due (0 – 30 days)	75,269	(11)	75,258
Past due (31 – 60 days)	19,714	(89)	19,625
Past due (61 – 90 days)	1,680	(77)	1,603
Past due (more than 90 days)	5,290	(3,480)	1,810
	101,953	(3,657)	98,296

	2024 Gross \$000	2024 Impairment \$000	2024 Net \$000
Not past due (0 – 30 days)	55,346	(11)	55,335
Past due (31 – 60 days)	19,181	(115)	19,066
Past due (61 – 90 days)	3,722	(134)	3,589
Past due (more than 90 days)	9,383	(604)	8,779
	87,632	(864)	86,769

Notes to the financial statements (continued)

SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS (continued)

4.3 Financial risk management (continued)

(b) Liquidity risk

Liquidity risk is the risk that the BAC Group will not be able to meet its financial obligations as they fall due. The approach to managing liquidity is to ensure, as far as possible, that the BAC Group will always have sufficient liquidity to meet liabilities when due, under both normal and stressed conditions, without incurring unreasonable costs or risking damage to the BAC Group's reputation.

The BAC Group actively monitors cash flow requirements to manage liquidity risk. Typically, the BAC Group ensures that it has sufficient cash and available debt facilities to meet expected operational requirements for a minimum period of 12 months, including the servicing of financial obligations and the funding of the capital expenditure program.

Funding

The BAC Group minimises exposure and refinance risk with anyone lending source. This is achieved by having a range of lending sources and financial guarantors (if a necessity of the lending instrument). To minimise refinance risk, the BAC Group ensures that no more than 20% of total debt matures within a 12-month period, and no more than 50% in any 36-month period.

The following are the principal and interest contractual maturities of net financial liabilities. The derivative positions are net asset and liabilities.

2025	Note	Less than 1 year \$000	1 – 5 years \$000	More than 5 years \$000	Total \$000
Floating bank loan		462,636	461,974	348,386	1,272,996
Floating bonds		102,860	-	-	102,860
Fixed bonds		381,382	1,533,745	1,665,688	3,580,815
Derivative structured products		-	85,887	-	85,887
RPS		53,636	143,030	506,252	702,918
		1,000,514	2,224,636	2,520,326	5,745,476
Trade payables and accruals	3.8	145,670	-	-	145,670
Lease liabilities	3.8/3.10	417	6,307	-	6,724
Cross currency interest rate swap - outflow		45,419	714,047	310,986	1,070,452
Cross currency interest rate swap - inflow		(40,182)	(834,128)	(339,358)	(1,213,668)
Interest rate swaps		56,699	83,977	(11,797)	128,879

SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS (continued)

4.3 Financial risk management (continued)

2024	Note	Less than 1 year \$000	1 – 5 years \$000	More than 5 years \$000	Total \$000
Floating bonds		6,692	103,287	-	109,979
Fixed bonds		625,844	1,445,488	2,119,589	4,190,921
Derivative structured products		58,498	85,887	-	144,385
RPS		53,636	143,030	542,009	738,675
		744,670	1,777,693	2,661,598	5,183,961
Trade payables and accruals	3.8	156,479	-	-	156,479
Lease liabilities	3.8/3.10	404	5,988	-	6,392
Cross Currency Interest Rate Swap – Outflow		144,127	586,299	514,024	1,244,450
Cross Currency Interest Rate Swap - Inflow		(170,478)	(648,050)	(549,880)	(1,368,408)
Interest Rate Swaps		29,379	69,092	(22,540)	75,931

Interest payments (and receipts) on the floating interest rate instruments are paid quarterly, at BBSW or BBSY plus the applicable margin. Interest payments on the fixed interest rate bonds are paid semi-annually. Trade payables and accruals are generally payable in less than six months.

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates, will affect the BAC Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The BAC Group enters into derivatives in order to manage market risk. All such transactions are carried out within guidelines set by the Board. Components of market risk to which the BAC Group is exposed are discussed below.

Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The BAC Group's borrowings are sourced from a number of financial markets covering domestic and offshore, as well as short-term and long-term funding. These borrowings are managed in accordance with targeted currency, interest rate, liquidity and debt portfolio maturity profiles.

Currency and interest rate risk on foreign currency borrowings are hedged by entering into cross currency principal swaps and interest rate swaps at inception to maturity, which have the economic effect of converting foreign currency borrowings into AUD borrowings.

BAC Group policy

The BAC Group's intended long-term interest rate cover target is to maintain the following minimum levels of economic hedging of its forecast average debt exposure in each year:

Notes to the financial statements (continued)

SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS (continued)

4.3 Financial risk management (continued)

Period	%
Year 1	85 - 100
Year 2	75 - 100
Year 3	65 - 100
Year 4	60 - 90
Year 5	50 - 90
Year 6	45 - 80
Year 7	40 - 80
Year 8	30 - 80
Year 9	20 - 80
Year 10	10 - 80

Minimum economic hedging requirement under finance documents

BAC Group must implement or maintain interest rate hedging arrangements that are in accordance with the Interest Rate Hedging Policy that has been approved by the Board.

Profile

At the reporting date, the interest rate profile of the interest-bearing financial instruments, ignoring economic hedging, was as follows:

	2025 \$000	2024 \$000
Nominal fixed interest rate instruments		
Financial liabilities	(3,427,568)	(3,948,622)
Nominal variable interest rate instruments		
Financial assets – cash and cash equivalents	64,388	102,429
Financial liabilities	(1,209,000)	(100,000)
Net financial liability	(1,144,612)	2,429

Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The source and nature of the risk arise from operations, capital expenditure and translation risk.

Cross currency swaps are used to convert long-term foreign currency borrowings into AUD to meet the principal and interest obligations under the swaps. These foreign currency borrowings typically have an initial maturity of between 10 and 20 years.

BAC Group policy

The BAC Group's policy is to minimise foreign exchange exposures where practical, and to hedge back to AUD any combination of foreign exchange exposures to avoid unhedged foreign exchange exposures in excess of AUD \$5 million.

Fixed interest rate secured international bonds denominated in USD

At the reporting date, the BAC Group had the following foreign exchange exposures which had been economically hedged back to AUD for the duration of the issue:

SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS (continued)

4.3 Financial risk management (continued)

	Face value 2025 USD\$000	Face value 2025 AUD\$000	Face value 2024 USD\$000	Face value 2024 AUD\$000
Total foreign exchange exposures hedged	683,000	1,043,385	768,000	1,158,022

Sensitivity on interest rate and foreign exchange risk

The tables below summarise the gain or loss impact of reasonably possible changes in market risk, relating to existing financial instruments, on profit before tax and equity before tax. For the purpose of this disclosure, the following assumptions were used:

- 100 basis point increase and decrease in all relevant interest rates;
- 10% USD depreciation and USD appreciation;
- isolation of sensitivity analysis for each risk. e.g. the interest rate sensitivity analysis assumes the foreign exchange rates remain constant; and
- the effect of credit risk and hedge ineffectiveness has been held constant for purposes of the sensitivity analysis.

The 30 June 2025 foreign exchange rate of AUD 1 to USD 0.6546 (2024: AUD 1 to USD 0.6632) has been used in the translation of USD denominated borrowings.

Analysis for fixed interest rate instruments

The BAC Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, however it has designated some derivatives into hedge relationships under a fair value hedge accounting model. The impact of a change in interest rate (holding all other variables constant) on the fair value of the hedging instruments and fair value adjustment on the fixed rate financial liabilities are expected to be equal and offsetting in magnitude based on the methodology prescribed. Therefore, a change in interest rates at the reporting date would not affect profit before tax for fixed rate instruments.

