

SYD



Sustainability Report 2020

From the
ground up

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About this report

This 2020 Sustainability Report covers the year 1 January 2020 to 31 December 2020. All financial values are in Australian dollars. This report is prepared in accordance with the Global Reporting Initiative Standards: Core option and the Sustainability Accounting Standards Board (SASB) Standards. The Management Approach for each of our material issues can be found at www.sydneyairport.com.au/corporate/sustainability. The UN Sustainable Development Goals guide our reporting of relevant global issues. Due to the business challenges associated with the COVID-19 pandemic, a small number of our sustainability commitments and performance have been impacted and this is discussed throughout the report and indicated in data points. KPMG has provided limited assurance over selected data sets within our 2020 Sustainability Report (see Limited Assurance Statement). We welcome feedback on our sustainability reporting and performance. Please email us at sustainability@syd.com.au.



Chair and CEO message

Staying the course

From left to right: Geoff Culbert (CEO) and Trevor Gerber (Chairman)

In a year like 2020, when everything you know about your business is challenged, you are forced to reassess your priorities. As we worked our way through the year there were many things we had to change, and many tough decisions we had to make. At the same time, you get an opportunity to truly assess what you stand for. Some things are so core to your values that you stay the course irrespective of the challenges of the external environment. Despite a summer of devastating bushfires, followed by the COVID-19 global health crisis, we maintained a steadfast focus on keeping the airport open, our people and passengers safe, and serving our community.

Importantly, whilst every aspect of our business and operations were disrupted over the year, our commitment to the long-term sustainability of our business remained unchanged. As a result we are pleased to report that we continued to improve our sustainability performance in a number of key areas outlined below.

Over the year our leadership in sustainability was recognised by global ratings agencies. We ranked 3rd globally in Sustainability's Airports sub-industry sector, as sector leaders in S&P Global's Sustainability Yearbook 2021 and were rated 'AAA' by MSCI.

Our leadership in sustainable finance also continued when we issued a world-leading \$600 million Sustainability Linked Bond in February 2020. Building on our market-leading Sustainability Linked Loan issued in 2019, this bond issuance was the first of its kind in the US private placement and global bond markets. These financial initiatives underpin our drive to improve our sustainability performance.

This year also reinforced the importance of strong relationships with our many and varied stakeholders. We have worked closely with governments, airlines, our commercial partners and the community to navigate the challenges presented by the COVID-19 pandemic and are on a path to come out the other side stronger for it.

Responsible business

From late January 2020 our priority became ensuring a COVID-safe environment for our people and passengers to minimise the risk of community transmission of COVID-19. New procedures were introduced and our teams worked closely with government agencies to agree constantly adjusted protocols for the safe passage of arriving, transiting and departing passengers.

Given the duress the business and our people have been under we expanded our focus on mental health

and wellbeing. More than 1,000 hours in new mental health training were delivered, including our first volunteers being trained in Mental Health First Aid. We also introduced three new days of wellbeing leave for our people in 2021, and our Flex@SYD policy was updated to support a positive work life balance and improve the productivity of our teams.

We continued to build our safety culture this year, exceeding the target for safety walks and continuing to strengthen safety governance. The number of injuries across our workforce also reduced by 43 per cent.

For the first time ever we achieved 50:50 male:female representation on our executive team, and our gender pay equity ratio improved to 99.8 per cent.

Our commitment to our people during this time was reflected in an improved employee engagement score of 80 per cent, up 14 per cent on the 2019 result.

We also updated a number of important policies this year including our Code of Conduct and Human Rights policy and introduced a new Fraud and Corruption Control policy. Sustainability requirements under our Supplier Code of Conduct were strengthened, and we developed our first Modern Slavery Statement under the new Federal Modern Slavery Act, which can be found on our website.



Planning for the future

Our commitment to tackling climate change remains strong. This year, we deepened our scenario analysis, and a stand-alone report against the framework of the Taskforce for Climate-related Financial Disclosures (TCFD) is available on our website.

The use of sustainable aviation fuel, or SAF, is widely recognised as the greatest contributor to the decarbonisation of aviation. With the Joint Fuel Infrastructure (JFI) at the airport returning to our control, we are now positioned to drive the use of SAF at Sydney Airport, while developing an open access fuel regime for the first time since privatisation.

We began resurfacing works on our runways this year, a project that only happens every eight to ten years. We made sure the existing pavement material was put to good use with more than 24,700 tonnes recycled for reuse during the year.

New Sustainable Design Guidelines were developed this year, which set requirements that are designed to improve our sustainability performance and the long-term resilience of our assets to the impacts of climate change.

We continued to optimise our airfield with the Northern Ponds development converting existing layover bays to active bays fitted with ground power and preconditioned air. Importantly, this means aircraft at these bays can switch off their auxiliary power units and plug in to this infrastructure, reducing emissions and ground-based noise.

Supporting our communities

While financial contributions in our community investment program were down this year given the impact of COVID-19, our people volunteered more time than ever before. From collecting donations for bushfire-affected communities to mentoring young people and donating their skills to charitable organisations, our people made significant and selfless contributions to the community.

The first-ever SYD Scholarship was awarded in 2020, supporting the next generation of industry professionals and we continued to build relationships with local indigenous groups, working together to raise the airport community's awareness of local indigenous history and to deliver the objectives in our Reconciliation Action Plan.

Looking forward

The challenges of 2020 have only reinforced our commitment to sustainability and we recognise the role strong sustainability performance plays in long term company value. We will continue to invest in understanding and building resilience across all aspects of our business to meet any challenges the future may bring.

The COVID-19 pandemic has taught us the importance of Sydney Airport remaining a strong and sustainable business, one that is committed to providing a safe and reliable aviation gateway to the people of NSW, Australia and beyond.

Trevor Gerber
Chairman

Geoff Culbert
Chief Executive Officer

Performance highlights

We continued to improve our sustainability performance in key areas in 2020 and were proud to issue the first Sustainability Linked Bond in the US private placement market during the year.

Safety

43%

reduction in injuries across our workforce

736

safety walks completed

>1,000hrs

of mental health training

Our people and the community

>1,980hrs

volunteering in the community

Gender pay equity ratio¹

99.8%

↑ from 95.9
in 2019

Employee engagement

80%

↑ from 70%
in 2019

Environment

75,854 tCO₂e

Scope 1 & 2 emissions

↓ from 83,620 tCO₂e
in 2019²

44.7%

waste recycling rate

↑ from 43.4%
in 2019² (excluding quarantine waste)

Level 3

maintained 'optimisation'
Airport Carbon Accreditation

1. Employee fixed annual remuneration paid to men and women in management roles vs non-management roles

2. Environmental data has transitioned to calendar year reporting from 2020, and includes T3. 2019 environmental data is reported for the period 1 July 2018 to 30 June 2019.

Benchmark and ratings performance

We benchmark our progress against a number of leading sustainability ratings and frameworks to drive better performance in environmental, social and governance issues. In 2020, we continued to be included in a number of leading sustainability indices.

Ratings and indices¹



Dow Jones
Sustainability Indexes

Ranked in the 94th
percentile globally in SAM's
CSA² in the Transport
and Transportation
Infrastructure sector and
included in Dow Jones'
World, Asia Pacific and
Australia Sustainability
Indices



Rated 'Prime'
in the Transportation
Infrastructure Industry
group



SUSTAINALYTICS

Ranked 3rd
globally in the Airports sub
industry sector and 1st in
our peer group



Maintained Level 3
'Optimisation' Airport
Carbon Accreditation

MSCI
ESG RATINGS

CCC B BB BBB A AA AAA

'AAA' rating

Ranked in the top nine per
cent of companies globally
within the infrastructure
sector



4★
for Master Plan 2039, the
first for an airport



FTSE4Good

**Index Series
Membership**

reflecting our strong ESG
management practices

ACSI

'Leading' rating
for our Sustainability
Report by the Australian
Council of Superannuation
Investors

Frameworks

GRI

This report is
prepared in
accordance with the
Global Reporting
Initiative Standards:
Core option



2020 is Sydney
Airport's first year
reporting against
the standards of
the Sustainability
Accounting
Standards Board

TCFD

Supporter of the
Task Force on
Climate-related
Financial Disclosures
and committed to
disclosure under its
reporting framework



Participant in the
United Nations
Global Compact
and commitment to
implementing its ten
principles



Track and measure
community
investments in line
with the framework
developed by
Business for Social
Impact³

1. As at February 2021
2. Corporate Sustainability Assessment
3. Formerly London Benchmarking Group

Our approach to sustainability

We recognise the important role our airport can play in addressing sustainability challenges in our sector now and into the future. Despite the impacts of COVID-19, our commitment to sustainability remains unchanged.

Our sustainability strategy responds to a changing world and to the challenges and opportunities that will shape our business. This report provides a clear account of our performance under the three strategic themes: Responsible Business, Planning for the Future and Supporting our Communities. Our three-year sustainability commitments drive our focus on our material issues.

As our industry emerges from the COVID-19 crisis, we are working with our stakeholders to drive towards a sustainable recovery.

We continued to participate in global, national and local industry forums to share and stay across best practice sustainability initiatives.

The Board's Safety, Security and Sustainability Committee is responsible for monitoring the effectiveness of our sustainability strategy. It assists the Board in overseeing sustainability performance. Our Sustainability Working Group and Champions support the delivery of our sustainability commitments and help build our airport sustainability community.

We continued our sustainable finance journey in 2020, issuing the first Sustainability Linked Bond in the US private placement and global bond markets in February. This follows our \$1.4 billion Sustainability Linked Loan in 2019, which established a direct two-way link between our sustainability performance and funding costs.

Contributing to the United Nations Sustainable Development Goals

The United Nations Sustainable Development Goals (UN SDGs) seek to address the most significant challenges our world is facing today.

We have mapped the UN SDG framework against our sustainability strategy to understand the role we play in addressing these challenges. Sydney Airport directly contributes to the achievement of ten UN SDGs, and indirectly contributes to five. Details on what this means in the context of our airport is referenced throughout this report and available on our website.

Sydney Airport became a signatory to the United Nations Global Compact in 2017 and is pleased to reaffirm its commitment to this initiative and its principles.

To read more about how our sustainability strategy supports the UN SDGs, visit our website.

SUSTAINABLE DEVELOPMENT GOALS

Values

Sydney Airport launched its refreshed values in 2020 which underpin our purpose – to make Sydney proud every day – and represent the behaviours that shape how we work.



Always do the right thing

Integrity and honesty are at the heart of everything we say and do



Have each other's back

Working at SYD is a team effort. We care. We keep each other safe and well



Do what you say

We challenge respectfully then collaborate to get to 'yes'. We commit and deliver



Think like our customers

We walk in their shoes and always strive to improve

Global trends

We are a truly global business that continually looks beyond our borders to understand emerging trends and changing expectations. This helps us to better meet the needs of our stakeholders.

Steady recovery

Past world events that disrupted air travel, such as the SARS outbreak and 9/11, saw the industry rebound quickly.

The impacts of the COVID-19 pandemic on the sector are likely to be felt for years to come, with recovery coming at a slower, steadier pace as countries around the world respond to the pandemic and international and domestic travel opens again.

This disruption has led many to ask how the world can build a stronger, more resilient global economy. Sustainable tourism is set to become the new norm, with sustainable air travel playing an important role. With governments around the world driving towards a net zero future, action on climate is also a central pillar to a sustainable recovery.

Action on climate change

Global leaders agree that action must be taken between 2020 and 2030 to reduce greenhouse gas emissions and slow global warming.

Collaboration across the aviation industry is key to addressing the sector's contribution to climate change. Taking action to reduce emissions is essential as expectations on our industry grow and influence the decisions taken by passengers to travel.

From innovations in next generation aircraft design, to developments in sustainable aviation fuel (SAF) and ensuring infrastructure at airports supports emissions reduction, the aviation sector is working to take action on climate change.

Sustainable aviation

The development of aircraft technology and use of SAF is widely viewed as critical to reducing the sectors emissions. SAF has lower emissions than traditional jet fuel and has the potential to decouple the industry's growth from increased carbon emissions.

Collectively, the industry will benefit from the development and use of SAF. Some European countries have already mandated its use, and it is anticipated the development and uptake of SAF will continue as the industry seeks to reduce its carbon footprint.

Airports have an important role to play to ensure their infrastructure supports the use of SAF and to support its development.

Aviation is a high-tech industry, and continuous progress in the development of new technologies is vital for a sustainable growth of the sector.

Radical technological innovations to improve fuel efficiency and development of green aircraft technology

including electric aircraft will continue to reduce the environmental impact of growth in air transport.

Sustainable and safe planning and design

Commercial development will play a key role in the recovery from COVID-19 for many airports around the world as they work to diversify revenues streams in the wake of COVID-19.

