

REQUEST FOR PROPOSAL:
BRISBANE AIRPORT
**DOMESTIC TERMINAL FOOD
AND BEVERAGE**

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Acknowledgement of country

We acknowledge the Turrbal people, the Traditional Custodians of the land on which we work, and pay respect to their Elders past and present.

1. INTRODUCTION AND REQUEST FOR PROPOSAL (RFP) INVITATION

Brisbane Airport Domestic Terminal Food and Beverage retailers

Brisbane Airport Corporation Pty Limited (BAC) is inviting Food and Beverage retailers to respond to this Request for Proposal (RFP).

BAC is seeking best in class Quick Service Retailers (QSR), bars, cafes and restaurant retailers to respond to this RFP for the Food and Beverage concessions in the Southern end of the Domestic Terminal (predominately servicing Virgin passengers).

Brisbane Airport was voted the Best Airport in Australia/Pacific 2022, 2021, 2020, 2019, 2017 and 2016 in the Skytrax World Airport Awards and Oceania's Leading Airport 2019 at the World Travel Awards. The successful retailer will deliver an offer commensurate with this high standard, will exceed our passenger's expectations, be innovative and unique, as well as providing exceptional customer service.

The time and date for closure of the RFP is 4pm AEST on Tuesday 28 February 2023.

Each RFP response must be submitted with the Proposal Form provided in **Attachment 1**.

For any queries regarding this RFP please contact:

Jay Boughton

Commercial Manager –
Leasing and Development
Brisbane Airport Corporation

Mobile: 0407 715 055
Email: jay.boughton@bne.com.au

KEY MILESTONE DATES

Stage 1

Satellite
Opening late July 2023

Stage 2

Bar
Opening September 2023

Stage 3

Food Court Kiosk and Espresso Bar
Opening late October 2023

Stage 4

Food Court Inline Stores
Opening early December 2023



2.

BRISBANE: AN OLYMPIC CITY WITH MOMENTUM

As Australia's fastest-growing capital city, Brisbane has unstoppable momentum. Our selection as Host City for the Brisbane 2032 Olympic and Paralympic Games recognises Brisbane's trajectory and sets the city up for a decade of transformation.

With direct access to key Asian export markets, Brisbane is a thriving global hub at the centre of Queensland's economic corridor for trade and enterprise.

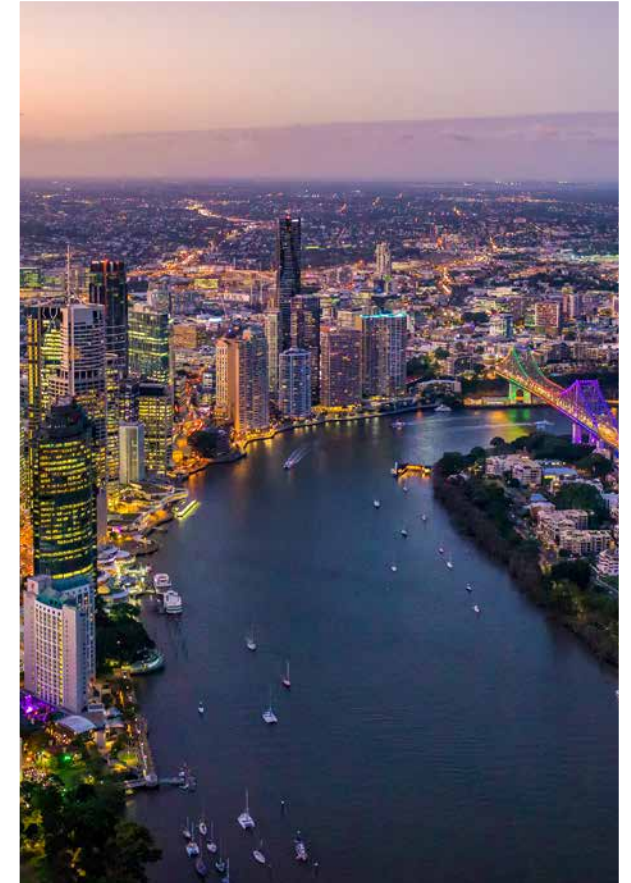
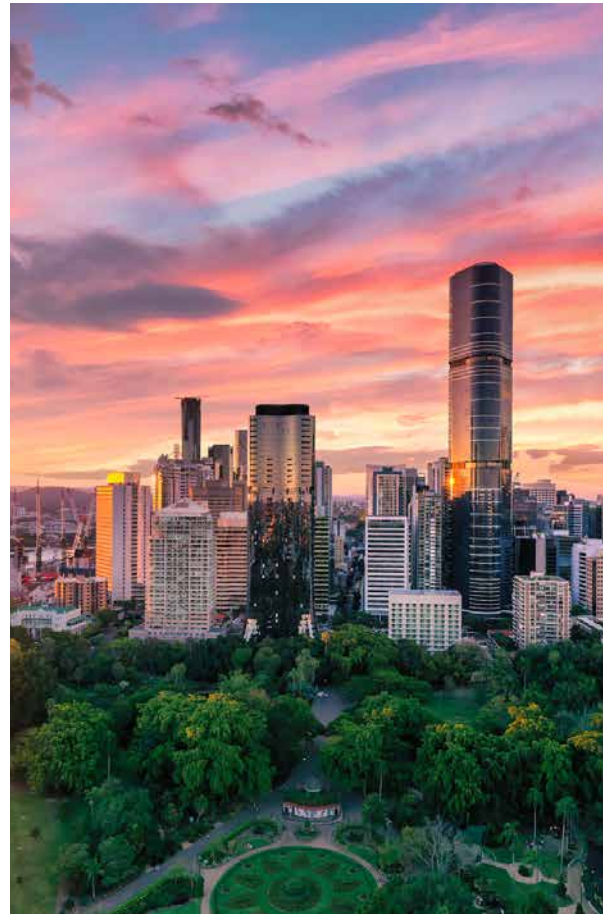
Brisbane's accessibility is bolstered by our 24/7 airport operations, set to generate \$8.3bn per annum by 2040, and one of the fastest growing multi-cargo ports in Australia with unparalleled transport links. A predicted population boom and employment growth over the next decade will also supercharge the economy.

The city's economy, forecast to be worth \$239bn by 2041, is underpinned by an abundance of human, natural and built resources, and a \$14bn infrastructure pipeline. This includes the \$3.6bn world-class Queen's Wharf development, which includes 1,000+ premium hotel rooms, 2,000 residential apartments, 50+ restaurants, bars and cafes plus 7.5 hectares of public space.

This integrated resort development will open in stages from 2023 and will provide locals and tourists a wide range of 'quintessentially Queensland' experiences to enjoy.

The city's visitor economy is set to generate an additional AUD\$6.5bn per annum in visitor expenditure by 2031, further cementing the city's global destination appeal.

From its alfresco open-air lifestyle to its thriving arts community, to some of the world's largest sand islands and ancient heritage-listed rainforests, Brisbane encourages visitors to fully embrace its incredible diversity. A region steeped in history, experience one of the world's oldest living cultures and connect more deeply to people and place.



3.

BRISBANE AIRPORT CORPORATION

BAC, the operator of Brisbane Airport (BNE), is a private, unlisted Queensland company that proudly takes on the challenge of connecting Australia to the world and creating the future.

Our passion and perseverance have cemented BNE as a crucial gateway for Queensland, a leading hub for Australia, and a source of pride for our communities. BNE is more than just an airport. It's a thriving community, made up of tens of thousands of people.

It's an Airport City, with a diverse economy that drives innovation and produces significant economic benefits. It's a crucial link, facilitating the flow of people, goods and ideas across Queensland, Australia and the world.

BAC's unique privilege and responsibility is to ensure BNE maintains its position as an award-winning, world-class hub while protecting its legacy of creating a brighter future for everyone.

We value and respect the Traditional Custodians of the land on which we operate, and we wish to support and foster the rich heritage of the Turrbal people. BAC operates BNE

under a 99-year lease from the Australian Government on this land, totalling 2,700 hectares and located approximately 10 kilometres east of Brisbane CBD.