Analysis for variable interest rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) profit before tax and equity before tax by the amounts shown below. This analysis assumes that all other variables remain constant. An increase/(decrease) in interest rates (holding all other variables constant), impacts interest expense on variable rate instruments and fair value of interest rate swaps and currency swaps as follows:

Movement in interest rates	Profit/(loss) before tax		Equity before tax	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
100 basis point increase in interest rates Net impact	(4,531)	(1,087)	148,490	144,030
100 basis point decrease in interest rates Net impact	4,531	1,087	(148,490)	(144,030)

Analysis for variable interest rate instruments

Movements in interest rates over time influence the rate of return achievable on the aeronautical assets. The effect of such movements may be impacted by the length of aeronautical pricing agreements, which have been typically up to five years. Once pricing is determined for a period, movements in interest rates may not affect aeronautical revenues but an alteration in rates may impact actual results.

Notes to the financial statements (continued)

SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS (continued)

4.3 Financial risk management (continued)

Analysis for USD rate movements

Cross currency exposures for the BAC Group predominantly arise from foreign denominated interest-bearing liabilities. For such liabilities, the BAC Group's policy is to hedge 100% of cross currency risk for both principal and interest for the life of the exposure. As at 30 June 2024 and 2025, these foreign currency exposures were 100% hedged through cross currency swaps until maturity, resulting in no other material cross currency risk exposure. The cross currency interest rate swaps have been designated into hedge accounting relationships. In FY25, the event of a +/- 10% appreciation of the AUD against USD exchange rate would be a corresponding impact to other comprehensive income of \$5.9 million loss and \$7.3 million gain respectively (FY24: \$7.4 million gain / \$9.0 million loss).

(d) Fair value

Fair value versus carrying amounts

The carrying amounts shown in the consolidated statement of financial position, together with the fair value of financial assets and liabilities are as follows:

	Note	Carrying amount 2025 \$000	Fair value 2025 \$000	Carrying amount 2024 \$000	Fair value 2024 \$000
Assets carried at fair value					
Interest rate and cross currency swaps – current		-	-	50,258	50,258
Interest rate and cross currency swaps – non-current		142,944	142,944	148,691	148,691
		142,944	142,944	198,949	198,949
Assets carried at amortised cost					
Cash and cash equivalents	3.1	64,388	64,388	102,429	102,429
Finance lease receivable – non-current	3.2	20,331	20,331	20,563	20,563
Employee benefits – non-current	3.2	2,443	2,443	2,874	2,874
		87,162	87,162	125,866	125,866
Liabilities carried at fair value					
Interest rate and cross currency swaps – current		35,171	35,171	-	-
Interest rate and cross currency swaps – non-current		106,894	106,894	170,284	170,284
		142,065	142,065	170,284	170,284
Liabilities carried at amortised cost					
Secured bank loan	4.1	1,102,006	1,107,825	(3,037)	-
Secured domestic bond issues	4.1	1,268,219	1,350,334	1,581,234	1,646,349
Secured USPP bond issues	4.1	1,580,479	1,598,941	1,662,329	1,664,532
Derivative structured products	4.1	82,241	80,981	138,628	134,056
RPS	4.1	456,045	438,721	454,255	406,887
RPS dividend	3.8	17,826	17,826	17,826	17,826
Lease liability – non-current	3.10	2,168	2,168	1,838	1,838
Make-good provision	3.10	4,139	4,139	4,148	4,148
		4,513,123	4,600,935	3,857,221	3,875,636
Net liabilities		4,425,082	4,512,894	3,702,690	3,721,105

(e) Capital management

The Board's policy is to maintain a strong capital base to preserve shareholder, lender and market confidence, and sustain future development of the business. There were no changes to the capital management approach during the year.

SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS (Continued)

4.4 Changes in liabilities arising from financing activities

	1 July 2024 \$000	Cash flows \$000	Foreign exchange movement \$000	Fair value movement \$000	Capitalised Interest \$000	30 June 2025 \$000
Secured bank loan	-	1,109,000	-	-	-	1,109,000
Secured domestic bond issues	1,589,469	(350,000)	-	35,229	-	1,274,698
Secured USPP bond issues	1,675,100	(87,101)	(23,165)	31,561	-	1,596,395
Derivative structured products	138,692	(58,498)	-	-	2,083	82,277
RPS	454,254	-	-	1,791	-	456,045
Lease liabilities – non-current	5,987	320	-	-	-	6,307
Total liabilities from financing activities²⁴	3,863,502	613,721	(23,165)	68,581	2,083	4,524,722