Taking a lead from the commercial property sector, airports are increasingly looking to sustainable planning and design to attract top tier tenants, reduce operating costs and increase asset value.

A renewed focus on safe passage for travellers, as well as building resilience and reliability is also anticipated in the wake of COVID-19. This coupled with ongoing innovation in materials, design and technology that reduce emissions and resource use will place sustainable planning and design at the heart of future airport developments.



Stakeholder engagement

We worked closer than ever before with our stakeholders this year, building stronger relationships through adversity while pursuing our shared commitment to sustainability.

Our key stakeholders

Each of our stakeholders have different interests, expectations and interactions with the airport. Their areas of interest influence how we assess our material issues. These are discussed in the material issues section of this report.



Business and
airline partners



Customers



Employees



Government and
regulators



Investors
and analysts



Community



Suppliers



Tourism bodies
and industry
associations



How we engage

Our strong commitment to stakeholder engagement meant we were able to work together with our stakeholders during this challenging year to keep people safe and to keep the airport operating as an essential service.

Together with governments, industry and Safe Work Australia, we delivered COVID-safe environments in our terminals and offices and ensured our people, customers, investors and communities were provided with reliable information about the rapidly changing situation.

Our teams worked with stakeholders to implement changes to our operations, at times multiple times each day. This meant we could facilitate repatriation flights, medical flights, essential worker travel and support the import and export of crucial freight since the beginning of border restrictions in early 2020.

We have also worked closely with airport tenants to provide rent relief and other support during the year, particularly small businesses operating at the airport, and supported our people to adapt to agile working environments and business changes.

We continued to use a variety of channels to engage with, understand concerns and respond to stakeholders. This year, these included:

- Briefings and meetings, including our Annual General Meeting, roadshows, conferences, all staff briefings, and meetings with all levels of government
- Media and information channels, including via ASX and media releases, our website and intranet, as well as traditional and social media
- Partnerships and forums, including employee committees and working groups, industry forums and working groups, community forums and partnerships

- Seeking and providing feedback via customer satisfaction surveys¹, employee engagement surveys, analyst surveys, supplier assessments and government submissions

While COVID-19 profoundly impacted our industry, it created opportunities for a deeper level of communication and collaboration with our stakeholders. We are focused on ensuring we continue to maintain these important relationships as the sector recovers.



Our COVID management and recovery efforts were strengthened by multi-stakeholder partnerships that mobilise and share knowledge, expertise and resources

1. Customer satisfaction surveys were placed on hold from Q1 2020 due to reduced passenger numbers as a result of COVID-19

Material issues

Focusing on issues that matter









































































































































Every two years, Sydney Airport conducts a detailed materiality assessment by engaging directly with our stakeholders to understand the sustainability issues that are most important to them. These issues are then mapped against those that are most important to our business and where we have the greatest impact. This process identifies our material issues which help structure our reporting and are a key consideration in how we evolve our sustainability approach over time.

In a year dominated by COVID-19, we re-evaluated our material issues. This considered the context of the pandemic, emerging global trends, key stakeholder interests, sustainability best-practice, and our overall business strategy.

This resulted in some material issues increasing in priority, such as:

- Safety
- Business continuity and resilience
- Economic contribution
- Operational efficiency
- Climate change
- Employee attraction, retention and development



Material issue	Description	Stakeholder groups
Safety	Managing health and safety risks and maintaining a strong safety culture, while providing a work environment that protects the health and wellbeing of our people and people working at the airport	       
Business continuity and resilience	Designing and maintaining our facilities and operational plans to support continuity of operations under a range of different circumstances	       
Economic contribution	The creation and distribution of economic value	       
Operational efficiency and continuous improvement	Operating the airport efficiently and with agility to support governments, customers and business partners, while looking for ways to improve	       
Security	Working collaboratively with airport stakeholders to provide and maintain a safe and secure airport operating environment	       
Climate change	Building resilience to the physical and strategic risks associated with climate change, and taking action to reduce our impacts including through our energy use	       
Employee attraction, retention and development	Attracting, retaining and developing our people to ensure the success of our business	       
Environmental management	Operating an environmentally responsible airport, actively managing the use of resources and minimising waste. Protecting the local natural environment and managing impacts on the surrounding community	       
Fair and ethical business	Respecting and protecting human rights across all aspects of our operations. Maintaining an effective system of corporate governance and building a culture to maintain high ethical standards and integrity. Responsible management of our supply chain, working with suppliers to effectively manage environmental, social and governance risks	       
Cyber security	Prepare, safeguard and respond to cyber attacks that could impact our operations and those of our customers	       
Sustainable development of the airport	Sustainably developing the airport through collaborative decision making, efficiency improvements, sustainable infrastructure design and strategic planning	       
Customer experience	Providing a superior customer experience for airlines and passengers	       
Diversity and inclusion	Creating and managing a diverse and inclusive workforce, while contributing to the creation of an inclusive society	       
Aircraft noise	Working with government and airline partners to manage and mitigate noise impacts	       
Community investment and engagement	Playing a meaningful role in our local community, while building and maintaining enduring relationships based on trust	       
Innovation and technology	Embracing future trends to create new opportunities	       
Access to and from the airport	Ensuring our passengers have a safe and efficient journey to and from the airport, and that a range of transport modes are available to suit their preferences	       



Business partners and airline partners



Investors and analysts



Customers



Community



Employees



Suppliers



Government and regulators



Tourism bodies and industry associations

Commitments progress report

Delivering on our commitments

Our 2019-2021 commitments embed sustainability in all aspects of our business and align with the pillars of our strategy. Our flagship initiatives support these pillars and focus our attention on issues where we can drive improvements in our performance.

Efforts to contain the spread of the COVID-19 pandemic resulted in a sharp fall in air travel, reducing passenger traffic and associated revenue for Sydney Airport. Progress in some of our 2019-2021 commitments has been impacted by these, particularly those measured using metrics to calculate a rate.

There are two main reasons COVID-19 has impacted these commitments:

- they are measured using passenger intensity metrics, and impacted by the sharp reduction in passenger numbers
- progress on the initiatives was deferred in 2020 due to reduced capital expenditure

Responsible business

Being ethically responsible and transparent in how we do business



Safety and wellbeing of all airport users

- Achieve year-on-year improvement in injury statistics and aviation safety performance
- Increase uptake and awareness around wellbeing and mental health

Continuing to support a diverse and inclusive workplace

- Achieve a 10 per cent uplift in female representation in management and overall on 2018 performance
- Achieve 30 per cent female board representation

Looking after and developing our people

- Target an employee engagement score of at least 75 per cent
- ☼ Deliver 1.5 days of training per employee per annum

Building operational resilience

- Deliver employee incident and crisis management training

Operating ethically and with integrity

- Complete supplier questionnaire to assess and mitigate risks on biennial basis
- Align procurement policy with ISO 20400

Maintaining an environmentally responsible airport

- Continue to meet regulatory compliance requirements for noise and air quality
- Reduce potable water use per passenger by 10 per cent in terminals and commercial buildings
- Maintain 30 per cent average annual use of recycled water at T1 international terminal

Reducing waste to landfill

- Remove plastic straws and single-use plastic bags from our terminals
- Recycle landside organic waste at T1 international terminal

Protecting local natural areas and biodiversity

- Restore and rehabilitate Environmental Conservation 1 zones, predominantly consisting of the Sydney Airport Wetlands

Planning for the future

Delivering operational excellence through innovative, technology-based solutions and supporting customer needs now and into the future



Increasing and supporting landside efficiency

- 🕒 Support diversity of public transport modal options

Delivering better outcomes for our customers

- 🎯 Maintain a passenger satisfaction score above four out of five

Sustainable development of the airport

- 🕒 Achieve a minimum 4-Star Green Star Design and As-Built rating for new developments

Supporting our communities

Working with communities to create shared value



Building relationships and supporting community resilience

- 🕒 Establish a baseline for community investment
- 🎯 Develop a community investment strategy to drive continuous improvement
- 🕒 Work with business partners to deliver a pilot program towards prevention of human trafficking and slavery
- 🕒 Deliver on the commitments in our 2019-2021 Reconciliation Action Plan

Flagship initiatives



Climate resilience

- 🎯 Follow the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)
- 🕒 Achieve carbon neutrality by 2025
- ☀️ Reduce carbon emissions per passenger by 50 per cent from 2010 baseline levels by 2025

Electrification

- ☀️ 100 per cent electric landside bus fleet
- ☀️ Install Electric Vehicle (EV) charging stations in new landside facilities five per cent above EV market penetration
- 🕒 Increase aircraft utilisation of both fixed ground power and pre-conditioned air at T1 international terminal from 20 per cent to above 50 per cent
- ☀️ Facilitate and support increase of Sydney Airport airside electric vehicle usage to 50 per cent

Airspace and airfield efficiency

- ☀️ Deliver an Airport Collaborative Decision Making (A-CDM) program together with business partners
- 🕒 Improve airfield and aviation support infrastructure
- 🕒 Explore opportunities to further improve efficiencies through initiatives such as co-location of certain domestic and international activities and runway rebalancing

Responsible business

We strive to be ethically responsible and transparent in how we do business



43%

reduction in employee injuries

0

class 1 injuries

99.8

gender pay equity ratio¹



Achieved ACI Airport Health Accreditation

75,854 tCO₂e

Scope 1 & 2 emissions

↓ from 83,620 tCO₂e in 2019²

44.7%

waste recycling rate

↑ from 43.4% in 2019² (excluding quarantine waste)

Safety

Working through the COVID-19 pandemic

Throughout the COVID-19 pandemic, Sydney Airport has remained open and fully operational, continuing to provide essential aviation services in the darkest and most uncertain days of the crisis.

We have facilitated travel for thousands of essential workers, foreign nationals heading home, 50 per cent of more than 210,000 Australians who have repatriated so far, and the critical freight flights that kept our export industries afloat.

This obligation to the people of NSW and Australia has shaped our response to COVID-19. Guided by our purpose - to make Sydney proud every day – and our values, there have been enormous efforts across the airport community to safely respond to, and look to recover from, the unprecedented COVID-19 crisis.

1. Employee fixed annual remuneration paid to men and women in management roles vs non-management roles

2. Environmental data has transitioned to calendar year reporting from 2020, and includes T3. 2019 environmental data is reported for the period 1 July 2018 to 30 June 2019.

Creating a COVID-safe environment

Our priority is the health and safety of airport staff and frontline workers while maintaining critical airport functions, roles and processes to serve the community.

Early in 2021, Sydney Airport achieved the Airport Council International's Airport Health Accreditation following an assessment of health measures rolled out across our terminals against global standards. This examined things like cleaning, staff protection, physical layout, passenger communications and passenger facilities.

We are committed to keeping people safe, and giving passengers the confidence they need to travel.

For our people

A precautionary approach was adopted and controls applied to reduce the risk of COVID-19 transmission and minimise the risk of infection where possible. Masks, gloves and hand sanitiser are available to all staff and airport workers and we continue to monitor the situation with COVID-19 and follow the best available medical and government advice to ensure the safety of frontline workers.

As the severity of the COVID-19 pandemic became clear early in 2020, new procedures were introduced to minimise operational disruption if a positive case was found in our workforce.

Our leave policy was updated so employees who are asked to self-isolate, contract COVID-19 or are caring for someone who is ill are able to take this time as paid personal leave without impacting their leave balances.

At the end of December 2020, there were no cases reported among Sydney Airport employees. This is testament to the strength of our COVID-safe plans and safety procedures and the commitment of our staff in adhering to these protocols.

Our COVID-Safe Workplace Plan sets out how we are continuing to monitor and respond to the COVID-19 pandemic and government and medical advice. It applies to all Sydney Airport employees and in-house contractors and has been registered with SafeWork NSW.

Our operations teams have been at the frontline of the COVID-19 pandemic, working with government departments and agencies to protect the health and safety of our community and keep our airport open.

These teams were split into A and B teams and contactless handovers were introduced to ensure we had operational resilience and continuity if a COVID-19 case occurred in a shift. We provided appropriate personal protective equipment (PPE) and introduced mask-wearing protocols for our people, encouraging others working on airport to adopt these as well.

In April, airport workers and their immediate families were provided priority access to the Summer Hill drive through COVID testing clinic. In October, we worked with South Eastern Sydney Local District Health Service to set up a testing clinic in our P9 car park, providing easy access and fast results for the airport community and the general public.

Mid-year, our people who had been working remotely were required to complete an online COVID-safe training module which outlined the new office protocols before they returned to the workplace. When they returned, room capacity requirements were put in place for meeting rooms, kitchens and breakout areas so as to maintain social distancing in the office and additional cleaning was introduced.

We require our people to stay home if they are unwell and while awaiting test results, and continue to encourage virtual external meetings where possible to limit the number of visitors to our office.