At BAC our vision is clear – **Connect the World. Create the Future.** We're building an Airport City that connects people, creates community and fuels our economy and in order to achieve this we must be a successful and sustainable airport for everyone. But we also need to be more than just an airport.

We need to be a place where business grows, a place people come even when they're not flying. We need to be a place that creates jobs for generations to come, to create a world-leading Airport City that our communities trust and are proud of.

How we do things is just as important as what we do, and our values underpin our operating approach and interactions with the world around us. Our values are the guideposts that will enable us to make our vision become a reality.

Who are our bosses?

At BAC, we operate under a simple purpose, to deliver value to our four bosses:

Community

BNE 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 BNE we keep their best interests at the heart of our decision-making

Employees

Our most important asset is our people, whose passion for BAC 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.

Our culture is anchored in these values that we refer to as the 'Four Cs':

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

Communication

successful teamwork requires us to listen and talk openly, honestly, and respectfully

Care

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

SUSTAINABILITY

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.

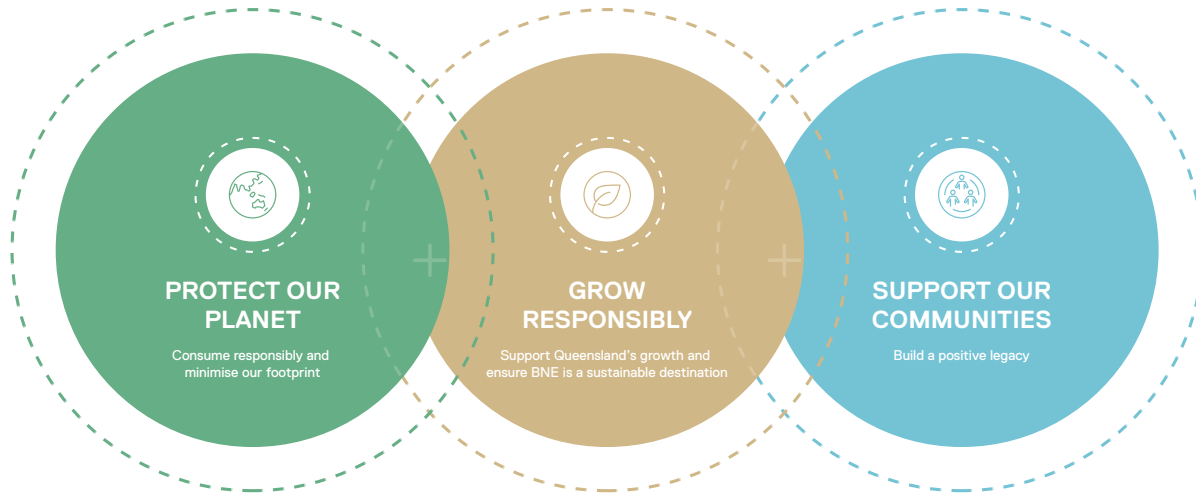
We recognise that sustainability is essential for BNE because it enables long-term, responsible growth, which is key to delivering value to our communities, customers, employees, and Shareholders. It builds on a long history of sustainability achievements, providing an exciting future pathway through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

Our sustainability purpose is to **'Create a sustainable, world-leading Airport City that future generations trust and are proud of.'** In achieving this, we accelerate many of our commitments and can work within three actionable pillars.

We recognise that being a leader in sustainability means constantly challenging ourselves to create the best future possible for BNE.

To achieve our future ambitions, we now commit to be a net zero (Scope 1 and 2) Airport City by 2025, which is a significant advancement from our original 2050 target. In 2022, we affirmed our 2030 waste and water targets, which will greatly reduce our environmental footprint. But we won't stop here. We will continue to review our targets and commitments at regular intervals. Our Sustainability Strategy provides the guidance and direction that underpins our Corporate Strategy.

VIDEO:
Sustainability at BNE



Our Sustainability Targets

	2025	2030
Waste		Zero Waste to landfill
Water		50% Recycled Water
Scope 1 & 2 Carbon emissions	Net Zero	
Scope 3 Carbon emissions		10% Sustainable Aviation Fuel

1. Zero waste to landfill excludes quarantine/sterile area waste.
2. Supporting the World Economic Forum Clean Skies for Tomorrow initiative for the supply and use of 10% sustainable aviation fuel by 2030.

CONNECTING THE WORLD

Connecting the World

Operating 24 hours a day, seven days a week, BNE has two major terminals and is Australia's most domestically connected airport. It is a suburb in its own right and the third-largest airport in Australia by passenger numbers.

Bounded by the Brisbane River to the east, the Kedron Brook Floodway to the west, Moreton Bay to the north and the Gateway Motorway to the south and located less than 12 km from the Brisbane CBD, Brisbane Airport is one of the fastest growing airports in the country and serviced by high quality road, rail and public transport connections.

In July 2020, BAC opened a \$1.1bn second runway, effectively doubling capacity and allowing future growth to the forecast 60m annual passengers in 2050 and beyond.

Modern Slavery

The Modern Slavery Act (2018) defines modern slavery as exploitive practises, including but not limited to slavery, servitude, human trafficking, forced labour and debt bondage.

BAC's focus is on how suppliers approach auditing and assurance of their suppliers and contractors, supplier engagement and risk management, how they identify the likelihood of modern slavery in their supply chains and ultimately how they contribute to the goal of eliminating Modern Slavery conditions globally.

BAC's Modern Slavery Statement can be found on the Australian Government's online register for Modern Slavery Statements.

Awards and Recognition

There are many ways to measure our success in achieving world best standards, but receiving awards as judged by our industry peers and travellers gives us the most pride. Over the years Brisbane Airport has received numerous awards for service, sustainability, engineering, development and airport management including:

- » **2022 Skytrax World Airport Awards**
 - Best Airport and Best Airport Staff (Australia/Pacific)
- » **2021 Airports Council International (ACI)**
 - Green Airports Platinum Recognition 2021
- » **2021 Skytrax World Airport Awards**
 - Best Airport Staff (Australia/Pacific)
- » **2020 Skytrax World Airport Awards**
 - Best Airport in the World, 3rd Place (servicing between 20-30 million passengers)
- » **2019 Skytrax World Airport Awards**
 - Best Airport (Australia/Pacific)
- » **2019 World Routes Awards**
 - Winner, 20-50 million passengers
- » **2019 Annual World Travel Awards**
 - Oceania's Leading Airport
- » **2019 CAPA Asia Pacific Aviation Awards**
 - Asia Pacific Medium Airport of the Year
- » **2019 Australian Airport Association Awards**
 - Capital City Airport of the Year



CALENDAR YEAR 2019

total passengers

24.1M

24/7

open all hours

34

airline partners

International

6.3M

international
passengers

34

international
destinations

Domestic

17.7M

domestic
passengers

53

domestic
destinations

4. DOMESTIC TERMINAL

The Domestic Terminal is experiencing its strongest performance ever, with F&B Passenger Spend Rates (PSR) out-performing pre-Covid numbers.

There are only 10 Food and Beverage sites remaining, as part of the final stage of the Domestic Terminal Retail Upgrade. This includes seven sites in the Southern Food Court area, as well as an espresso bar, modern restaurant and contemporary bar opportunity.

Leisure travellers ⁽¹⁾

79%

F&B sales excluding common area seating ⁽²⁾

\$18,000 per m²

F&B concessions

26

Total flights per day to SYD and MEL

\$9.22 ⁽²⁾

89

Total departing F&B PSR

Specialty / news & books concessions

42

9,000m²

total retail GLA

\$63m total annual F&B sales

versus \$50m as at February 2020 ⁽²⁾

SOURCE:

¹ Colmar Brunton Customer Segmentation Refresh 2020

² Sales as at 30 November 2022, excluding GST

5. PASSENGER PROFILE

The BNE domestic passenger typically arrives at the Terminal approximately 78 minutes prior to their scheduled departure time, with 72% of passengers arriving an hour or more before they are due to depart.