	1 July 2023 \$000	Cash flows \$000	Foreign exchange movement \$000	Fair value movement \$000	Capitalised Interest \$000	30 June 2024 \$000
Secured bank loan	152,000	(152,000)	-	-	-	-
Secured domestic bond issues	1,073,682	500,000	-	15,787	-	1,589,469
Secured USPP bond issues	1,891,120	(150,000)	(68,666)	2,646	-	1,675,100
Derivative structured products	202,343	(66,667)	-	-	3,016	138,692
RPS	452,507	-	-	1,747	-	454,254
Lease liabilities – non-current	6,382	(395)	-	-	-	5,987
Total liabilities from financing activities	3,778,034	130,938	(68,666)	20,180	3,016	3,863,502

²⁴ Reconciliation of opening to closing balance excludes transaction costs.

Notes to the financial statements (continued)

SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS (Continued)

4.5 Equity and reserves

Dividends are recognised as a liability in the year in which they are declared.

There has been no movement in issued shares.

	2025 \$000	2024 \$000
Ordinary shares		
On issue at 30 June	681,887	681,887

The holders of ordinary shares in BACH are entitled to receive dividends as declared from time to time and one vote per share at meetings of BACH. In the event of winding up of BACH, ordinary shareholders rank after all other shareholders and creditors and are entitled to any net residual proceeds of liquidation.

Defined benefit superannuation fund deficit reserve

The defined benefit superannuation fund deficit reserve is used to recognise actuarial gains and losses.

Hedge reserve

The hedge reserve comprises of both the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows or items affect profit or loss, and the fair value impact of movements in foreign currency basis spreads designated as cost of hedging.

Reconciliation of hedge reserves is as follows:

	2025 \$000	2024 \$000
Balance at the beginning of the financial year	11,480	2,194
Gain/(loss) recognised on cross currency and interest rate swaps	(166,887)	22,640
Income tax related to amounts recognised in other comprehensive income	50,066	(6,792)
(Gain)/loss on cash flow hedges transferred to profit and loss	105,598	(9,375)
Income tax related to amounts reclassified to profit and loss	(31,679)	2,813
Total	(31,422)	11,480

Dividends

During the current financial year, BACH declared and paid ordinary dividends of \$300.0 million (2024: \$250.0 million).

	2025 \$000	2024 \$000
Dividend franking account:		
The taxable value of franking credits for subsequent financial years	26,676	991

SECTION 5: OTHER

5.1 Related parties

Keeping it simple

The related parties include the Directors of the BAC Group, Key Management Personnel (KMP), Shareholders and the BAC Group controlled entities.

The Directors of BACH at any time during the reporting year are disclosed in the Directors' Report. The KMP of the BAC Group at any time during the reporting year were:

Executives

Gert-Jan de Graaff	Chief Executive Officer
Warren Briggs	Chief Financial Officer
Rachel Crowley	Executive General Manager Communications & Public Affairs
Henry Tuttiatt	Executive General Manager Communications & Public Affairs (appointed 30 June 2025)
Jane Dionysius	Executive General Manager People, Culture & Governance
Raechel Paris	Executive General Manager Strategy, Planning & Sustainability
Krishan Tangri	Executive General Manager Infrastructure
Ryan Both	Executive General Manager Aviation
Martin Ryan	Executive General Manager Commercial (resigned 31 January 2025)
Toby Innes	Executive General Manager Commercial (acting 1 February to 29 June 2025)
Scott Norris	Executive General Manager Commercial (appointed 30 June 2025)

Transactions with Key Management Personnel

In addition to the salaries of KMP, the BAC Group contributes to a post-employment defined benefit superannuation fund or a post-employment defined contribution superannuation fund on behalf of certain KMP. In accordance with the terms of the defined benefit superannuation fund, KMP are entitled to receive their retirement benefits up to age 70, calculated as a multiple of their salary plus members' contributions made to the fund.