We continue to communicate clear and consistent advice related to social distancing, hygiene measures, personal protective equipment requirements and managing contactless handovers with our people and the airport community.

In our terminals

We worked closely with Australian Border Force, the Australian Federal Police, Department of Agriculture, Water and Environment, NSW Health, and NSW Police to agree protocols for the safe passage of arriving, transiting and departing passengers.

Changes were made to airport operations to minimise the risk of community transmission of COVID-19.

The actions that Sydney Airport and government agencies are taking to minimise the risk of COVID-19 transmissions on the passenger journey through the terminals are set out in our COVID-Safe Terminal Plan. This plan is endorsed by the Australian Health Protection Principal Committee and aligns with the Australian Aviation Recovery Coalition's COVID-safe Flying Principles and Processes Framework.

To ensure the safe passage of arriving passengers through the terminal, three dedicated lanes were established based on traveller risk levels within T1 international terminal. Health screening of all passengers was facilitated through NSW Health and we worked with the NSW Government and the Australian Police and Defence Force to support mandatory quarantine requirements for new arrivals.

The small number of confirmed cases amongst airport workers were tracked by Sydney Airport to ensure areas were disinfected, and to support notification and contact tracing.

We continue to work with our cleaning provider to enhance cleaning measures including the use of hospital grade disinfectant and more frequent cleaning of high-touch surfaces. Complimentary face masks continue to be provided for airport visitors and travellers, and hand sanitising stations have been installed throughout our terminals and offices.

We continue to encourage social distancing in gate lounges, check-in areas, and food courts. This is facilitated by additional security staff, floor decals, signage and announcements in terminal.

Responsible business

Supporting mental health and wellbeing

We are committed to providing a physically and mentally healthy work environment that upholds Sydney Airport's values and supports our employees to thrive.

Our focus on mental health continued and expanded this year as we worked through the challenges of a changing work environment and the strain of the COVID-19 pandemic.

A mental health and wellbeing strategy covering healthy mind, healthy body and healthy environment was developed in 2020 and will be implemented over the next two years.

Under the new Wellness@SYD program introduced in 2020, three days of wellbeing leave will be provided for each employee from 2021. This is designed as a preventative measure to support health and wellness. The leave is intended to provide additional support to ensure the overall work/life balance of employees and nurture their emotional and mental wellness.

Mental health training and support

During the year, we provided mental health training to our people with a focus on upskilling people leaders to support their teams.

Our people completed more than 1,000 hours of mental health training in 2020.

We worked with the Black Dog Institute to deliver training to better equip people leaders and team members to identify and support their teams and peers with mental health concerns. The 'Understanding and Managing Your Mental Health' module was completed by team members and leaders. We also worked with En Masse, a group of organisational psychologists, to deliver an interactive webinar for our people covering topics such as anxiety and stress associated with change.

We introduced mental health first aid training this year. Our 35 accredited Mental Health First Aiders offer support to both staff and visitors who experience mental health symptoms.

As we shifted to remote working for part of our workforce, we introduced bi-weekly webinars for leaders on topics such as leading teams remotely, leading through the crisis, virtual exhaustion and virtual recognition aimed at supporting our people.

Raising awareness

A series of interactive events to support and raise awareness of wellness and mental health were held during September and October for our people and the airport community. Running over the course of a month, activities ranged from a 30-day wellness challenge to mental health online training and meditation sessions.

We again recognised RU OK? Day and produced a support pack with information and tips to help people start conversations about mental health. RU OK Day? was also the focus of our all-staff CEO call with an external speaker tackling some of the more confronting mental health issues in our society.

We continued to make information and resources supporting mental health and wellbeing available to our people via the new Wellness@SYD intranet page. An online Wellness@SYD staff community was also formed which now has more than half of our workforce as members.



Our mental health and wellbeing strategy aims to provide and promote a physically and mentally healthy work environment



Strengthening our safety culture and governance

This year, we expanded our safety walks leading KPI program to embrace safety talks. Materials were provided to support these conversations, many of which focused on mental health and wellbeing with many of our people working remotely.

Safety KPIs for people leaders continued to support our safety culture in 2020, with 96 per cent of our people leaders completing four safety walks or talks with their teams in 2020, exceeding our target of 95 per cent.

We continued to review and update our safety governance processes in 2020.

Safeguards, our new incident management system, was launched in October 2020. It consolidates incident management and reporting from multiple systems into one and includes reporting on audits and inspections, broadening the information available to identify hazards and risks, and to take preventative actions.

We also introduced our Critical Risk Standards this year, which focus on eliminating or minimising safety risk associated with activities on the airport. We continue to work with our service providers and stakeholders to ensure these Critical Risk Standards are embedded in everything we do.

In 2021, we will continue our work to align our Safety Management System with the newly published MOS Part 139 and ISO AS/NZS 45001 standards.

This year, we celebrated Airport Safety Week with activities designed to raise awareness of safety and wellbeing under the Australian Airports Association's (AAA) theme for 2020 'We are in this together'. Our people participated in walks to collect Foreign Object Debris (FOD) on the airfield and terminal area, meditation sessions, webinars, online safety trivia quizzes and a virtual treasure hunt.

Managing aviation safety

With fewer aircraft movements at the airport this year, more birds and other wildlife were attracted to the area.

We increased our monitoring of bird activity on dormant runways to reduce the likelihood of bird strikes.

We also increased the amount of time spent enforcing safe behaviours on the airfield this year by 22 per cent. With fewer aircraft movements, we wanted to be sure that safe behaviours were still in place on the airfield.

We continued to implement initiatives to improve aviation safety, including managing FOD despite reduced traffic. We conducted monthly FOD quality assurance inspections at both the international and domestic apron and baggage areas and completed quarterly FOD walks.

Fewer aircraft movements this year has resulted in an increase in the number of empty Unit Load Devices (ULDs) on the airfield, which are used by airlines and ground handlers to transport baggage and cargo on and off aircraft and to and from our terminals.

ULDs are relatively light weight and there is a chance they may be caught by the wind and blown across the airfield, presenting both aviation and personal safety risks. To address this, we banned the use and staging of empty Unit Load Devices (ULDs) on any apron, aircraft parking bay or common user storage area.

Safety performance

Our safety performance improved in 2020. Employee Lost Time Injuries (LTI) reduced from six¹ to five this year over more than 930,000 hours worked. This resulted in an employee Lost Time Injury Frequency Rate (LTIFR) of 5.4, down from 6.4¹ last year. There were no class 1 injuries or illnesses again this year².

Service provider³ LTIs remained steady in 2020 at 13. Due to the reduced activity at the airport, the hours worked by our service providers reduced by 44 per cent. As a result, our service provider LTIFR increased from 4.9 to 8.0. In 2021, we will continue to work with service providers to further improve safety performance, building on our program to investigate high potential safety risk events across the airport and redesign our contractor safety audit program.



1. Post 2019 report publication, closed investigations resulted in the reclassification of one 2019 employee MTI as an LTI
2. Injury or illness which results in a fatality, total permanent disability or permanent partial disability
3. Service providers engaged by Sydney Airport include, but are not limited to, cleaning, security, kerb side management, waste management, parking, maintenance, baggage and trolleys and bussing

Responsible business



Keep a
safe distance

Security

We are committed to ensuring the highest levels of security at Sydney Airport. It underpins our organisation and ensures we maintain the confidence of all airport community stakeholders.

COVID-safe security operations

Our security operations were modified this year in line with advice from the Department of Home Affairs' Aviation and Maritime Security division to adapt to the COVID-19 crisis and ensure the safety of our passengers.

COVID-safe measures were introduced (see 'Safety', page 14) and included the use of a new fabric tab for each indirect explosive trace detection test and additional hygiene requirements for security officers conducting frisk searches. We increased the frequency of cleaning routines for screening equipment and ensured sufficient space between security lanes to maintain social distancing.

While we reduced the number of active screening points in line with passenger numbers, our security providers managed team rosters to ensure their team members remained fit for work.

Cyber security

During 2020, we continued to monitor the threat environment and build our cyber security resilience. We delivered programs designed to foster a strong cyber security environment and educate our people on potential cyber threats.

Our information and cyber security strategy is designed to respond to the evolving cyber security landscape and protect the resilience of critical airport infrastructure and systems. This year we realigned our strategy to address the increase in COVID-19 digital threats and the shift to remote working. We incorporated improvement areas identified as part of our ISO 27001 certification, which we achieved in April, and other emerging threats.

In reviewing the strategy, we have moved away from measuring our cyber security maturity, and are now working to develop a new measurement framework that is aligned to changes in the industry landscape.

This year, we used a range of technologies and controls to mitigate our cyber security risk. We developed a ransomware response plan, which is supported by an incident response team. We also continued to run awareness programs and enhanced monitoring of critical systems.

Phishing emails and the potential for subsequent incidents were identified as a significant risk for Sydney Airport. We used phishing exercises throughout the year to measure the susceptibility of our employees against such threats and we continue to educate our people to mitigate this risk.

We had no reportable cyber security breaches in 2020.

Business continuity and resilience

In the face of the COVID-19 crisis, we strengthened our focus on ensuring business continuity and resilience. We are working to reimagine a business-as-usual environment that minimises disruptions and fosters continuity.

Keeping SYD open

In March 2020, we stood up our Crisis Management Team (CMT), with representatives from our Operations, Aviation, Legal, Corporate Affairs, Finance, Human Resources, Technology, Commercial, and Safety, Sustainability and Environment teams. The CMT met daily at the height of the crisis and oversaw the immediate responses to daily changes in requirements and circumstances. Over the same period, the Board met weekly providing oversight and guidance to management.

In September, the CMT was superseded by the Recovery Action Team. This group meets fortnightly to monitor the evolving situation, identify risks and mitigation strategies and work with the Leadership Team to implement these.

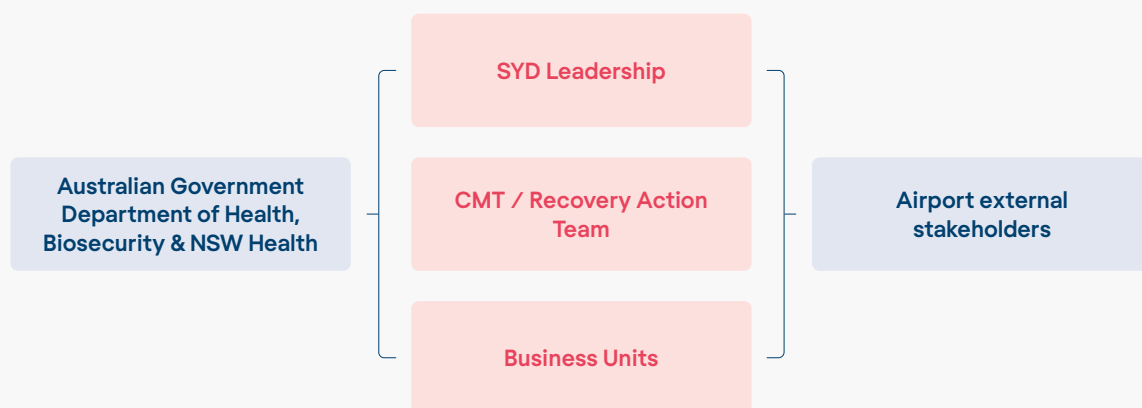
Business Continuity Plans (BCPs) were implemented as we made the decision to move office-based staff to working from home arrangements from mid-February. Business units reviewed and confirmed critical roles and processes in their business area in their BCPs. Operational COVID-safe plans were developed and implemented to ensure the safety of our frontline workers while we maintained airport operations for the community (see 'Safety', page 14).

Transparent and timely communications with our employees and stakeholders were key to ensuring our operations were functioning and safe during the crisis. We were proactive in how we managed

dialogue and communications with our employees, contractors and investors regarding our strategic priorities.

Our operations teams continue to work closely with government agencies to facilitate passenger arrivals and departures, and to ensure the airport remains operational to accept repatriation flights, medical flights and freight (See 'Stakeholder engagement', page 8 and 'Fostering strong relationships', page 39).

We worked closely with our suppliers to scale back non-essential services and maintenance activities to match the reduced demand placed across our facilities and baggage handling systems. Regular review meetings with our suppliers were established to monitor their continuing capability to operate during the COVID-19 crisis and in preparation for the progressive scale-up of services as demand returns.



Reshaping our business

When we realised recovery from the COVID-19 pandemic wasn't going to be as swift as earlier disruptions like SARS, we reviewed our business and capital structure to ensure we were well positioned for a more gradual recovery.

Following the end of a six-month job guarantee (see 'Our People', page 24), we restructured our business which reduced our workforce by 22 per cent at the time.