Leisure travelers typically have the highest F&B spend in Terminal, with 79% of all Domestic Terminal passengers traveling for leisure.²

This passenger base provides our retail partners with significant exposure to a broad market and a consistent flow of passengers per hour, as indicated by the graph to the right.

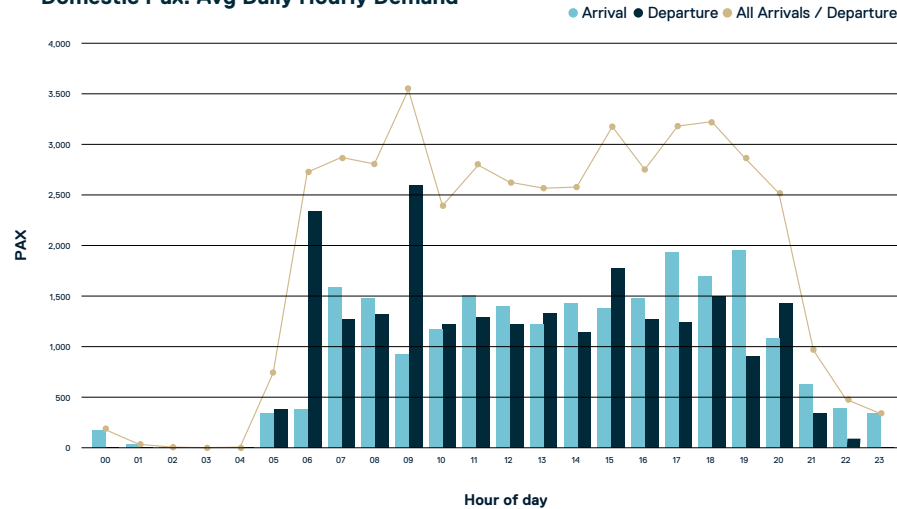
In 2022, we are recovering faster than anticipated, with Domestic passenger numbers at 90% of pre-COVID levels and International passenger numbers at 65% of pre-COVID levels.

An extensive Customer Segmentation research project was undertaken in 2019 to understand the customer segmentation of Brisbane Airport (outbound passengers only). Five customer segments were identified and the breakdown can be found to the right.

Source Data:

¹ Brisbane Airport flight schedules as at November 2022
² Colmar Brunton Customer Segmentation Refresh, 2020

Domestic Pax: Avg Daily Hourly Demand ¹



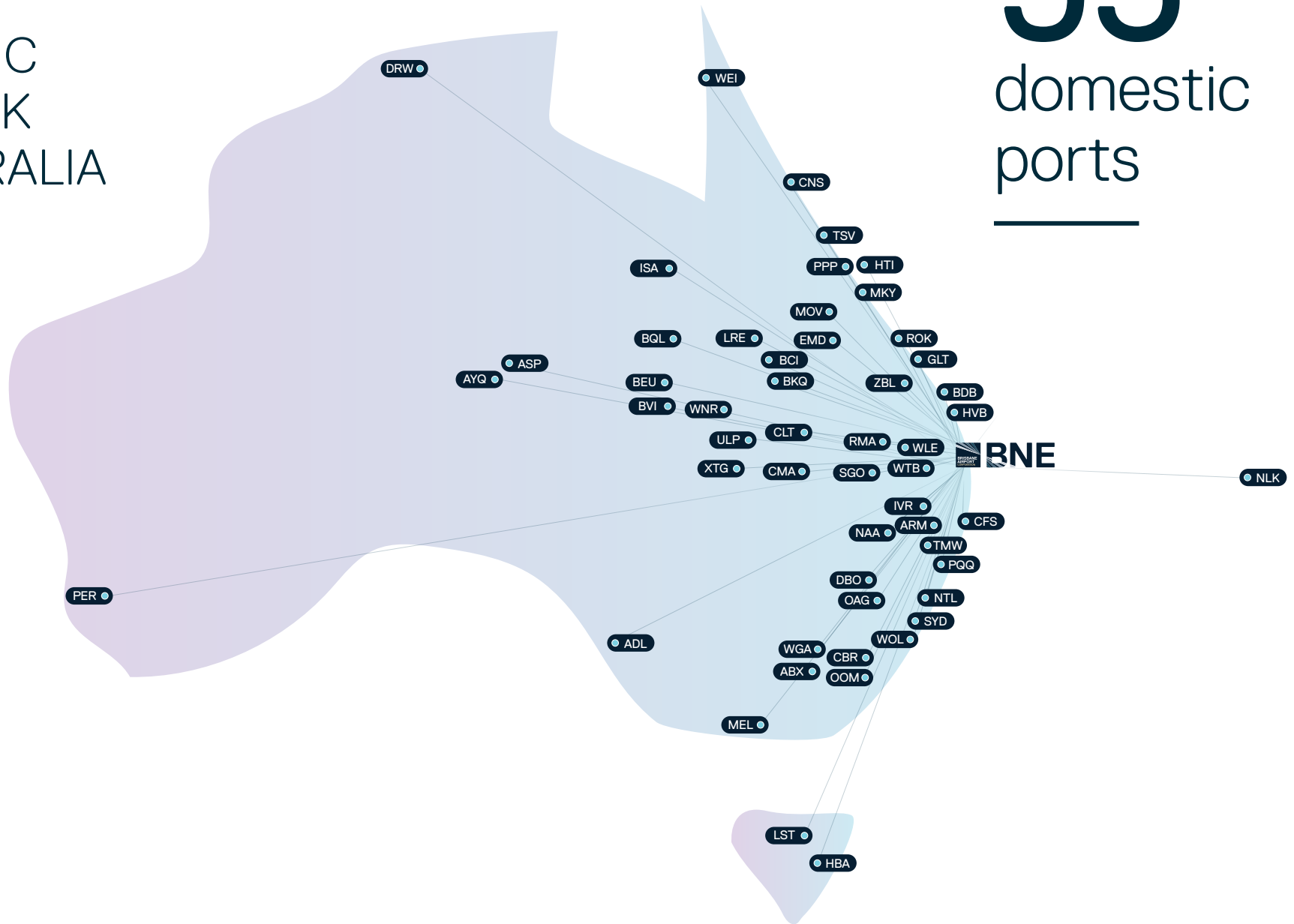
Customer Segment Spend Snapshot (outbound)

DTB ▾

	BUSINESS		LEISURE		
	Business Travellers	Solo Leisure & Learn	Group Escapes	Family Adventurers	Couples Getaways
Segment Size	27%	32%	13%	11%	23%
Total Average No. of people in segment	1	1	4	5	2
BNE In-Terminal Total Spend (Avg spend per segment, excl. parking)	\$29	\$32	\$26	\$18	\$19
Retail Spend (Avg spend per segment)	\$25	\$24	\$33	\$32	\$24
F&B Spend (Avg spend per segment)	\$20	\$18	\$27	\$33	\$23
Flights Per Year	17	8	4	9	6

2022 LARGEST DOMESTIC NETWORK IN AUSTRALIA

53 domestic ports



6. DOMESTIC TERMINAL REDEVELOPMENT

In 2016, BAC completed the first stage of the Domestic Terminal Retail Upgrade, with a \$15 million redevelopment of the Southern Terminal. This saw the introduction of 19 new retail concessions, including an upgraded Food and Beverage offer, with a number of brands opening their first stores in the Queensland or Australian market.

In January 2019, BAC assumed operational control across the entire Domestic Terminal building, allowing the commencement of Stage 2 of the retail redevelopment. The \$40 million project included an upgraded retail offer in the Northern and Central areas of the Terminal, delivering more than 50 new and refurbished stores.

In early 2023, BAC will commence the next iteration of the Food and Beverage evolution, with an upgrade to the Southern Terminal offering, including a new contemporary bar site.



7. SECURITY UPGRADE PROJECT

Due to Government initiatives to strengthen aviation, passenger and baggage security, the Security Upgrade Project works will be undertaken in the Domestic Terminal from January 2023 until December 2025.