Executive Long Term Incentive Program (ELTIP)

KMP also participate in the BACH ELTIP.

The ELTIP is a bonus incentive plan that provides eligible employees with the opportunity to receive bonus remuneration which is calculated with reference to long term increases in the value of BACH, based upon a proxy valuation developed for internal management purposes. The plan is settled in cash.

The plan includes a mechanism for calculating the bonus remuneration in the event certain requirements as set out in the plan rules are satisfied. The plan does not confer upon eligible employees any right, entitlement, or interest in shares in BACH or an option to acquire shares in BACH.

Eligibility has been determined by the Board based on the individual's ability to influence the future growth, direction, and performance of the Group. Entitlement to this payment is conditional upon continuous employment during the period.

The grant date of units for the ELTIP 23 (Plan 23) was 1 July 2022, with an initial base value of \$1 per unit. Total units outstanding under Plan 23 were 1,049,356 (2024: 1,185,848). The value of entitlements under Plan 23 payable at 30 June 2025 was \$805,409 (2024: \$573,023).

The grant date of units for the ELTIP 24 (Plan 24) was 1 July 2023, with an initial base value of \$1 per unit. Total units outstanding under Plan 24 were 1,138,333 (2024: 1,395,005). The value of entitlements under Plan 24 payable at 30 June 2025 was \$580,983 (2024: \$336,136).

Notes to the financial statements (continued)

SECTION 5: OTHER (Continued)

5.1 Related parties (continued)

The grant date of units for the ELTIP 25 (Plan 25) was 1 July 2024, with an initial base value of \$1 per unit. Total units outstanding under Plan 25 were 1,690,545. The value of entitlements under Plan 25 payable at 30 June 2025 was \$419,743.

Key Management Personnel compensation

The KMP compensation for the year was as follows:

	2025 \$	2024 \$
Short term employee benefits	7,083,787	6,685,324
Post-employment benefits	421,163	399,905
Other long-term benefits	878,054	329,561
Termination benefits	154,456	-
	8,537,460	7,414,790

The terms and conditions of transactions with KMP were no more favourable than those available or which might reasonably be expected to be available, on similar transactions with non-Key Management Personnel or their related parties on an arm's length basis.

Other related party transactions

Amounts recognised during the year pertaining to other related parties, excluding shareholder payments that relate directly to shareholdings, were as follows:

Technical Services Agreement

BAC has a Technical Services Agreement with Schiphol Nederland BV which provides:

- advisory services including staffing, planning, operations, marketing, and third-party liaison; and
- qualified personnel to fulfil various management positions.

The total fee for the year was \$874,396 (2024: \$438,168). As at 30 June 2025, the amount payable was \$359,893 (2024: \$1,019,539).

Intellectual Property Agreement

BAC has an Intellectual Property Agreement with Schiphol International BV that provides BAC with a licence to use any intellectual property rights owned or licensed by Schiphol International BV which may be applied in operating and developing Brisbane Airport, including in relation to marketing, operations, planning, staffing and third-party liaison.

The total fee for the year was \$4,526,889 (2024: \$4,359,065). As at 30 June 2025, the amount payable was \$nil (2024: \$4,359,065).

Board fees and travel expenses

In accordance with the Board Governance Policy, the Board's remuneration is set through independent market assessment, evaluation of comparable boards of similar scope, size and skill and a desire to attract and retain high quality directors.

During 2025, the Board reviewed Director remuneration taking into consideration remuneration benchmarks and market movements.

Board fees and travel expenses paid to the Directors for the year amounted to \$1,911,972 (2024: \$1,890,751).

SECTION 5: OTHER (Continued)

5.1 Related parties (continued)

Board fees, on behalf of the Directors, were paid to the following companies:

- First Sentier Investors (Australia) IM Ltd, a company related to Alan Wu, received \$155,198 for the year (2024: Alan Wu \$140,891);
- QIC Private Capital Pty Ltd, a company related to Paul DeSouza and David Kenny, received \$159,011 for the year (2024: Paul DeSouza and David Kenny \$153,634); and
- IFM Investors (Nominees) Limited, a company related to Lyell Strambi, and Marigold Look and Calvin Ker, received \$314,375 for the year (2024: John Borghetti, Lyell Strambi, and Marigold Look \$261,595).