We took decisive steps to reduce our net debt and enhance our financial resilience. Significant extra liquidity was put in place, providing flexibility to monitor how the situation evolved in a period of ongoing uncertainty. We further strengthened our balance sheet by reviewing overall operating costs and curtailing all non-essential expenses.

Considering the significant reduction in construction and development activity in and around the airport, our planning,

design, construction and facilities teams were consolidated and moved in to our Commercial business unit.

These steps supported our commitment to maintaining a strong investment grade credit rating, maintaining a fully operational airport, and improving our ability to respond to a range of recovery scenarios.

For more information on our strategic response to COVID-19, see our 2020 Annual Report which can be found on our website.

Responsible business

Safe travel

Sydney Airport has been an active participant in industry and governmental forums to manage through the pandemic and prepare for the recovery. Our approach has focused on the implementation of a range of protocols designed to keep passengers, our staff, airport workers and the public safe, and developing opportunities to restart travel when safe.

We are also working to enhance the public's confidence to travel through the airport experience and the implementation of safe travel protocols and processes.

During the year, we worked alongside other airports and airlines through the Australian Aviation Recovery Coalition to establish protocols across the whole passenger journey to support safe travel.

We also worked closely with government agencies such as NSW Health to support the rollout of these protocols and in implementing additional measures as required.

Sydney Airport actively participated in a number of industry and governmental forums to work through the challenges associated with getting travel safely open again.

This included working with:

- other airports across Australia through working groups and forums convened by the Australian Airports Association
- a network of global airports through the Airport Benchmarking Group
- government agencies focused on working to implement regulatory requirements on the back of travel restrictions
- airports, airlines, and governments domestically and internationally in considering future protocols for the resumption of safe international travel when the time is right
- joint government and industry forums such as the National Passenger Facilitation Committee and the Customs Advisory Board.

We also participated in the Australia New Zealand Leadership Forum (ANZLF) Trans-Tasman Safe Border Group alongside 40 public and private sector organisations and agencies representing the travel and aviation industry on both sides of the Tasman.

The protocols arising out of these engagements have seen COVID-safe systems and processes implemented at the airport (see 'Safety', page 14). This also includes supporting government agencies in implementing mandatory screening and quarantining requirements.

We continue to work closely with airlines and on airport stakeholders through numerous established forums, internal staff working groups, and governmental working groups to drive increased passenger confidence to travel safely as restrictions ease. Read more about this engagement in 'Fostering strong relationships' (page 39).



Celebrating the 'Hubble'

A significant recovery milestone for Sydney Airport was the start of the half-way Trans-Tasman bubble - or the 'Hubble' - in October 2020.

It was an emotional scene as we welcomed the first flights to Australia from New Zealand under the new quarantine-free travel arrangements. NSW Tourism Minister, Stuart Ayres, described it like a scene from 'Love Actually' as more than 350 passengers arrived at Sydney Airport, many of whom were reuniting with family and friends for the first time in more than six months.

Significant work went into ensuring the processes and operations in our terminals were seamless. Our SYD Support volunteers were also on hand with a smile distributing Gelato Messina and Tim Tams.

It was an important first step for Sydney Airport in creating a safe and sustainable pathway towards the full restoration of both domestic and international travel.

Operational efficiency and continuous improvement

In 2020, we prioritised key upgrades and focused on completing enabling works and projects already underway as part of a scaled back capital expenditure program.

Baggage handling system upgrades

Baggage Handling Systems (BHS) are critical to the airport's continuous operation.

Enabling works for the construction of the T1 international terminal Southern Bag Room continued throughout lockdown. Contractors worked with our remote project team as they managed both health risks and the continuity of the project. While this project is now on hold, once completed the new bag room will provide additional outbound baggage handling capacity and improve the resilience of the T1 international terminal baggage system.

During the year, the High-Level Control software system, which handles the sortation of bags throughout T1 international terminal, was replaced. This provides new operational control and monitoring capabilities and also makes it easier to introduce future BHS technologies to the system at Sydney Airport.

Emergency exercises

We conducted our biennial large-scale multi agency emergency exercise in October. The 2020 exercise was a simulated on-water aircraft crash involving 17 agencies and 200 personnel.

Designed to test the effectiveness of our emergency response procedures, the exercise reinforced the strong relationship Sydney Airport has with local emergency services and supporting agencies, and provided the opportunity to forge new ones.

Learnings from the exercise will be used to update policies and procedures and enhance our emergency response preparedness.

Airport Operating Licence

We continued our work to introduce the new Airport Operating Licence (AOL) at Sydney Airport in 2020. It aligns with international best practice establishing a direct relationship between the airport

and ground service providers. This includes ground handling agents, aircraft refuelling companies, cargo terminal operators, catering and cabin cleaning companies and aircraft maintenance providers, among others.

The AOL sets minimum standards to improve behaviours and enhance safety, security, environment, operational and sustainability performance for companies operating on the airfield.

A total of 25 companies are currently required to hold an AOL with Sydney Airport.

A new Ground Standards Compliance team has been established to support the implementation of the AOL. During 2021, this team will work with licensees to support compliance with the conditions of the AOL.

Environmental management

We are committed to continual improvement of environmental performance at the airport.

We use a risk-based approach to environmental management, incorporating the Airport Environment Strategy 2019-2024 and Sydney Airport's AS/NZ ISO14001 aligned environmental management system (EMS) to control identified environmental risks and to achieve a high standard of environmental management.

This year, we continued to implement our environmental auditing program for airport tenants that are considered high and medium environmental risk. In 2020, these audits identified no major non-compliances in addition to several improvement opportunities to be implemented in 2021 by airport tenants, including improvements in storage and handling of chemicals and staff training on environmental issues.

A new environmental monitoring database was introduced in 2020 to support ongoing environmental management. This contains our soil, groundwater, stormwater and air quality monitoring data. It is also used to gather environmental data from our tier one tenants, consultants and contractors.

This year, we aligned our environmental reporting to the calendar year. The 2019-20 and calendar year 2020 results are included in the Performance

Data section of this report in this transition year to allow for year on year comparison. From July 2019, emissions, water and waste data from T3 domestic terminal are also included in the environmental reporting.

PFAS management

There are known sources of polyfluoroalkyl substances (PFAS) at Sydney Airport, with the majority attributed to the historic use of firefighting foams by firefighting service providers during training exercises. Airservices Australia stopped using products containing PFAS at Sydney Airport from 2010.

We are committed to applying the precautionary principle to protect human health and the environment in relation to PFAS. We continue to advocate with the Commonwealth Government on a polluter pays approach to the management and remediation of PFAS contamination in accordance with the PFAS National Environmental Management Plan 2.0 (2020).

We have been working with Qantas Group to support its transition away from the use of PFAS aqueous film-forming foam (AFFF) in the firefighting deluge system in hangars in the Jet Base. Those works are expected to be completed during 2021.

In October 2020, we became the owner of the Jet Fuel Infrastructure (JFI) which includes five Jet A1 fuel storage tanks with a capacity of 29 megalitres of fuel. The firefighting system at JFI currently uses PFAS containing AFFF. Sydney Airport and the operator Skytanking are initiating a scoping study to transition to non PFAS AFFF for fighting deep tank fires.

Energy and emissions management

We remain committed to reducing our emissions footprint, and to be carbon neutral by 2025 in line with the Airport Carbon Accreditation (ACA) program. In 2020, we maintained our ACA Level 3 'Optimisation' accreditation.

Progress towards our target to achieve a 50 per cent reduction in emissions per passenger by 2025¹ has been temporarily impacted this year, due to the sharp reduction in passenger numbers. While our absolute emissions

1. Based on 2010 levels

Responsible business

reduced this year, our emissions intensity increased as the airport remained open and operations continued.

From January to December 2020, our Scope 1 and 2 emissions were 75,854 tCO₂e, down from 83,620 tCO₂e in 2019 and reflecting the decreased activity on the airport precinct as a result of COVID-19¹.

Electricity use was again the largest contributor to our carbon footprint in 2020, accounting for 93 per cent of our Scope 1 and 2 emissions.

We implemented a number of initiatives to reduce our energy consumption during the year as the way we used our terminals changed. We turned off electricity to two of three bag rooms, half the baggage x-ray machines and half the lifts and escalators in our terminals. We also temporarily closed the P6 staff car park and the Blu Emu long stay car park and converted our offices to manual settings to allow for lighting to be switched on only when occupied. As a result, energy consumption across the precinct fell in 2020.

We continued to improve visibility of our energy consumption to support our efforts to reduce emissions and operating costs. A dashboard which allows business units to view energy profiles of our terminal buildings was developed this year to support decision making on asset operation and upgrades, and to identify opportunities for energy saving initiatives.

This year, approximately 73 per cent of our Scope 3 emissions are a combination of the take-off and landing cycle of aircraft (up to 1,000 metres) and surface access² to and from the airport. These emissions are from activities that are central to the airport's operations and that the airport can influence but are outside of our direct control.

In order to prioritise our focus, our efforts to manage Scope 3 emissions considers both the magnitude of emissions and the degree of influence we have.

During the year, we continued to identify and implement new opportunities to reduce Scope 3 emissions. This includes the acquisition of the Jet Fuel Infrastructure, which will improve our ability to influence the uptake of Sustainable Aviation Fuels (See 'Sustainable development of the airport', page 34).

We also continued to install Ground Power Units (GPU) and Pre-conditioned Air (PCA) at new bays, allowing aircraft to plug in to electricity instead of running the jet-fuelled Auxiliary Power Units.

Our Scope 3 emissions are calculated in line with the Airport Council International's Airport Carbon Accreditation scheme. Scope 3 emissions reduced this year to 276,821 tCO₂e due to the reduction in activity at the airport resulting from the COVID-19 pandemic.

We purchased offsets for emissions again this year covering both Scope 1 and 3 emissions. Credits were purchased from a combination of carbon sequestration and renewable energy generation projects collectively covering 785 tCO₂e including our pool car fleet, non-electric landside bus fleet and staff travel.

Water management

The largest water uses at the airport include toilet facilities within the terminals, cooling towers for air conditioning, and construction and maintenance activities.

With the disruption experienced due to COVID-19, water consumption in 2020 was just over 480,000 KL, which is around 30 per cent below an average year.

Potable water consumption also reduced in 2020, falling by around 40 per cent on an average year.

Our onsite water treatment plant at T1 international terminal treats waste water from the terminal for re-use in cooling at toilet flushing. This year, 36 per cent of water at T1 international terminal was recycled.

Waste management

In 2020, we began implementation of key initiatives under our waste strategy. The joint objectives of the strategy are to reduce waste generation and improve our landfill diversion rates.

We expanded our organics collection program to the domestic terminals this year following our pilot program in landside tenancies at T1 international terminal in 2019. The impact of COVID-19 on passenger numbers resulted in reduced retailer operations and temporary shutdowns. This in turn led to a significant decrease in the collection of organic waste.

We again participated in Clean up Australia's week of action in February. Over 25 Sydney Airport employees worked to clean up Tower Beach, a popular plane spotting location in our community. Approximately 90 volunteer hours were dedicated to collect a total of 20 x 110-litre bags of waste, including soft plastics and bottles.

In April, we finalised stage one of a project to resurface the main north-south and east-west runways and associated taxiways. To date, more than 24,700 tonnes of pavement material has been removed and 100 per cent of this has been recycled for reuse in either suitable asphalt mixes or to produce a recycled road base.

In October, we updated our IT asset disposal process to include requirements to divert waste from landfill and incorporated resource recovery requirements into the contract with our service provider (See 'E-waste management', page 23).

Waste generated at the airport was down by about 60 per cent on an average year in 2020, largely due to the reduction in passengers. We continued to increase our recycling rate which reached 44.7 per cent this year.



Our organic and e-waste management initiatives contribute to reducing waste generation through prevention, reduction, recycling and reuse

1. 2019 environmental data reported for the period 1 July 2018 to 30 June 2019. 2020 environmental data includes T3

2. Travel to and from the airport by passengers, visitors, employees and other airport staff



Aircraft noise

Travel restrictions brought on by COVID-19 significantly reduced the number of flights to and from Sydney Airport this year.

The reduction in aviation activity in 2020 meant that a number of grounded aircraft had to be parked in various parts of the airport site, including on the east-west runway, which has been temporarily closed since March. As this runway is used for noise sharing purposes, we engaged with the community and other stakeholders to communicate why the runway had to be temporarily closed and noise sharing arrangements were suspended.

Even when not flying, engines on these aircraft need to be tested to ensure they are in working order when they return to the skies. These tests are called engine ground runs, an activity that is regulated by a comprehensive set of operational rules designed to maintain safety and minimise noise.

During the COVID-19 pandemic, we worked with airlines to ensure they continued to conduct engine runs in accordance with Sydney Airport's operating procedures. During the year, there were two ground running noise complaints and no breaches of engine operating procedures.