Once complete, this project will give our passengers a more direct access through the Domestic Terminal, deliver improved amenity and design, whilst offering a streamlined, non-invasive screening process.

This upgrade will see changes to the Terminal configuration, including new entry points (including Level 2 Central) and the removal of the current Level 1 Virgin screening point. It will also see the reconfiguration of retail and commercial tenancies, as well as changes to retail mix, design and finishes of the Terminal.

These changes to the Terminal are likely to affect passenger flows and gate usage within the Terminal both during and after construction has finished.

While the upgrade works take place there is likely to be additional impacts to sight lines, customer amenity and Terminal infrastructure.

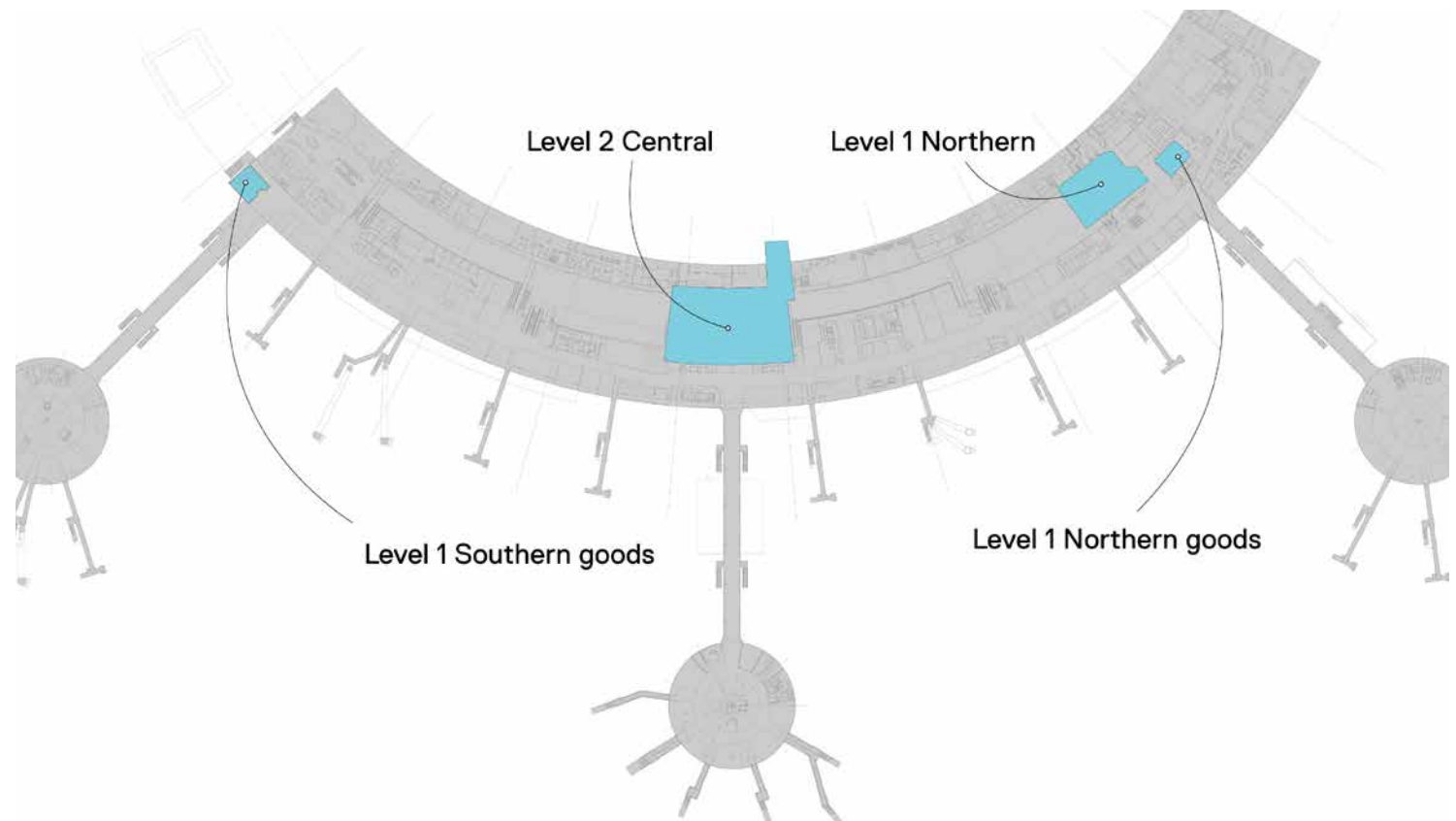
Level 2, Central Mezzanine Entrance



Skywalk Entrance



* Artists impressions are indicative only and subject to change without notice.





8. THE OPPORTUNITY

Domestic Terminal

As at November 2022, Food and Beverage sales across the Domestic Terminal are in excess of \$11,700 per m² (ex. GST) for cafe & restaurants (including seating) and \$36,700 per m² (ex. GST) for takeaway (exclusive of common area seating)⁽¹⁾. The PSR for Food and Beverage departing passengers in the Southern Terminal is currently \$9.35⁽¹⁾.

BAC is seeking premium retail partners for these prominent and iconic locations.

The successful retailers will be the best in their class and provide a high quality offering. The opportunities will be located in the Southern Terminal on Level 2 of the Departures area. These prominent locations will be complemented with a retail mix of

fashion, accessories and other specialty retail that opened as part of the Stage 2 redevelopment.

To review the Domestic Terminal Level 2 Retail Mix, inclusive of the Central and Northern Terminal retailers, please refer to **Attachment 2** on page 26.

¹. Sales as at 30 November 2022, excluding GST

SOUTHERN FOOD COURT

Level 2 Departures - Domestic Terminal

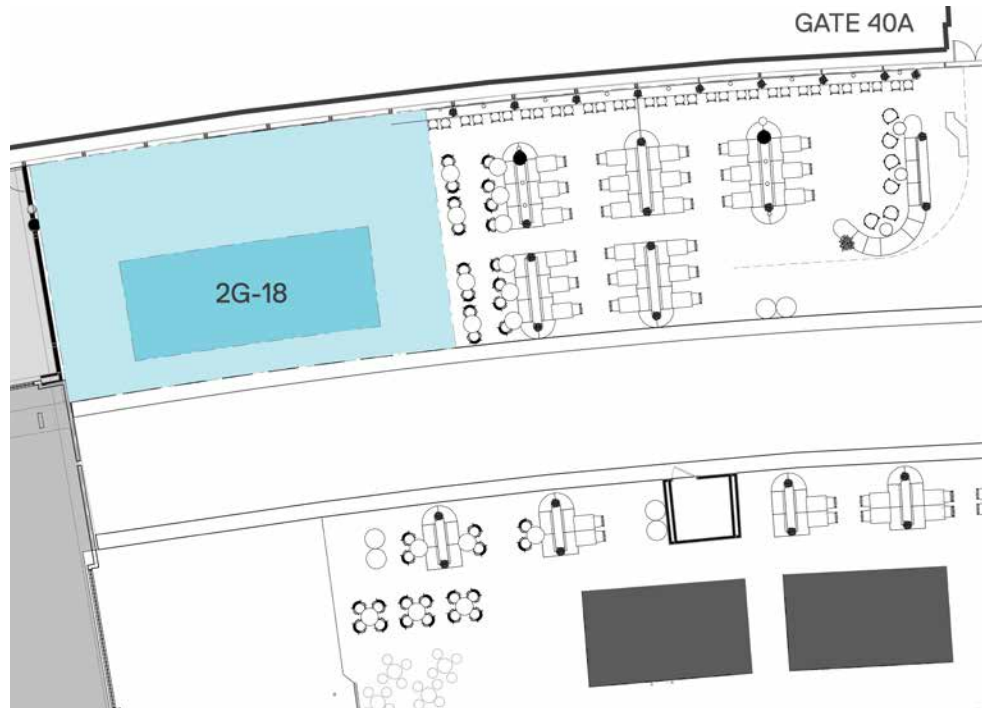
	Site No.	Size	Target Usage
Site*:	2G-16	30m ²	Healthy salads, sandwiches and wraps
	2G-15	24m ²	Juice / Bubble tea
	2H-19	24m ²	Patisseries and sweets
	2H-18	20m ²	Sushi / Kebabs
	2H-17	65m ²	Mexican / Asian
	2H-16	65m ²	Chicken
	2H-15	150m ²	Burgers

Location Description: Located in the Southern Terminal, opposite high volume Gates 40A, 40B and 41

Proposed Concept: Best in class quick service restaurant brands, catering for high volumes of passengers on their departing and returning journey to Brisbane.