5.2 Parent entity disclosures

	2025 \$000	2024 \$000
Results of BACH		
Profit for the year	309,550	260,053
Total comprehensive income	309,550	260,053
Financial position of BACH		
Current assets	65,874	96,305
Non-current assets	929,941	929,941
Total assets	995,815	1,026,246
Current liabilities	22,666	64,114
Non-current liabilities	455,409	453,942
Total liabilities	478,075	518,056
Net assets	517,740	508,190
Equity		
Issued capital	470,494	470,494
Retained earnings	47,246	37,696
Total equity	517,740	508,190

5.3 Other matters

Per- and Polyfluoroalkyl Substances (PFAS)

In recent years, there has been increased media and regulator attention towards PFAS used by aviation related tenants and Airservices Australia at Brisbane Airport. The BAC Group has continued to exercise its rights under tenant lease agreements to require entities responsible for pollution to monitor and remediate contamination at Brisbane Airport.

5.4 Events subsequent to reporting date

On 30 June 2025, BAC signed a new Syndicated Facility Agreement structured as an Asian Term Loan (ATL) totalling \$600.0 million. Financial close was achieved on 3 July 2025, with funds subsequently drawn down on 16 July 2025. The ATL comprises two tranches: a seven-year \$300.0 million tranche maturing in FY32, and a ten-year \$300.0 million tranche maturing in FY35.

Since the end of the financial year to the date of signing, there were no other subsequent events to report.

Directors' declaration

In the opinion of the Directors of BAC Holdings Limited:

- (a) the financial statements and notes set out on pages 92 to 139 are in accordance with the *Corporations Act 2001* (Cth), including:
 - (i) giving a true and fair view of the BAC Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Act 2001* (Cth); and
- (b) the consolidated entity disclosure statement is true and correct; and
- (c) there are reasonable grounds to believe that the BAC Group will be able to pay its debts as and when they become due and payable.

The Directors draw attention to note 1.3 to the financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in Brisbane on 16 September 2025 in accordance with a resolution of the Directors made pursuant to s.295(5) of the *Corporations Act 2001* (Cth).



David Peever
Director

Independent auditor's report



Deloitte Touche Tohmatsu
ABN 74 490 121 060
Level 23, Riverside Centre
123 Eagle Street
Brisbane, QLD, 4000
Australia

Phone: +61 7 3308 7000
www.deloitte.com.au

Independent Auditor's Report to the Members of BAC Holdings Limited

Opinion

We have audited the financial report of BAC Holdings Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and the directors declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the directors' report and corporate governance statement for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Liability limited by a scheme approved under Professional Standards Legislation.
Member of Deloitte Asia Pacific Limited and the Deloitte organisation.

Independent auditor's report (continued)



Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible:

- For the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for purpose of the group audit. We remain solely responsible for our audit opinion.

Deloitte.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



R.G. Saayman
Partner
Chartered Accountants
Brisbane, 16 September 2025

Auditor's independent declaration

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060
Level 23, Riverside Centre
123 Eagle Street
Brisbane, QLD, 4000
Australia

Phone: +61 7 3308 7000
www.deloitte.com.au

16 September 2025

The Board of Directors
BAC Holdings Limited
11 The Circuit
BRISBANE AIRPORT QLD 4008

Dear Board Members

Auditor's Independence Declaration to BAC Holdings Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of BAC Holdings Limited.

As lead audit partner for the audit of the financial statements of BAC Holdings Limited for the financial year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



R.G. Saayman
Partner
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte organisation.



ADDITIONAL INFORMATION

BAC Holdings Limited, ACN 108 568 038, incorporated and domiciled in Australia, is an unlisted public company limited by shares.

Registered office:

11 The Circuit
Brisbane Airport
Queensland 4008
Australia

Telephone: +61 7 3406 3000

Email: info@bne.com.au

Web address: bne.com.au



Connect with us



bne.com.au