COVID-19 has also driven changes in airline fleet mix with many older aircraft retired by airlines around the world

this year. When global traffic returns to pre-COVID levels, we anticipate there will be a greater proportion of quieter, more fuel efficient 'next-generation' aircraft in the international fleets that come to Sydney Airport.

Biodiversity

The Sydney Airport wetlands are home to many different plant and bird species and are designated as an environmentally significant area under the Airports Act 1996.

We continued our program to remove weeds from the wetlands in 2020. Weed mapping undertaken during the year showed a marked improvement in those areas that have been targeted since 2018.

The Sydney Airport wetlands also form a part of the Mill Stream and Botany Wetland 'Green Grid', one of a number of spaces identified in the Greater Sydney Region Plan to connect communities to green infrastructure.

The airport land impacted by these grids is zoned for environmental conservation purposes in our Master Plan 2039. This year, we commenced work to explore how the Green Grid project could encourage active transport links around the airport, one of our commitments in our Airport Environment Strategy 2019-2024.

In 2020, we also continued to support the holistic and coordinated management of the Cooks River catchment through our membership of the Cooks River Catchment Coastal Management Program and our participation in its Biodiversity Working Group.

Sydney Water and the Mill Stream pollution

Untreated sewage is discharged in to the Mill Stream by Sydney Water, adjacent to runway 16L, from its Emergency Relief Structures in the South Western Sydney Ocean Outfall Sewer (SWSOOS) following wet weather events.

During 2020, the SWSOOS has discharged over 2,946 megalitres of untreated sewage. This is the equivalent of 1,178 Olympic swimming pools of sewage discharging over 61 days, directly into Mill Stream then into Botany Bay.

Discharge events from the Mill Stream on to airport land have the potential to cause aviation safety risks, as the untreated sewerage may attract flocks of large birds in addition to the environmental harm and risks to public health for users of the Mill Stream and Foreshore Beach.

This year, the Federal Government's Airport Environment Officer again granted Sydney Water approval to discharge untreated sewerage into the Mill Stream.

Sydney Airport continues to express strong opposition to this authorisation to pollute. We acknowledge the work that Sydney Water has done to investigate the SWSOOS discharge impacts and explore options for its improved performance, and will continue to work together.

During the year we actively engaged with Sydney Water, Bayside Council and Department of Infrastructure, Transport, Regional Development and Communications and the NSW EPA, which regulates Sydney's wastewater network, to oppose the authorisation.

We also initiated our own bird and water quality investigations to demonstrate the ongoing risk to aviation safety and human health.

We will continue to advocate for meaningful and timely action at all levels of government.



E-waste management

During the year, we identified more than 50 IT assets for disposal including self check-in kiosks, hard drives, network switches and desktops.

Following a rigorous secure data destruction process, these assets were dismantled to recover reusable materials.

In 2020, we collected more than 2,330 kgs of e-waste. All this e-waste was diverted from landfill and securely recycled except for 3.4 kgs which was non-recoverable. This included more than 2 tonnes of steel, 185 kgs of cardboard and nearly 80 kgs of non-ferrous metals.

Responsible business

Our people

This year has been exceptionally demanding for our people and our business as we experienced the unprecedented challenges of COVID-19 on the aviation sector and our personal lives.

The safety, health and wellbeing of our people during this time has been a priority.

We are especially proud of how our employees responded to COVID-19, particularly those on the front line. Their commitment, resilience and flexibility meant Sydney Airport continued to run as normal, albeit in unprecedented circumstances.

Supporting our people

Our Employee Assistance Program (EAP) continued to provide access to 24/7 confidential counselling and support for any personal or work-related issues for up to six sessions a year for Sydney Airport employees and their families. We extended this support to our airport community during the year, providing access to 24/7 access to counselling to workers in the airport community and their families.

Our safety and HR teams undertook individual risk assessments for staff meeting the criteria of a vulnerable person to adjust their work requirements to adequately support their health and safety during the pandemic.

In April, access to the Summer Hill drive through COVID testing clinic was arranged for Airport Security Identification Card (ASIC) holders and their immediate families to avoid testing queues. This includes Sydney Airport employees, airport community members and their immediate family members. Later in the year a COVID testing clinic was set up in our P9 car park, providing easy access for members of the airport community to testing.

Enhancing flexibility

When planning a staged return to the office for staff who had been working from home, we updated our Flex@SYD policy to support a positive work life balance and improve the productivity of our teams. The policy is based on

individual proposition and a culture of mutual trust between leaders and their people to find options that work best for the person, their team, and the business.

To manage the impact of leave accruals on our balance sheet, we requested employees take all their 2020 leave entitlements within the calendar year. As a thank you for their support, Sydney Airport will provide employees who took their full leave entitlement during the year with an additional two weeks leave in 2021.

Staying connected

We were conscious of the challenges that can come with increased isolation and mental health with many of our people working remotely this year.

The SYD Check-In program was established in April to keep our teams connected to one another with the changes to work patterns and locations this year. Participants in the program, including staff and Airport Ambassadors, were randomly matched to call and 'check-in' with each other and stay connected. Feedback from this program was extremely positive, with new friendships and work connections made by the participants.

From the beginning of the remote working period, our CEO held weekly, then fortnightly calls to provide updates on how our business was working through the impacts of COVID-19 on a real-time basis and a dedicated COVID-19 resources page was developed for our intranet.

Streamlining our business

Early in the pandemic we announced a six-month job guarantee which meant that, until the end of September, all permanent or fixed term employees retained their job at full pay. This extended to contractors in business-critical roles and all apprentices on contract.

In August 2020, as a result of the ongoing impact of COVID-19 and a lack of clarity on the recovery of the sector, Sydney Airport announced a restructure which impacted 118 roles. At the time, this resulted in a reduction in our workforce of 22 per cent.

All impacted employees were provided access to entitlements as part of their redundancy, including accrued long-service leave, irrespective of tenure or eligibility. They were also gifted their mobile and laptop to help find other opportunities and stay connected and provided with access to specialised outplacement assistance.

Employee engagement and recognition

Many of our people spent this year working at the front line supporting Federal and State Government efforts to minimise the impact of the COVID-19 pandemic in Australia and continue to do so.

Despite the challenging year, our people remained enthusiastic and connected to our business.

When we measured employee engagement in November 2020 our score was 80 per cent, which represents a 14 per cent increase on our 2019 result. This is a very high score in the context of the exceptional challenges faced by our people this year and is above the benchmark for these surveys.

In the survey, our people told us they appreciated the way the company has managed through the crisis and the clear focus on priorities and goals. They also appreciate the changes we have made to our flexible working policy as well as the strong focus we have maintained on safety, particularly mental health and wellbeing.

Following reductions in our workforce in response to the pandemic, resource levels were identified as a concern for our people. These will be monitored and matched to the businesses recovery.

Targeted action plans are being put in place to respond to the survey results and continue to improve the workplace experience for our people.

Teamwork and collaboration have been crucial to our response to COVID-19. Our 2020 CEO Awards recognised teams who have made Sydney proud and lived our values.



From more than 40 nominations from across our business, 10 winning teams spanning across our functions and operations were selected in recognition of the incredible achievements of our people working side by side in the most trying of circumstances.

We also continued to recognise service to Sydney Airport through the Miles@SYD program. The program recognises employees completing 5, 10, 15, 20, 25, 30, 40 and 50 years of service. This year, 57 members of the SYD team celebrated milestones under this program.

Continuing professional development

To support our commitment to ongoing development, we introduced new mandatory KPIs for people leaders in 2020 to create an Individual Development Plan (IDP) and to have IDP's in place for their team members.

During 2020, we delivered 15 internal leader and employee webinars to provide our people information and guidance on how to lead, engage, navigate and stay connected through the extended period of remote working.

Access to Australian Institute of Management courses was opened to all of our people and we continued to offer LinkedIn Learning. This provided our people with the opportunity to learn new skills or enhance their skills.

In 2020, six airfield team members were awarded the Certificate III in Aviation (Aerodrome Operations), a program contextualised to Sydney Airport Operations.

A new Secondments@SYD program was introduced this year to provide development opportunities for people in roles with reduced workload due to COVID-19 (see below).



Secondments@SYD

While COVID-19 meant some of our people were incredibly busy, it also meant people in a number of roles were quieter than usual.

To combat this, we developed Secondments@SYD, a redeployment program for people who had capacity during the pandemic and provided development opportunities through secondments.

Our HR and corporate affairs teams created skilled volunteering opportunities with local government and charitable organisations.

Over 40 people were allocated to five internal projects, and 12 external secondments were made to eight organisations including the Inner West Council, Harding Miller Education Foundation and Raise Foundation.





Responsible business

Diversity and inclusion

Sydney Airport is committed to building an inclusive workplace that celebrates the diversity of our workforce.

Our Diversity Council aims to increase awareness across a range of factors including cultural background, sexual orientation and gender. We established working groups this year to further drive initiatives in these areas.

Indigenous@SYD

Creates a culturally safe workplace where current and future Indigenous employees feel supported

Women@SYD

Connects, supports and empowers women to bring about positive change through active engagement and collaboration

Multicultural@SYD

Promotes awareness and inclusiveness of employees from diverse cultures, religious beliefs and abilities

Pride@SYD

Focuses on celebrating and raising awareness about LGBTQI+ inclusion

Men@SYD

Creates awareness about men's mental health and supports them to be able to make positive lifestyle, health and career choices

Carers@SYD

Supports employees caring responsibilities and creates awareness

Celebrating diversity

As part of our commitment to build connection with the Indigenous community, we celebrated and participated in a number of events this year (See 'Reconciliation Action Plan', page 42).

In February, we were proud to be the first hello for everyone travelling by air to Sydney to experience the Sydney Gay and Lesbian Mardi Gras. To celebrate, the arrivals areas across our terminals were painted 'rainbow' and we hosted Sydney drag queens Jenn and Marilyn, who provided a fun-filled welcome for everyone arriving into Sydney.

Over 80 of our people and their families joined Sydney Airport's first float in the Mardi Gras parade. The Pride@SYD team also used the opportunity to create awareness within the organisation on the LGBTQI+ community and engaged with the community through a stall at the fair.

Our Women@SYD team celebrated International Women's Day with our people sharing powerful messages based on the theme #EachforEqual.

Gender diversity

In 2020, we achieved a gender pay ratio of 99.8 per cent¹. Also, for the first time, our leadership team has 50:50 male:female representation.

While we are proud of these achievements, our overall female representation in 2020 was 35 per cent, down from 2019. This was predominantly the result of the conversion of internal contractor roles to permanent in the technology team which were mostly male. Additionally, while external recruitment levels have been low since COVID-19, marginally more new hires in 2020 were male, while marginally more resignations over the same period were female.

We remain committed to achieving our diversity targets and ensuring workplace gender equity is maintained at all levels of the business.

Policy updates

A key focus area for the Diversity and Inclusion Council is to review and update employee policies to ensure they reflect the needs of our people, our values and the airport's unique operating environment.

During the year, our Parental Leave, Personal and Carers Leave and Domestic and Family Violence Policy were updated to reflect best practice by leading organisations and relevant legislation.

1. To calculate this ratio, we align to the WGEA methodology and compare fixed annual remuneration paid to employees in management roles to non-management roles.

These changes include:

- increasing paid primary carers leave from 13 weeks to 18 weeks at full pay or 36 weeks at half pay
- payment of superannuation for periods of unpaid parental leave
- introducing three days wellbeing leave under the updated Personal and Carers Leave policy
- identifying roles and responsibilities and practical support for team members affected by domestic and family violence



TARGET 10-2 Through our diversity council and working groups, we encourage and promote the social inclusion of all

Fair and ethical business

Conducting our business responsibly is a key pillar of our Sustainability Strategy and aligns with our value to always do the right thing.

This year, we have focused on strengthening our governance to ensure we conduct our business responsibly.

Our Code of Conduct was reviewed and updated to incorporate our new values and updated policy requirements. A new Fraud and Corruption Control Policy was introduced in 2020, which sets out key principles in relation to fraud, bribery, corruption and political donations, and bans facilitation payments. These updates, together with our Whistleblower Policy continues to underpin a culture of high ethical standards and integrity.

We updated our Human Rights Policy in 2020 and strengthened our commitment to supporting human rights.

Our Supplier Code of Conduct was updated, introducing new requirements covering fair pay, human rights, environmental management, privacy and cyber security and to support objectives within Sydney Airport's Reconciliation Action Plan. It also includes new requirements that deter gift giving by suppliers to Sydney Airport people.

We updated our Sustainable Supplier Survey in 2020 to cover the new elements of the Supplier Code of Conduct.