* Proposed layouts are indicative and site areas estimated only. Artists impressions are indicative only and subject to change without notice.



ESPRESSO BAR

Level 2 Departures - Domestic Terminal

Site and area*: 2G-18 - Tenancy 40m², seating 110m²

Location Description: Located in the Southern Terminal, opposite the Food Court, next to high volume Gates 40A, 40B and 41.

Proposed Concept: **Café**

A premium quality, high-volume barista made espresso bar, serving a highly regarded Brisbane coffee bean. This will be accompanied by takeaway and some dine in meals, crafted from the best produce and suppliers South East Queensland (SEQ) has to offer. The cafe could be branded as a popular Brisbane coffee producer, or as a bespoke brand that honours the famously parochial Brisbane coffee culture. This will be the place to go for coffee in the Domestic Terminal – for passengers and staff alike.



* Proposed layouts are indicative and site areas estimated only. Artists impressions are indicative only and subject to change without notice.

CONTEMPORARY BAR

Level 2 Departures - Domestic Terminal

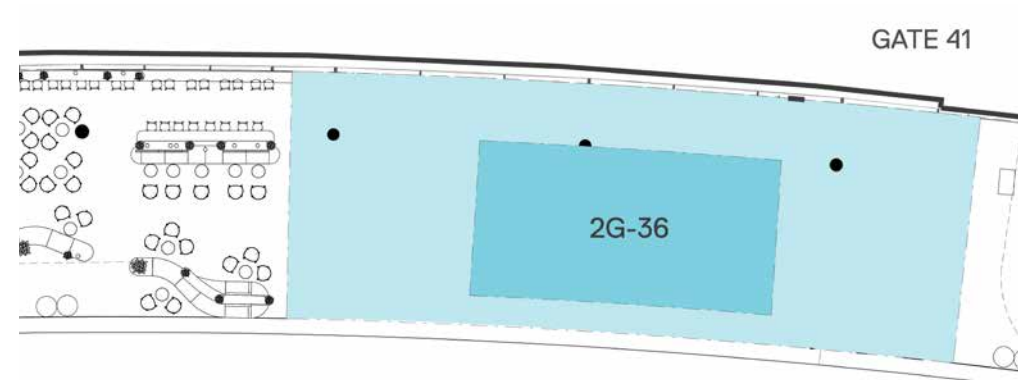
Site and area*: 2G-36 - Tenancy 70m², seating 180m²

Location Description: Located in the Southern Terminal, opposite the Food Court, next to high volume Gates 40A, 40B and 41.

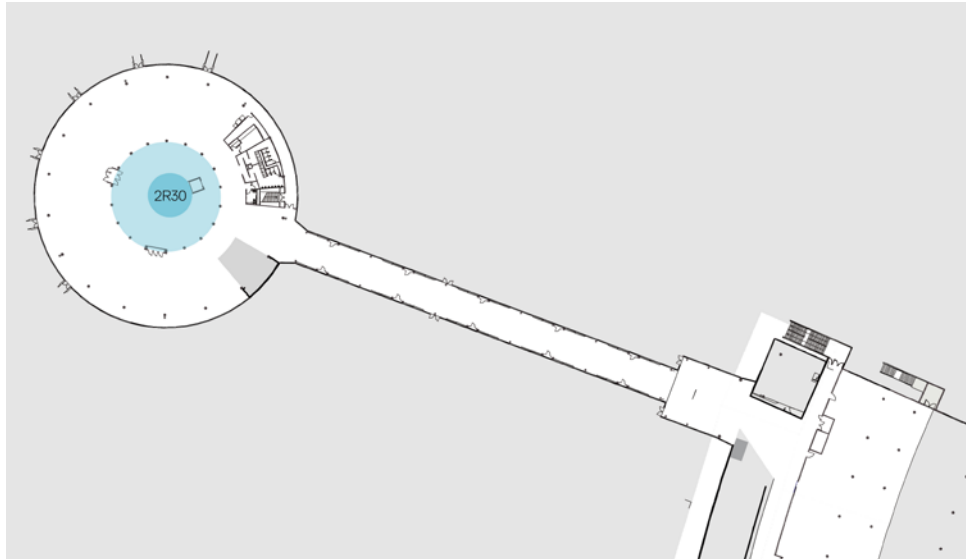
Proposed Concept: **Bar**

A contemporary, metropolitan bar that captures the essence of Brisbane's sophisticated and vibrant bar and casual fine dining scene. This is a marquee destination for the Domestic Terminal, and it is essential that this venue delivers a clear sense of place through intelligent design and a well-articulated theme. It should have a strong resonance to the Brisbane Food and Beverage market, but also be approachable for all passengers, regardless of origin or reason for travel. The bar will have a unique menu curated to deliver the best of SEQ, with cuisine that is elegant and highly distinctive within the Domestic Terminal. The winning operator will demonstrate the ability to deliver this every day for the entire term of the lease.

It is expected that the bar will cater to more than just the defined lease area, extending to all passengers within the gate lounge of the southern Terminal, with operators able to seamlessly deliver this service by utilising appropriate digital options. This venue will create excitement for our passengers and will be the place everyone wants to meet, eat, and drink when departing from the Brisbane Domestic Terminal.



* Proposed layouts are indicative and site areas estimated only. Artists impressions are indicative only and subject to change without notice.



SATELLITE RESTAURANT

Level 2 Departures - Satellite

Site and area*: 2R30 - Tenancy 110m², Seating 317m²

Location Description: Southern Terminal Satellite
(predominately servicing Virgin passengers).

Proposed Concept: **Restaurant**

An all-day dining offer that is bright, fresh, and caters to all markets. This venue will deliver a clearly defined 'Uniquely Brisbane' restaurant venue that captures our famous outdoor lifestyle, celebrating our gorgeous weather and character of the Sunshine State's Capital to 'keep the sunshine'. This restaurant will emulate a sunny afternoon on the back veranda. The successful concept will have a theme that captures these elements, primarily through a design that best integrates with the unique built form of this area. The menu will showcase the high quality and diverse range of SEQ's primary producers, boutique beer and spirits producers, with items that have or will become famous within the Brisbane and Airport food scene.



** Proposed layouts are indicative and site areas estimated only. Artists impressions are indicative only and subject to change without notice.*

9.

PARTNERSHIP OBJECTIVES

It is important that parties understand the necessary contribution of each other for the duration of our partnership. In this regard, BAC will be contributing and seeking the following:

BAC's Contribution

Within BAC, the Retail and Commercial team is responsible for the management of all aspects of retail and commercial within the Domestic Terminal. BAC is focused on:

- » The development and management of strategic partnerships with retailers, airlines and associated industry bodies;
- » Creating an environment that allows the retailer to focus on retailing, service delivery and customer service;
- » Developing a positive commercial culture that will allow for the introduction and implementation of innovation and new technology that will respond to changes as the market develops;
- » Working together to maximise sales and improve operational effectiveness and efficiency for the benefit of both parties;
- » Ensuring passengers pass through the airport as efficiently as possible and providing a strong value proposition for passengers; and
- » Developing marketing campaigns and activity to drive sales, increase awareness of the breadth of retail offerings and the ongoing maintenance of digital and print collateral for the retailers.

Retailer's Contribution

An experienced and knowledgeable retailer should:

- » Demonstrate its experience and capacity to address and fully capitalise on the opportunities offered;
- » Appreciate the importance of all segments of the existing and emerging passenger base in terms of potential customers;
- » Develop a product mix with appeal to all market and customer segments and the ability to adapt with the evolving passenger profile;
- » Develop initiatives and strategies that will boost penetration rates and average transaction values;
- » Develop marketing and promotional plans that reinforce Brisbane Airport as a premium location;
- » Consider innovative initiatives to expand the business base through new distribution channels;
- » Commit to regular focused market research and intelligence gathering;
- » Administer a staffing policy that ensures a knowledgeable, motivated and incentivised workforce that will deliver exemplary customer service;
- » Demonstrate continuous focus on product and merchandise innovation and service development; and
- » Provide choice, value and excellent customer service.



10.

RFP SUBMISSION REQUIREMENTS

Listed below is a guide to the information required to be included in the Proposal. **The General Terms and Conditions for this Request for Proposal are outlined in Attachment 3.**

Signed Proposal Form

The Retailer is requested to complete and sign the **Proposal Form contained within Attachment 1.**

Rent and Sales Schedule

The rental structure required is a Turnover Rent which incorporates a Minimum Guaranteed Rent. Please complete the Rent and Sales Schedule contained within the Proposal Form.

Permitted Use and Brand

The proposed permitted usages are outlined in The Opportunity section of this RFP. Please provide a visual sample of the proposed products that forms part of the Permitted Use. A conforming Proposal will be based on this prescribed usage.

Proposed Tenancy Design

As part of its Proposal the Retailer will need to submit:

- » Concept mood board - Your bespoke 'big idea' to align with the BAC Vision
- » 3D visuals (which exhibit proposed shopfront designs, wall treatments, signage and graphics)
- » Planogram + Preliminary Floor Plan
- » Proposed finishes board - digital format
- » Initial capital expenditure

The tenant concept should aim to achieve an engaging, and functioning environment that reflects the brands personality, creates the retail experience and connects with customers, whilst aligning with the **Retail Design Guidelines (provided as an attachment) and Tenancy Fitout Guide (available upon request).**

BAC requests the Tenant appoint an experienced and reputable Retail Designer. This will be very important to achieving a successful final fitout result. A competent professional Retail Designer will be key to creating an engaging, efficient and functioning environment that reflects your brand personality, creates the retail experience and draws in the customer. They will also be able to assist you with the design and delivery throughout the process.

Other documents available on request:

- » Lease Plans¹
- » Retail Tenancy Design Guidelines
- » Tenancy Fitout Guide
- » How to Guide: Uploading documents to Sharepoint

¹Subject to survey



11.

SELECTION CRITERIA

Proposals will be assessed by reference to the criteria listed below. The criteria are not necessarily listed in order of importance or priority. Retailers should ensure that they address all of the criteria in their submissions.

- » Alignment with BAC's concept and vision and how the proposal will deliver a unique personality to the mix at the DTB, and critically how this will be differentiated from the existing offers;
 - » The proposed Business Plan including management structure, previous experience, capabilities to deliver and a marketing plan for the first 12 months. This should include projected sales, a demonstrated strategy, and the ability to deliver exceptional levels of customer service. The Business Plan must remain true to the proposed concept and theme for the entire term of the lease;
 - » A clear outline of how the proposed concept and operations will help BAC achieve its Sustainability targets;
 - » Capacity to deliver the proposed concept within BAC's proposed timeframes;
 - » Total consideration offered (based on minimum guaranteed rent and percentage rent) with a particular focus on the minimum guaranteed rent;
- » Retailers should provide any additional information and material they consider relevant in supporting their submission, or any other information they wish to have considered.



12.

KEY COMMERCIAL TERMS

Lease Term

Seven (7) years.

Annual Reviews

The Minimum Annual Guaranteed Rent will increase by 5% on each anniversary of the commencement date during the Lease term and any holdover periods.

Fitout Period

42 days from the handover date for restaurants and inline stores. 30 days for kiosks.

Lease Commencement Date

The Lease Commencement Date will be the earlier of:

- » The end of the Fit Out Period;
- » The date the Tenant commences trading with BAC's approval

Rent Commencement Date

The rent will commence from the Lease Commencement Date.

Gross Rent and Other Payments

Tenants should note that the Rental amounts nominated are inclusive of Outgoings i.e. the rent is a Gross Rent.

Any costs associated with the connection and consumption of utilities such as electricity, water and telecommunications services will be the responsibility of the Tenant. The Tenant is responsible for its own insurance, internal cleaning, internal pest control, security and any expenses due solely to the Tenant's use of the premises.

The Tenant is also responsible, at its cost, for the repair, service and maintenance of any equipment on the Premises in accordance with Australian standards, whether installed by BAC, the Tenant or existing in the Premises prior to the Handover Date, that are available for the exclusive use of the Tenant in the Premises.

Handover Date and Landlord Works

Prior to the proposed handover date and consistent with the Key Dates outlined above, the successful Retailer will be expected to have their concept designs, lease agreements and any related documents signed off and approved in preparation for fit out works to immediately commence.

The Premises will be handed over as a bare shell with base build services to open plan with power and data to specifications at a BAC nominated point.

Tenancy Plans and the Tenancy Fitout Guide can be supplied upon request.



Key Commercial Terms (continued)

Promotion Fund

The focus of the BAC Retail Promotion Fund is on supporting retailers via various market and promotional activities. The Retailer will be required to contribute an amount that is equal to 5% of the Minimum Annual Guaranteed (MAG) rent to this promotion fund during each year of the lease term.

Opening Promotion Levy

The Tenant is obliged to contribute an Opening Promotion Levy in the amount of \$2,000.00 plus GST per tenancy prior to the commencement of trade.

Hoarding, Tenancy Design, and Tenancy Coordination Fees

The Tenant will be required to reimburse BAC for the reasonable costs associated with the review of the proposed retail fit out (tenancy design), and tenancy coordination fees estimated to be \$5,000 (plus GST) per tenancy for tenancies less than 400sqm.

Hoarding fees will be charged at \$302.50 per lineal metre (subject to change).

Bank Guarantee

The Tenant must provide an irrevocable Bank Guarantee to the equivalent amount of 3 months' Base Rent and Promotion Fund contribution (including GST) for the term.

The Bank Guarantee must:

- » be in favour of BAC;
- » be capable of being assigned by BAC;
- » not have a termination date;
- » relate to the performance of the Tenant's obligations under the Lease by bearing the words "security for the performance by the Tenant of all its obligations under a lease of the premises, and any associated licence or agreement";
- » be provided to our solicitors or other agent prior to the date the Premises are handed over to the Tenant for fit out purposes.

Core Trading Hours

Airside Tenancies

The period from Opening Time to Closing Time, 7 days a week is:

- » Opening Time: 60 minutes before the scheduled time of departure of the first flight of the day;
- » Closing Time: 15 minutes after the actual time of departure of the last flight for the day.

BAC may from time to time acting reasonably specify the hours and days on which the Tenant must keep the Business open for trade. Access to current flight schedules is available at www.bne.com.au.

Insurances

The Tenant must effect and keep current the following insurances:

- » Products and public liability insurance for not less than \$20,000,000.00. Please note that BAC is to hold a current copy of the Tenant's insurance certificate for its products and public liability policy at all times;
- » Property insurance in respect of all fixtures and fittings;
- » Other insurances required by law or that a prudent Tenant would effect; and
- » Contract works insurance if construction works are carried out by the Tenant.

These policies of insurance must meet BAC's requirements as set out in the Lease Documentation. The insurances must be effected prior to the handover date and commencement of trade (as applicable).

Storage

The Tenant acknowledges and notes that any storage or office space made available will attract an additional fee. It is suggested that retailers advise BAC of their storage requirements as part of their Proposal.