Whistleblower reports

Two anonymous reports were made during 2020. One report was made alleging unethical conduct by a SYD contractor, the other claimed conflicts of interest in connection with the discontinuation of certain construction projects during COVID-19. Both reports were investigated and found to be unsubstantiated. These have now been closed.

An anonymous report received in 2019 which alleged illegal conduct by a SYD contractor was being investigated at the time that the 2019 Sustainability report was released. This investigation has now been closed as the report was found to be unsubstantiated.

Working with commercial tenants and suppliers

Sydney Airport adopted a fair and equitable approach to supporting our commercial tenants during the pandemic. This year has been difficult for many of our partners and we have worked closely with all tenants individually to create tailored, fair, equitable concessions that reflect the specific impact of COVID-19 on their business. This resulted in \$150 million in total rent relief provided to tenants (See 'Supporting our partners', page 42).

Sydney Airport is prepared for the introduction of the new Federal Government's Payment Times Reporting Scheme, coming in to effect from January 2021. Sydney Airport will report its small business payment terms and times to the Government in line with the new scheme. We have been long time supporters of the Business Council of Australia's Australian Supplier Payment Code, and recognise the importance of small business to the economy.

Identifying and tackling modern slavery

Sydney Airport is committed to ensuring it is not doing business with individuals or companies who knowingly profit from modern slavery.

We provided our first Modern Slavery Statement, signed by our Chairman and our CEO, under the Commonwealth Modern Slavery Act 2018 in 2021. This Statement can be found on our website.

Sydney Airport is not aware of any instances of modern slavery in its operations or supply chain. There were no whistleblower reports received in 2020 that related to human rights, including modern slavery.

During 2020, we continued to review modern slavery risks and worked to strengthen the controls we have in place.

Our Responsible Procurement Working Group, made up of representatives from our Sustainability, Procurement, Risk, Legal and Corporate Governance teams, met regularly to progress initiatives that strengthened our modern slavery risk controls.

We integrated modern slavery requirements into a number of our key documents this year including our contract precedents for high risk services, the Supplier Code of Conduct, the Supplier Sustainability Survey and in the new Airport Operating Licence.

Additionally, the updated Supplier Code of Conduct also now includes details on how our suppliers can use our anonymous whistleblower hotline to report human rights or modern slavery related concerns.



TARGET 8-7 Through our Human Rights Policy and Supplier Code of Conduct we strive to implement measures to end modern slavery



Planning for the future

Delivering operational excellence through innovative technology-based solutions and supporting customer needs now and into the future



Performance against commitments

Committed to carbon neutral by

2025¹

4.25/5

overall customer satisfaction score²

1st

Sustainability Linked Bond in US private placement market

Building resilience to climate change

Sydney Airport operates Australia's major gateway airport. It is an essential piece of regional and national infrastructure which supports the mobility and economic growth of the communities we serve.

Our operations deliver high levels of availability, reliability and resilience and we recognise climate change has the potential to affect our business through physical and transitional risks.

Australia entered the new decade facing an unprecedented bushfire crisis, followed by the global COVID-19 pandemic. While our efforts have focused on responding to immediate crises, we have continued to progress on actions to build our resilience towards climate change as the world transitions to lower carbon economies.

We are committed to reducing our emissions footprint in line with our commitments, improving our operational resilience and adapting to the predicted effects of a changing climate now and into the future.

Sydney Airport has been a supporter of the TCFD since 2018 and has disclosed its climate change risk management in line with the TCFD reporting framework since that time. Our comprehensive 2020 response to the TCFD's recommendations is available in the Sustainability section of our website.

1. In line with ACI's Airport Carbon Accreditation

2. Customer satisfaction data for 2020 impacted by COVID-19 and reported here for Q1 2020 only. Performance in Q1 2020 is in line with previous years performance

Meeting our TCFD Roadmap

In 2020, we completed the activities in our 2018-2020 TCFD Roadmap. Our new three-year roadmap, outlined below, continues to develop our reporting in line with the TCFD recommendations.

TCFD pillar	Actions	2021	2022	2023
Governance	Further integrate climate consideration into strategic planning		→	
	Conduct Board and leadership deep dives on climate change			→
Strategy	Implement climate change resilience strategy			→
	Continue to integrate climate change considerations into business strategy			→
	Review climate risks and integrate into department risk plans		→	
Risk management	Develop signposts to monitor changes in scenarios	→		
	Understanding potential financial impacts			→
Metrics and targets	Develop medium and long-term climate targets	→		

Strategy

Scenario analysis

We see climate scenario analysis is a key control to identify and manage climate change risk. The scenarios are not intended to predict the future, but rather explore different possible futures and begin to understand our resilience as a business under these scenarios.

Recognising the systemic nature of climate impacts and the increasing momentum for decisive action this decade, in 2020 we expanded our scenario analysis to better understand the exposure of our assets to physical climate risks and to test the climate transition resilience of our business.

We use three scenarios based on Representation Concentration Pathways (RCPs) outlined in the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report and International Energy Agency (IEA) scenarios outlined in the World Energy Outlook 2020.



Business as usual

RCP 8.5° | IEA Current Policies 6°

A high emissions pathway where physical impacts increase over time, particularly the intensity and frequency of extreme events. Transition risks are limited in this scenario



Moderate transition

RCP 4.5 | IEA INDC 2.6°

A moderate emissions pathway with emissions peaking ~2040. Moderate physical and transition risks, with the potential for disorderly policy responses. Aligns to the Intended Nationally Determined Contributions (INDCs), the proposed post-2020 country actions on climate change under the Paris Agreement



Accelerated transition

RCP 2.6 | IEA Sustainable Development 1.5°-2°

Low emissions pathway with emissions peaking ~2020 and rapidly declining. Requires implementation of ambitious global and local climate change policy.

Planning for the future



This year, we looked at the potential economic impacts under each scenario to understand the potential impact to our business.

Business as usual

Under the business as usual climate change scenario, global emissions continue at current rates. The worst physical impacts of climate change are expected to be realised as temperatures rise and extreme weather events increase, with significant spending required on adaptation to protect cities. This may lead to disruptions to global supply chains where products are sourced from countries vulnerable to climate threats. Shifts in energy supply and demand patterns are anticipated, as is the increased incidence of disaster and disease related to extreme weather.

Changes to operating procedures at Sydney Airport may be required to adapt to more frequent extreme weather events under this scenario. More extreme weather events also have the potential to lead to disruption to operations and damage to infrastructure in and around the airport, and increased spending required to adapt assets to withstand the conditions.

Moderate transition

Under a moderate transition scenario, rapid decarbonisation is expected to be led by the market with government support. Demand for renewables is expected to increase as greater efforts are made to reduce emissions, and very high energy efficiency standards are expected to be in place for all buildings. Changes in behaviour and consumer preferences are expected to drive emissions lower. Physical impacts of climate change are still realised, although to a lesser extent than under the business as usual scenario.

For Sydney Airport, we assume that developments on airport would be required to meet high energy efficiency standards under this scenario. While physical impacts are anticipated to be lower under this scenario, changes may still be required to operational procedures to adapt to more frequent extreme weather events. Improvements in aircraft efficiency are anticipated, driven by consumer demand for lower emissions travel.

Accelerated transition

Under an accelerated transition scenario, strong policy intervention will be present, including carbon prices which are expected to be in place in markets around the world, with government policies supporting a global transition to a low carbon economy. It also anticipates strong investment in clean energy technologies as economic growth occurs in line with net zero emissions.

For Sydney Airport, an accelerated transition would see more efficient aircraft flying to Sydney fuelled by low emissions sustainable aviation fuels. New developments would be required to meet strict low carbon criteria. Equipment around the airport will be powered by low emissions fuels and renewable energy, supported by battery storage.

Climate-related risks and opportunities

We have identified climate change risk as significant in our annual reporting since 2017. It is also an area of focus under the Responsible Business and Planning for the Future pillars of our 2019-2021 sustainability strategy. It is included in our company-wide risk register and is subject to ongoing reviews to ensure relevancy and focus on risks associated with climate change and the transition towards a low carbon economy.

These risks have an inherent risk rating of medium over the medium term and high over the longer term.

Driver	Risk	Existing and future control/s
Physical risk		
Greater rainfall and storm frequency and intensity	Temporary airside disruptions due to flooding and damage on airport	<ul style="list-style-type: none"> – Airport design and location of critical infrastructure – Airport Emergency Plan – Regular inspections of airfield – Efficient stormwater drainage systems – Maintenance teams in place to repair damage and/or drainage failures – Thunderstorm Warning System – Airfield management e.g., temporary closure of taxiways and aprons
	Temporary landside disruption due to flooding and damage to metropolitan transport infrastructure	<ul style="list-style-type: none"> – Integrated Operations Centre monitors transport network around the airport – Traffic Management Centre liaison
Sea level rise and tidal intrusion	Temporary operational disruptions, increased frequency and duration of repair and maintenance activities	<ul style="list-style-type: none"> – Airport design and location of critical infrastructure – Inspections of airfield and sea walls – Efficient stormwater drainage systems – Maintenance teams in place to repair damage and/or drainage failures
	Reduced land for future development capacity	<ul style="list-style-type: none"> – Considered in strategic planning
Higher temperatures and more severe heatwaves	Increased staff and / or passenger medical incidents due to heat exposure	<ul style="list-style-type: none"> – Procedures in place for outdoor workers
	More stringent biosecurity requirements and potential for disease outbreaks due to global increase of communicable diseases	<ul style="list-style-type: none"> – Airport Emergency Plan
	Increased cost and temporary disruption to airside and landside power supply due to increased energy demand during heatwaves	<ul style="list-style-type: none"> – Back-up generators to maintain critical infrastructure – Energy efficiency initiatives – Onsite generation
Transition risk		
Legislative changes	Government climate change policy may limit air travel emissions, increase cost pass through and change travel patterns, resulting in reductions in anticipated passenger volumes and associated revenue	<ul style="list-style-type: none"> – Policy engagement and advocacy – Sustainable Design Guidelines – Consideration in strategic planning
	Regulatory changes mandate zero carbon design and building standards, increasing development costs and delivery timeframes	
Decline in local and international environmental assets	Decline of environmental tourism and impact of climate (flood, drought, fire, dust) causes changes to international and domestic passenger volumes, reducing anticipated revenue	<ul style="list-style-type: none"> – Policy engagement and advocacy

Planning for the future

Opportunities

Sydney Airport’s contribution to climate change solutions will also present new opportunities. These include:

- lowering operating costs by reducing energy consumption and other efficiency initiatives
- supporting airline partners with electrification and low emission fuels infrastructure to improve industry emissions
- designing and building sustainable buildings to attract tenants
- integrating climate adaptation opportunities into community investment strategies to support the resilience of our communities
- enhancing our industry’s response to climate change by engaging with stakeholders

We are members of Bioenergy Australia’s Sustainable Aviation Fuel Alliance, together with airlines and biofuel producers, where we work to advance sustainable aviation fuel production, policy, education and marketing in Australia and New Zealand.

Sydney Airport’s ownership of the airport’s Jet Fuel Infrastructure (JFI), formerly known as Joint User Hydrant Installation (JUHI), provides greater control over future infrastructure and investment decisions. This enhances our ability to influence the use of sustainable aviation fuel at Sydney Airport.

Climate resilience strategy

Our sustainability strategy forms an integral part of our broader corporate strategy. A flagship program under our strategy is to build resilience in our assets and operations to the impacts associated with climate change, and to minimise the airport’s emissions footprint. Climate-related risks and opportunities are also incorporated into the Airport Environment Strategy.

Airport operations and infrastructure development must consider climatic conditions and technological shifts. During 2020, we updated our climate change resilience strategy to support the transition to a lower carbon economy. It focuses on four key elements:

Energy efficiency and carbon reduction	Asset adaptation and future proofing	Business resilience and carbon neutral growth	Advocacy for a low carbon economy
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The purpose of this strategy is to adequately respond to stakeholder expectations, drive emissions reductions and ensure Sydney Airport is physically, socially and economically resilient to the impacts of climate change. We see achieving this strategy as a contribution to the goals of the Paris Agreement.



Climate risk controls

Carbon neutral by 2025

At Sydney Airport, we are on a pathway to be carbon neutral by 2025, in line with ACI's Airport Carbon Accreditation Scheme. Our pathway considers various decarbonisation options ranging from energy efficiency, strategic sourcing of renewables, engagement and carbon offsets. A priority-based hierarchy is applied to ensure the transition provides flexibility in growth, a balanced risk portfolio and commercial competitiveness while striving to achieve carbon neutrality.

Our efforts to reduce our emissions and energy consumption is discussed in 'Emissions and energy management' (see page 21).