ATTACHMENT 1

Proposal Form

Request for Proposal No 22_01

Request for Proposal: Brisbane Airport Domestic Terminal Food and Beverage

Delivery: Attn: Jay Boughton

Return via Sharepoint. A unique URL to your Sharepoint folder will be provided to you. If you are having any issues or have questions about using Sharepoint please contact annabel.bachmann@bne.com.au

Name of Retailer: _____ ACN _____

Address of Retailer:

Contact Details: Attention: _____

Phone: _____

Email: _____

The above named Retailer submits its Proposal for the lease of _____ Specialty Retail Concession at Brisbane Domestic Terminal.

The Proposal comprises:

- » this Proposal Form for the tenancy including the Rent and Sales Schedule; and
- » other information as requested by BAC acting reasonably.

This Proposal has been prepared and is submitted in accordance with the RFP Document. By submitting this Proposal, the Retailer agrees to be bound by the terms and conditions set out in the RFP Document (including, without limitation, the provisions of Attachment 3 General Terms and Conditions).

Dated: _____ Signed: _____

Who certifies that he/she/they are duly authorised to submit this Proposal and bind the Retailer in accordance with its terms.

RFP Rent and Sales Schedule

Assumptions	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Sales Forecast							
Guaranteed Base Rent							
Turnover Rent							
Total Rent Payable							
Annual Guaranteed Base Rent Increase							

The rent must consist of:

- » a minimum Guaranteed Base Rent which must not be less than 90% of forecast Total Rent Payable in year one.
- » The minimum Guaranteed Rent will be increased each year by 5%.
- » A Turnover Rent is only payable once it exceeds the Guaranteed Base Rent and may be charged monthly. The Turnover Rent may include varying Percentage Rent thresholds (up to a maximum of 3) as outlined below. The Total Turnover Rent should be detailed in the Proposal.

Example of multiple turnover thresholds

X% of Annual Sales up to \$XXX,XXX

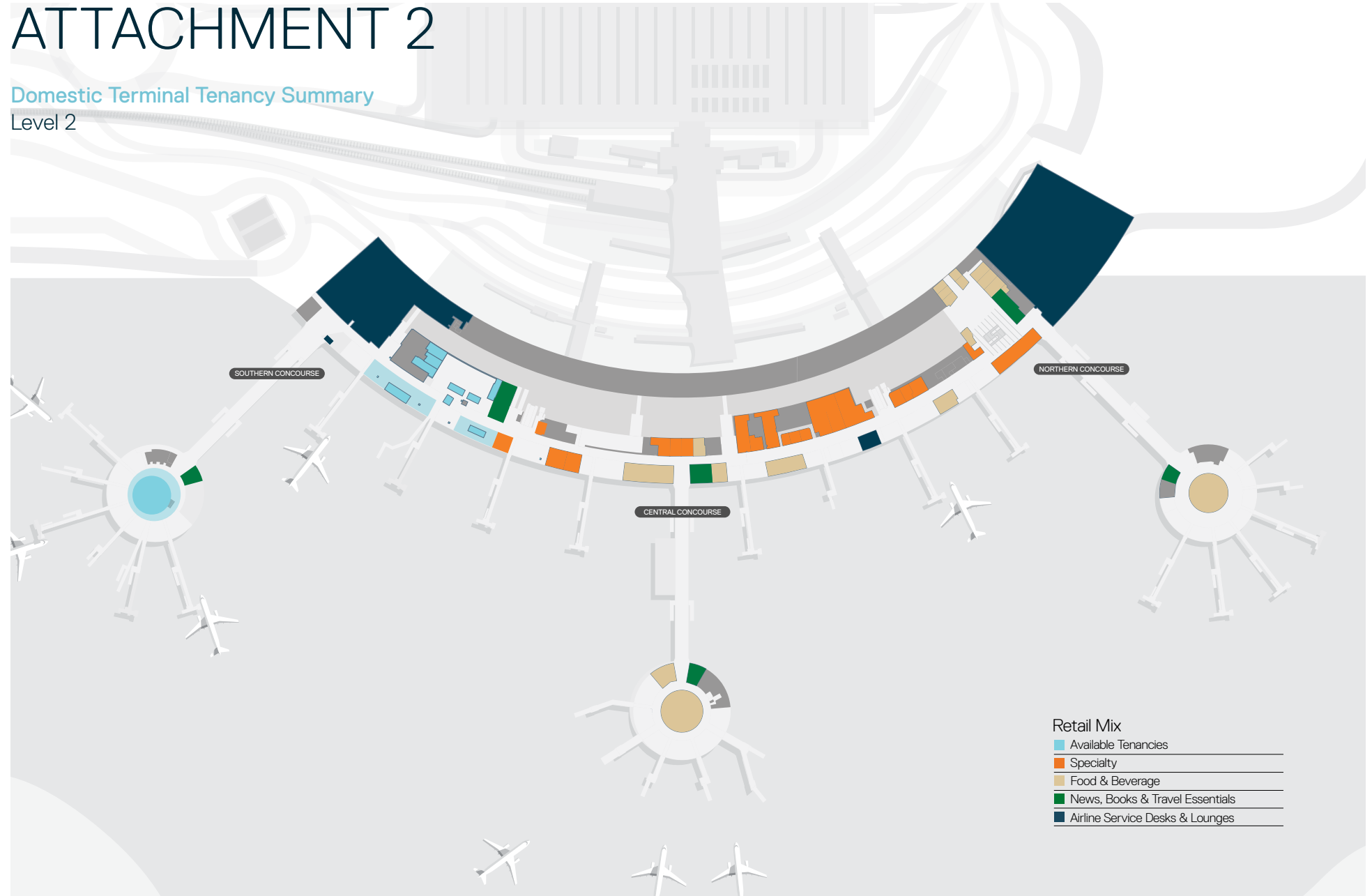
Y% of Annual Sales from \$XXX,XXX to \$YYY,YYY

Z% of Annual Sales above \$YYY,YYY.

ATTACHMENT 2

Domestic Terminal Tenancy Summary

Level 2



ATTACHMENT 3

General Terms and Conditions

1 Lodgement

The Retailer must lodge one electronic copy of its Proposal in PDF format and one electronic copy of the Rent and Sales Schedule in an unlocked original file format. The Proposal is to be uploaded to the Sharepoint folder specified in the contact details of Attachment 1 by 4pm AEST on Tuesday 28th of February 2023.

2 Extension of Lodgement Closing Time

BAC may, in its absolute discretion, at any time extend the Lodgement Closing Time.

3 Late lodgement

Proposals lodged or delivered after the Lodgement Closing Time or other than in accordance with this RFP (including this Attachment) may be admitted to the evaluation process or excluded at the absolute discretion of BAC, and BAC is not required to give any reason for its decision to admit or not admit the Proposal to the evaluation process.

4 Retailers assume risk

Retailers assume the risk that their Proposal may not be received by BAC. BAC will endeavour to acknowledge receipt of the Proposal within 24 hours of receipt.

5 Contents of Proposal

The Retailer must include in its Proposal all the information as outlined in 'RFP Requirements' section of this RFP. The Proposal Form including the Rent and Sales Schedule in Attachment 1 of this RFP must be completed. The Proposal must clearly state any assumptions or reservations made by the Retailer in preparing its Proposal (if these matters are not dealt with by this RFP).

6 Execution of Proposal

Retailers must ensure that the Proposal Form is properly executed by an authorised representative of the Retailer submitting the Proposal.

7 Addenda to RFP

BAC may, in its absolute discretion, issue addenda to this RFP prior to the Lodgement Closing Time to clarify or effect modifications to the RFP documents. Every addendum issued will be distributed to all Retailers and will, upon issue, form part of this RFP.

8 Evaluation Process

BAC reserves the right to set evaluation criteria, set priorities and weight its evaluation criteria or vary those priorities or weightings at its absolute discretion. Such priorities and weightings will remain confidential to BAC, and will not be disclosed to Retailers.

9 No Commitment

BAC is not committed contractually, or in any other way, to any Retailer responding to this RFP. The issue of this RFP does not commit or otherwise oblige BAC to proceed with the selection process for the appointment of a Retailer to operate the Food and Beverage concession. No agreement is deemed to be entered into with a successful Retailer until such time as BAC and the successful Retailer execute a legally binding agreement in a form acceptable to BAC in its absolute discretion.

10 Reliance

By submitting its Proposal, each Retailer acknowledges that BAC will be relying on all of the information contained, and all of the representations made, in its Proposal and any subsequent clarifications, whether written, verbal or both, of that Proposal for the purposes of evaluating the Proposal.

The Retailer must advise BAC in writing as soon as is practicable if it becomes aware that any of the information supplied by it, or any statement made by it, in its Proposal or in connection with this RFP process, is or becomes incorrect, inaccurate or potentially misleading.

11 Conforming and Alternate Proposals

The Retailer is required to submit a conforming Proposal that addresses the requirements outlined in the 'RFP Requirements' section of this RFP. Retailers may however, also submit alternative Proposals that are innovative, provide improved revenue and sales opportunities and satisfy BAC requirements and current contract restrictions.

12 BAC's rights and discretions

Without limiting its rights at law or otherwise, BAC reserves the right in its absolute discretion and at any time to:

- » suspend, withdraw, cancel or abandon this RFP process;
- » change the structure or timing of this RFP process;
- » vary, cancel or amend the information, terms, procedures or processes set out in this RFP;
- » refuse to consider or accept any Proposal or to shortlist any Proposal received;
- » exclude a Retailer from participating in the RFP process (and in doing so BAC is not required to provide any reasons or comments or notification to the Retailer that they are excluded);

- » recommence or re-invite Proposals with all or any of the Retailers who have submitted a Proposal, or any other person (whether or not they submitted a Proposal);
- » at any time, accept an amended or updated Proposal;
- » make changes to the proposed redevelopment plans and the retail mix;
- » make appropriate applications to effect alterations, changes or redevelopments to part or parts of the Airport and/or surrounding roads.

BAC is not obliged to attribute or provide any reasons for any actions or decisions taken arising out of or in respect of the RFP process including in respect of the exercise of any or all of the above mentioned rights and discretions.

General Terms and Conditions (Continued)

13 Investigations and acknowledgements

Every Proposal is made on the basis that the Retailer acknowledges that:

- » it has examined and acquired actual knowledge of the contents of the documents forming this RFP and any other information made available in writing by BAC to the Retailer;
- » it has sought and examined all necessary information which is obtainable by making reasonable enquiries relevant to the risks, contingencies and other circumstances having an effect on its Proposal;
- » it is relying entirely on its own enquiries in preparing and lodging the Proposal;
- » it has obtained its own financial, taxation and legal advice in relation to the proposed rental schedule;
- » it has satisfied itself as to the correctness and sufficiency of its Proposal;
- » it has examined:
 - all legislative requirements relevant to any part of the proposed Food and Beverage concession;
 - all agreements, arrangements or understandings entered into or proposed between BAC and others (including all relevant

aviation authorities) which may restrict or inhibit the execution of any part of the specialty retail concession or which may impose any obligation on BAC or may directly or indirectly have that effect;

- » the proposed Domestic Terminal Redevelopment is likely to cause some disturbance to Retailers, for example from noise and dust emanating from the construction works, temporary impact to sight lines and pedestrian traffic passing;
- » BAC's primary business is the operation of an Airport Terminal and as such many projects can occur during the term of a lease that may impact retail mix, employees, customer numbers, passenger flows, Terminal configurations, existing buildings and businesses in order to meet the highly variable demands of the air transport industry as a whole. These activities may affect the operation of a retail business during the lease term.

14 BAC Information

BAC does not in any way warrant or represent that any information, documents or other material ("**Material**") supplied to a Retailer by this RFP or otherwise in connection with its Proposal (including in writing or orally and either before or after it submits its Proposal) is accurate, complete or relevant. A Retailer is

not entitled to rely on the accuracy, completeness or relevance of any material supplied by BAC and must make its own enquiries and satisfy itself about all issues in connection with its Proposal and its ability to operate the proposed opportunity.

BAC is not liable for and the Retailer releases and holds BAC harmless from any liability, cost, expense, loss or damage:

- » arising from any claim, suit, demand, proceeding or action which the Retailer has or may have had against BAC in respect of any matter disclosed or representation or warranty made to the Retailer by BAC with respect to the RFP: or the Material;
- » which a Retailer incurs or becomes liable for in relation to or in connection with the preparation of a Proposal, subsequent clarifications to a Proposal, lodgement of a Proposal (whether or not that Proposal is required by BAC), or any other part of the RFP process; and
- » which a Retailer incurs or becomes liable for because BAC exercises any discretion under this RFP or because BAC does not accept the Retailer's Proposal.

The Retailer acknowledges and agrees that it participates in this RFP at its own risk.

15 Intellectual Rights

The Retailer agrees that upon submission of its Proposal and any other documents or information at any time required by BAC, the Retailer:

- » assigns from that date all ownership and intellectual property rights in relation to the material submitted; and
- » permits and authorises BAC to use and adapt all ideas, concepts, plans and designs contained in the material.

The Retailer warrants that it has the full right and ability to make the assignment and grant of the right to use as set out in this clause. Such intellectual property rights as may exist in information contained in this RFP or any related material will remain the property of BAC, but the Retailer is permitted to use that information and material for the purpose only of compiling its Proposal.

16 Confidentiality

Retailers must keep confidential and not:

- » disclose to any person; or
- » copy, use or otherwise deal with for any purpose,
- » any information contained in this RFP or any information regarding the RFP process, the Food and Beverage concession, or BAC (including its business and activities)

which comes to it through this RFP or the RFP Process except to the extent that:

- a Retailer is specifically authorised in writing by BAC; or
- the information is necessarily disclosed to and used by others (who are also bound to keep the information confidential) for the purposes of enabling a Retailer to prepare its Proposal.

Retailers should state in their Proposal whether they claim confidentiality in respect to any ideas tabled in their Proposal by identifying that part of its Proposal in which the Retailer claims confidentiality and the reason for making such claim.

General Terms and Conditions (Continued)

17 Privacy Act compliance

In relation to any 'personal information' as defined in the *Privacy Act 1988* (Cth) (**Privacy Act**) provided by a Retailer in connection with its Proposal, the Retailer warrants to BAC that:

- » the Retailer has obtained the consent of each individual about which any 'sensitive information' (as defined in the Privacy Act) is provided;
- » the Retailer has ensured or will ensure, within the time required by the Privacy Act, that each individual about whom any personal information is provided has received a written statement setting out all of the matters required by Australian Privacy Principle 5:
 - in relation to the disclosure of the personal information to BAC, any related body corporate of BAC and any of their advisers, agents or employees requiring the information for the purposes set out below; and - disclosing that the entities referred to above must use the personal information for the purpose of reviewing and assessing the Retailer's Proposal; and
- » the Retailer will comply with the provisions of the Privacy Act in relation to any personal information provided to the Retailer by BAC, any related body corporate of BAC and any of their advisers, agents or employees.

18 Discretions of BAC

In addition to any other remedies available under any law or any contract, BAC reserves the right (in its sole and absolute discretion) to immediately reject any Proposal lodged by a Retailer that engages or has engaged in, or BAC acting reasonably suspects to have engaged in, any collusive behaviour, anti-competitive conduct or any other similar conduct with any other Retailer or any other person in relation to the preparation or lodgement of its Proposal.

19 Prices inclusive of GST

All financial figures quoted by the Retailer must identify any GST payable and whether the amount is inclusive or exclusive of GST. If the GST position is not identified, it will be taken that the amount specified is exclusive of GST. Proposals must also indicate the total amount of GST (if any) identified in each price quoted.

20 Australian dollars

All financial information must be provided in Australian dollars.

21 Applicable law

The law applying in Queensland applies to this RFP and the RFP process. Each Retailer must comply with all relevant laws in preparing its Proposal and taking part in this RFP process.



For further information please contact:
Jay Boughton

Commercial Manager - Leasing & Developments
Brisbane Airport Corporation

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