Asset resilience and adaptation

Adaptation measures can both lower our exposure and enable any opportunities resulting from changes in climate. Our Climate Change Risk Assessment and Adaptation Plan considers adaptation themes based on airport best practice as well as our ability to control and influence action.

Climate resilience commitment	Future-planning and strategy	Rapid response and operations	Interdependent systems
Integrate Sydney Airport's position on climate resilience into decision making and investment	Integrate priority climate resilience responses into corporate strategy and planning	Understand risks and proactively manage operational disruptions to minimise impacts	Continue to enhance relationships with stakeholders to anticipate change and address critical system interdependencies

Sydney Airport's new Sustainable Design Guidelines in 2020 establish minimum sustainability requirements for projects across the airport. Under the Guidelines, the most extreme weather events identified in RCP 8.5 (3.2-5.4°C warming) are used to assess the worst potential physical impacts to the airport, with RCP 4.5 (1.7-3.2°C warming) used to provide a sensitivity test to this scenario.

Climate resilient operations

In 2020, we have expanded the use of our adaptation plans and design guidelines to inform opportunities for climate resilient development and as a consideration in strategic planning.

This supports existing operational controls, which include:

- procedures in the Airport Emergency Plan designed to promptly recover from extreme weather events
- regular inspections of the airfield, onsite maintenance teams, stormwater drainage systems and thunderstorm warning systems
- monitoring the transport network around the airport and liaison with the traffic management centre

Increasing and changing energy demands are supported by our backup generator networks which ensures business continuity in times of demand surges.

Climate change is also integrated into our health and safety procedures to minimise injuries or illnesses resulting from heat exposure.

Metrics and targets

Our climate resilience targets support our ability to manage climate-related risks and opportunities.

Under a flagship commitment in our 2019-2021 Sustainability Strategy, we are committed to the electrification of our own vehicle fleet and investing in infrastructure which supports our business partners to make the transition to an electric fleet. The impact of COVID-19 and associated capital expenditure deferrals have delayed our electrification projects until our next strategic review.

We are committed to management accountability through a direct linkage of climate-related metrics to executive remuneration. The culture element of our short-term incentive plan involves achieving our sustainability objectives, including climate change.

We monitor and disclose the climate-related metrics annually in the Performance data section of this report.

We will continue to review climate indicators developed for our scenario analysis on an ongoing basis to understand and monitor evolving climate change trajectories.

Planning for the future

Sustainable development of the airport

We developed new Sustainable Design Guidelines this year which set minimum sustainability requirements for projects across the airport. The Guidelines are designed to improve Sydney Airport's sustainability performance.

The requirements cover material sustainability impact areas such as climate change, energy efficiency, waste and water management and responsible sourcing. These impact areas align with our Master Plan 2039, and sustainability frameworks including the United Nations Sustainable Development Goals, Green Star Communities and Green Star tools for building design, construction and performance.

Version one of the guidelines applies to new buildings, fit outs, terminal refurbishments and expansions, terminal maintenance and repairs, hotels and non-occupied spaces. As developments delayed by COVID-19 re-start around the airport, these guidelines will be applied.

Acquisition of fuel infrastructure

In October 2020, Sydney Airport assumed ownership of the airport's Jet Fuel Infrastructure (JFI), formerly known as Joint User Hydrant Installation (JUHI). The JFI comprises five storage tanks with 29 mega litres of fuel capacity, 170 hydrant points across the airport and 11km network of underground fuel pipelines. Skytanking, an independent global leader in aviation fuelling services, has been appointed by Sydney Airport as the new operator of the facility.

Ownership of the JFI is a strategically important milestone. It allows Sydney Airport to develop an open access

fuel regime for the first time since the airport was privatised, driving increased competition. It also provides greater control over future infrastructure and investment decisions, and enhances our ability to influence the use of sustainable aviation fuel at Sydney Airport.

Northern Ponds redevelopment

The Northern Ponds redevelopment converted layover bays into active bays where planes can refuel and have passengers arrive and depart via buses. Adjacent to the northern end of the main runway, this project was completed in December 2020 ahead of schedule due to fewer aircraft movements which allowed construction to be accelerated.

When parked at the bays, aircraft can connect to ground power and pre-conditioned air rather than running engines which both reduces emissions and noise on the ground.

A new fuel line was laid via a tunnel under the main runway and a deck was built over the Northern Ponds to create additional space while retaining the storage capacity of the ponds. A new substation was installed to provide additional power supply to the bays in an elevated position, making maintenance easier and removing potential flooding risk.

Resurfacing our runways

Sydney Airport's main runway is one of the busiest in the southern hemisphere.

In 2020, resurfacing works began on more than three kilometres of the main north-south and east-west runways and associated taxiways.

Runway resurfacing works are undertaken as a preventive action to ensure the runway remains safe and operational. Over time, the sun oxidises the asphalt which may cause it to become brittle and susceptible to cracks and other defects.

This is a project that requires meticulous planning and execution and is undertaken every eight to ten years. Works take place in curfew hours to minimise disruption to the airport's operations.

To complete the resurfacing, airfield ground lighting is removed, after which the top layers of asphalt on the existing runway are lifted. New asphalt is laid and the ground lighting and line marking is reinstated each night before the runways reopen to aircraft at 6am.

Each night, more than 65 truck-loads of asphalt was removed and replaced during a six-hour working window. To the end of 2020, more than 24,700 tonnes of pavement material has been removed with 100 per cent of this recycled for reuse in either suitable asphalt mixes or to produce a recycled road base.

Stage one of the resurfacing works was completed in 2020, with works ongoing until mid 2022.



Through our Sustainable Design Guidelines, we contribute to developing reliable and resilient infrastructure to support economic development



Airspace and airfield efficiency

Airspace and airfield efficiency is one of Sydney Airport's flagship initiatives under its sustainability strategy and a key focus area to support growth into the future.

The effectiveness of the operation of the airspace and airfield at Sydney Airport has implications for airlines, the travelling public and the community.

Airports and airspace management are complex systems which must carefully balance the needs of community, aviation safety, the environment and must also allow for the management of unexpected issues that arise on the

day of operations. The more efficient this management is, the greater the economic and environmental benefits.

Sydney Airport's operating restrictions include the Long Term Operating Plan (LTOP) focused on noise sharing along with a movement cap of 80 movements per hour and a range of other matters contained in the Sydney Airport Demand Management Act 1997 and associated regulations.

This year, Sydney Airport participated in the Federal Government's review of the demand management scheme.

Many of the regulations governing operations at Sydney Airport are more than 20 years old and are not leading to the most efficient use of the airport

and the airspace. Like all regulation, we believe it is important this regulation is reviewed regularly to ensure it meets its intention as well as the needs of the aviation industry and the community.

We consider there to be important improvements that can be made to the system to enhance the efficiency of airport operations while also having beneficial noise and emissions outcomes, for example reducing the amount of air miles travelled and associated fuel burn.

We look forward to the outcomes of this review and to working with Government and our industry to implement recommended changes.

Planning for the future

Customer experience

The health, safety and wellbeing of customers and people visiting the airport has been a priority throughout the COVID-19 pandemic. See 'Creating a COVID-safe environment' (page 14) for more on our COVID-safe terminals.

In addition to delivering COVID-safe protocols, we continued to deliver high levels of customer service while working to keep the airport operational for our community.

Sydney Airport took proactive steps to deliver our COVID-Safe Terminal Work Plan in line with government approved flying protocols. This plan is designed to ensure nationally consistent service at airports to give customers the confidence to travel.

At times during the pandemic, the NSW Government's health advice has required all passengers arriving internationally and from Victoria to be subject to police-supervised mandatory quarantine for 14 days.

At short notice, we developed new security and operational processes to ensure the safe and smooth passage of every arrival in the T1 international terminal through health screening, and then onto buses to transfer passengers to quarantine.

Despite the difficult times, our SYD Support volunteers were on site to provide a warm welcome to Sydney to the many passengers arriving at Sydney Airport exhausted and emotional.



SYD Support

Throughout the year, our SYD Support volunteers were on hand to help passengers feel comfortable and navigate travel during a turbulent year.

The team ramped up in March when health screening and quarantine measures were first put in place for arriving international travellers. They are a friendly face helping customers follow our COVID-safe protocols in terminal. Stationed throughout the international terminal, our SYD Support volunteers provided complimentary face masks, water, social distancing support and a sense of comfort.

More than 100 of our people were involved in this initiative during the year.



Improving customer experience

We remain focused on investing in improvements and initiatives which make a real difference to the experience of our customers.

Lower passenger numbers and stringent protocols meant we were unable to survey airport customers after the first quarter of 2020. In this quarter, we achieved an overall rating of 4.25 out of five.

We invested in projects to improve customer experience and delivered new bathrooms in the T2 domestic terminal food court corridor during the year that include parent room facilities.

Early this year, as part of a broader program to support passengers with hidden disabilities, members of our team completed training with Autism Spectrum Australia to understand how to support passengers with disabilities that are not immediately apparent. Frontline teams within our airport community, including government agencies, airlines, ground handlers and our cleaning and security contractors also participated in the program.

We continued to provide support to travellers wearing a sunflower lanyard self-identifying as having a hidden

disability by providing more time and support at security screening and passport control.

Further training was held with our design team to discuss elements of design that could improve the passenger experience for customers with a hidden disability. We worked with the Australian Airports Association to develop guidelines to support the adoption of design elements and with other national and global airports to ensure consistency where possible.

Access to and from the airport

Sydney Gateway is a NSW Government road project to connect the city's motorway network to the airport. Approximately 70 per cent of the project's construction will take place on Sydney Airport land.

During the year, we worked closely with Transport for NSW to prepare the Major Development Plan for Sydney Gateway, which was approved by the Federal Government in September. The NSW Government has also awarded major contracts to facilitate the development of the project which is expected to start in 2021.

The project continued to achieve significant milestones in 2020, including the commencement of enabling works on airport land.

As part of our commitment to support diverse transport modal options, this year we investigated future transport links around the airport. A new shared cycle-pedestrian path in the service corridor of Sydney Gateway next to Airport and Qantas Drive will connect the new Alexandra Canal cycleway with the domestic terminals. Importantly, this provides active transport options for the thousands of people working at the airport on any given day.

The transport path will also include the widening of footpaths and the extension of the active transport corridor in the South East Sector of Sydney Airport to accommodate cyclists and improve access to the Eastern Suburbs. Pedestrian crossings will be provided where the cycle path crosses airport gate entry/exit points.

Innovation and technology

We embarked on Digital SYD in 2020, a new initiative which creates a digital replica of our buildings, infrastructure network, processes and systems aimed at improving performance through operational and asset redevelopment efficiencies.

The purpose is to provide a gateway to historical and real-time data relating to our assets and systems, enabling our people to make informed decisions and facilitate predictive outcomes. Over the coming years, we will be reviewing all our data systems and processes to identify new opportunities to bridge gaps.

Sydney Airport is currently upgrading its passenger processing system software to deliver a premium check-in experience. The project will refresh check-in points in T1 international terminal and T2 domestic terminal and will be rolled out in compliance with cyber and International

Air Transport Association requirements. The upgrade will also provide capabilities to use biometrics in the future, further increasing opportunities for automation, operational efficiencies and improving passenger experience.

We also developed a new data visualisation platform to help us understand landside traffic performance around T1 international terminal. Data from Tom Tom, Bureau of Meteorology, passenger processing numbers, and vehicle speed and volumes were brought together to assist operational decisions and improve traffic flow around the precinct.

As our people began to return to the office, we invested in a virtual meeting technology pilot that ran over several months so employees have the right tools and technology available to stay connected and to support remote and flexible working for our employees. Insights and lessons from the trial have been collated and will inform a phased roll out of the equipment in 2021.



TARGET 11-2 By supporting and investing in adequate road and transport infrastructure we contribute to providing access to safe, affordable, accessible and sustainable transport systems.



Supporting our community

Working with communities to create shared value



Performance against commitments

\$2.7m

in community value

30

community organisations supported

>1,980

volunteer hours





Fostering strong relationships

Sydney Airport works with a diverse range of stakeholders across and beyond our airport community. Fostering positive, strong, lasting relationships with our stakeholders is vital to our long-term success.

In 2020, we worked closely with our stakeholders to navigate the challenges presented by the COVID-19 pandemic. This included working with government through the changing airport operations this year. We worked with our tenants to manage through the COVID-19 disruption (see 'Supporting our partners', page 42) and we continued to work with local communities on proposed changes to airport operations, proposed development and future planning.

Throughout 2020, Sydney Airport strengthened relationships with Australian Border Force, the Australian Federal Police, Department of Agriculture, Water and Environment, NSW Health, and NSW Police as we worked to agree on protocols for the safe passage of arriving passengers through the International terminal and support operational and recovery efforts. This included the efficient movement of passengers into government-mandated hotel quarantine.

Beyond COVID-19, we continued to engage with governments during the year in relation to a range of issues, including border and security issues, airspace management, aviation safety and environmental management.

We remained an active member of the Sydney Airport Community Forum in 2020, which comprises local State and Federal Members of Parliament, local mayors and community and industry representatives.

Consideration of the recommendations of the first of Sydney Airport's deliberative engagement community panel, established in 2019, has been delayed due to COVID-19 and will be addressed 2021. A second community panel will be convened in early 2021 to consider how the management of take-off and landing slots at the airport could be improved. See 'Airspace and airfield efficiency' (page 35) for more.

This year, we held regular meetings and forums to resolve operational issues and share learnings, maintaining a sense of community across the airport precinct.

Community engagement and social impact

Sydney Airport is committed to maintaining strong links with the communities in which we live and work.

Our engagement this year focused on communicating changes to flight paths during curfew as a result of runway maintenance, the impact of COVID-19 on airport operations and specific airport-related developments.

We reshaped our community engagement strategy this year to reflect our new operating environment and meet the needs of our community. The strategy's three streams recognise our commitment to creating shared value by building on the airport's sense of community spirit through the active engagement of our people:

- Partnerships and community investment
- Procurement, volunteering, and workplace giving
- Business innovation for social impact

In 2020, we contributed \$2.7m in value to our community, as verified by Business for Societal Impact, formerly the London Benchmarking Group (LBG) Australia and New Zealand. This includes \$2.3m of cash, time, and in-kind donations. lower than our contribution in 2019 due to COVID-19 related business impacts.

Sydney Airport also facilitated additional contributions to the community from other sources such as customers and employees to the value of almost \$140,000, which is referred to as 'leverage' in the Business for Societal Impact framework.

Supporting our community

Partnerships and community investment

Our partnerships and community investment approach focuses on being a good neighbour, supporting the leaders of tomorrow and making Sydney proud. We are committed to supporting the community through partnerships that build relationships and resilience.

Throughout 2020, we partnered with a variety of organisations through volunteering, donations and investment and in-kind support.

- Raised \$170,000 as part of our lost property auction to support the Sydney Children's Hospitals Foundation with two music therapy programs for the Randwick and Westmead Children's Hospitals for 2021
- Sydney Airport staff raised \$50,000 to support Australian Red Cross in providing bushfire relief to Australian families, which was matched with a \$50,000 donation from Sydney Airport to Red Cross
- Provided \$50,000 in support to BizRebuild
- Partnered with Raise Foundation to assist with the mental health and wellbeing of local high school students
- Engaged with Gujaga Foundation to consult on the delivery of our Reconciliation Action Plan (see page 42)
- Awarded the first SYD100 scholarship, encouraging diversity in the next generation of leaders in the aviation industry



Through our community development programs we support young people with access to education and training.

Bushfire relief

In January, during the devastating bushfire season in Australia, the airport team rallied to support emergency relief efforts by Australian Red Cross, Business Council of Australia and within the New South Wales South Coast fire zones.

Our team volunteered their time to fundraise in our terminals for Red Cross. Through this initiative, staff collected more than \$50,000, which was matched by Sydney Airport to contribute \$100,000 to Red Cross to provide assistance in evacuation centres across the country.

The airport also provided \$50,000 in support to BizRebuild, a scheme developed by the Business Council

of Australia. The initiative focuses on rebuilding stronger communities and restoring local economies after the bushfires. Through grant programs and financial assistance, BizRebuild has provided practical support to help small and local businesses get back on their feet and create jobs in local communities including Batemans Bay, Merimbula, Narooma and other areas of the Eurobodalla Shire.

We also supported the airport community in donating packaged, non-perishable food and drinks, and personal hygiene products to duty-free partner Heinemann Tax & Duty Free in their collection efforts for delivery to NSW south coast fire zones.



Mentoring local youth with Raise Foundation

This year, Sydney Airport partnered with Raise Foundation to mentor students at Canterbury Boys' High School who are at risk of disengagement or poor wellbeing.

As part of the Foundation's mission to ensure young people feel heard, valued and supported, 16 airport employees volunteered their time each week during terms two and three, to help change the direction of a young person's life through mentoring.

Our people participated in an intensive training session to become accredited youth mentors with the program, which provided them with an opportunity to develop their engagement skills.

To complement the program, the students visited Sydney Airport for a behind-the-scenes tour on the airfield, where the mentors proudly shared their individual roles at the airport and celebrated the mentees graduating from the program.

The partnership aligns closely with the genuine, positive impact we aspire to have in our local community.

Volunteering, workplace giving and responsible procurement

In 2020, our employees volunteered more than 1,980 hours partnering with organisations through structured secondment programs and tailored projects to meet local community needs. We created meaningful opportunities for our people to get involved in the community while their usual work activities were quieter due to COVID-19.

During National Volunteer Week, 15 of our people volunteered their time with local charitable organisations to assist with projects including translating materials for a local legal

centre and working with an emerging social enterprise to build its business and marketing strategy. Teams also worked to coordinate user manuals for Dandelion Support Network and provide research assistance to Harding Miller Education Foundation.

Sydney Airport's building works team took on a volunteering project at St George School, a local school that provides an inclusive atmosphere for students with disabilities. The team assisted with the removal of plants and laying new grass as the first step to revitalising a sensory garden for students. The sensory garden helps

to calm children with a disability and allows the wheelchair-bound students to interact with nature.

Our volunteer Airport Ambassadors took a break this year from their important role welcoming travellers arriving in Sydney. Instead, they participated in our SYD Check-In program to stay connected (see 'Supporting mental health and wellbeing', page 16) and met up for walks around Sydney to keep up the important social connection they have through the Ambassador program. Our people recorded a special video message during lockdown to let the Ambassadors know they were missed during this challenging time.



Rescue. Brand

When the COVID-19 pandemic hit and the need for critical products like hand sanitiser, antibacterial wipes and masks became clear, Rescue. Brand reached out to Sydney Airport to see if we could work together.

Rescue. Brand is a for-purpose enterprise started to provide the products to the Australian community while employing people impacted by the COVID-19 crisis and supporting Indigenous communities.

Sydney Airport purchased hand sanitiser, antibacterial wipes and face masks from Rescue. Brand for our workplaces. Under Rescue. Brand's model, our purchases mean more than \$7,700 worth of Rescue. Brand goods were donated to indigenous medical centres in conjunction with the National Aboriginal Community Controlled Health Organisation including face masks and hand sanitiser.



Business innovation for social impact

The Social Outfit, based in Sydney's inner west began making bright-coloured masks during the COVID-19 pandemic. Constructed from fabric donated by well-known Australian fashion brands, the proceeds of sales sustainably fund skills development and employment in the fashion industry for refugees and new migrant communities.

In early August, we donated space in our terminals to The Social Outfit to sell their reusable face masks to passengers and staff returning to work at the airport. The initiative focused on ensuring our customers felt safe during their journey, while having a positive social impact in the community.

The stall opened for three weeks and generated almost \$10,000 in revenue for the social enterprise, with more than 420 masks sold. The Social Outfit also provided the option to purchase masks under a buy-one-give-one model, which saw almost 150 masks donated to The Women and Girls Emergency Centre in Sydney's Redfern.

Supporting our community



Reconciliation Action Plan

We continued to progress actions in our Innovate Reconciliation Action Plan (RAP) in 2020 and will begin the development of our next RAP for delivery in 2021.

Our updated Supplier Code of Conduct encourages suppliers to engage and support local, Indigenous and diverse suppliers and communities, and to contribute to the sustainable development of the local communities which the supplier impacts.

This foundational step ensures that our suppliers are aligned with the airport in making a positive contribution to the Indigenous community.

During National Reconciliation Week, we celebrated Indigenous and Torres Strait Islander culture and focused on the proud connections we hold with our local Indigenous community.

To continue the progress of our RAP deliverables, a toolkit was developed in consultation with Gujaga Foundation to shine a spotlight on our Acknowledgement of Country. We also created an Indigenous-themed signature block for staff, exhibiting our RAP artwork by Aboriginal artist Charmaine Mumbulla.

To celebrate NAIDOC Week this year, the airport community came together to raise the Indigenous, Torres Strait and Australian flags at our T1 international terminal in a ceremony with our onsite Australian Federal Police colleagues. The Gamay Dancers shared local Indigenous history and culture with the airport community with a series of local songs and dances.

Ray Ingre, Chairman of the Gujaga Foundation, also hosted two sessions at the airport furthering our people's cultural understanding of the local

Indigenous community. The sessions focused on Indigenous layers of identity, the local community's history and Gujaga Foundation's work to build cultural identity and belonging in the next generation of the La Perouse Aboriginal community.

This year, the airport donated devices to our partner Clontarf Foundation to assist 350 Indigenous students in the local government area with digital learning. Clontarf Foundation aims to improve the education life skills and self-esteem of young Aboriginal and Torres Strait Islander men through the connection of sport.

The airport also continued its partnership with CareerTrackers and welcomed a university student to the airport to intern during the university break in our corporate affairs team.



Building our connection with the Indigenous community

Through our work with the Gujaga Foundation, we formed a relationship with the Gamay Rangers, a ranger program in La Perouse that undertakes land management activities on cultural areas within Botany Bay.

The RAP working group visited the Gamay Rangers at Kamay Botany Bay National Park where they learnt about how the Gamay Rangers patrol the waters, their marine mammal awareness and protection work, cultural heritage protection and conservation and threatened species management.

To further this engagement, a group of Sydney Airport volunteers spent a morning with the rangers completing weed management and litter clearing at the national park, while learning about the ranger's connection to Country and land management practices.

Through these visits, our people have built a stronger understanding of the work of the Gamay Rangers in our local community.

Supporting our community

Supporting our partners

We are striving to build a community where our on airport partners feel a shared sense of purpose with Sydney Airport. This year was particularly challenging for all airport community members with COVID-19 causing disruption, uncertainty and ongoing business impacts.

Sydney Airport remained a committed partner in our approach to supporting our commercial, property and airline partners.

Through our established digital channels, and ongoing regular forums we maintained open lines of communication in an evolving environment regarding government requirements and safety information.

We worked to strengthen our relationships with airline partners and put in place relief packages that support both the airport and the airlines to manage through COVID-19.

Our approach was fair and equitable, sharing the pain with our retailers. We were guided by the National Cabinet

Mandatory Code of Conduct for commercial tenancies and at times we went beyond these recommendations.

We offered tenants temporary concessions in the form of rent deferrals and rent abatements. Each concession was assessed on a case by case basis, taking into consideration all factors affecting individual tenants.

This resulted in 97 per cent of tenants remaining in situ across our three terminals in 2020. We will continue to provide fair and reasonable support as the industry continues to recover.



Airport café manager Jacob Maarabani's experience during COVID-19

Jacob Maarabani has worked at Sydney Airport for almost five years managing the day-to-day operations at Veloce Café in T2 domestic terminal.

COVID-19 impacted operations at his café, first with small changes followed by more drastic ones. While Jacob and the team acted fast to alter order schedules, review suppliers and change rosters, closing some of their locations meant difficult conversations were had with some of their staff.

Jacob says they used the downtime as an opportunity to get stuck into their business to review their supply chain and streamline their menu. They also upgraded flooring, changed out coffee machines and ran service and maintenance on café equipment.

This helped them stay motivated. When restrictions eased, Jacob and his team worked to stand up as many staff as possible with faith that the airport community will come back from this together, bigger and better than ever. He says "I can't wait to get back to the early starts - everyone's pumped to be flying, the coffee machines are fired up and I'm in the thick of it serving and chatting to people. I love it!"

Economic contribution

Aviation is vitally important to the Australian economy.

Research by Deloitte Access Economics in 2020 found the direct and indirect economic contribution of the Sydney Airport precinct in 2019 (pre-COVID-19) was \$42 billion, representing 6.7 per cent of the NSW and 2.1 per cent of the Australian economies. This directly supported 336,400 full time equivalent jobs generating \$22.5 billion in household income. This represents 3 per cent of the total employment in Australia and 9.5 per cent of total employment in NSW¹.

During the year, Sydney Airport's economic value contribution included:

- \$803.7²m of direct economic value generated in the form of revenue

- \$680.5m of economic value distributed in the form of operating costs, payments to employees and government, payments to providers of capital and community investments

This is a lower contribution than previous years due to the impact of the COVID-19 pandemic on the airport and the aviation sector more broadly.

Research by EY found international aviation contributes \$100 billion in exports per year and supports over 500,000 jobs to the Australian economy³.

COVID-19 has had a significant impact on Sydney Airport, with traffic falling by approximately 97 per cent between April and November 2020. During 2020, approximately 13,000 jobs have been lost at the airport (out of a total of 33,500), with more being lost in the surrounding communities. At the same

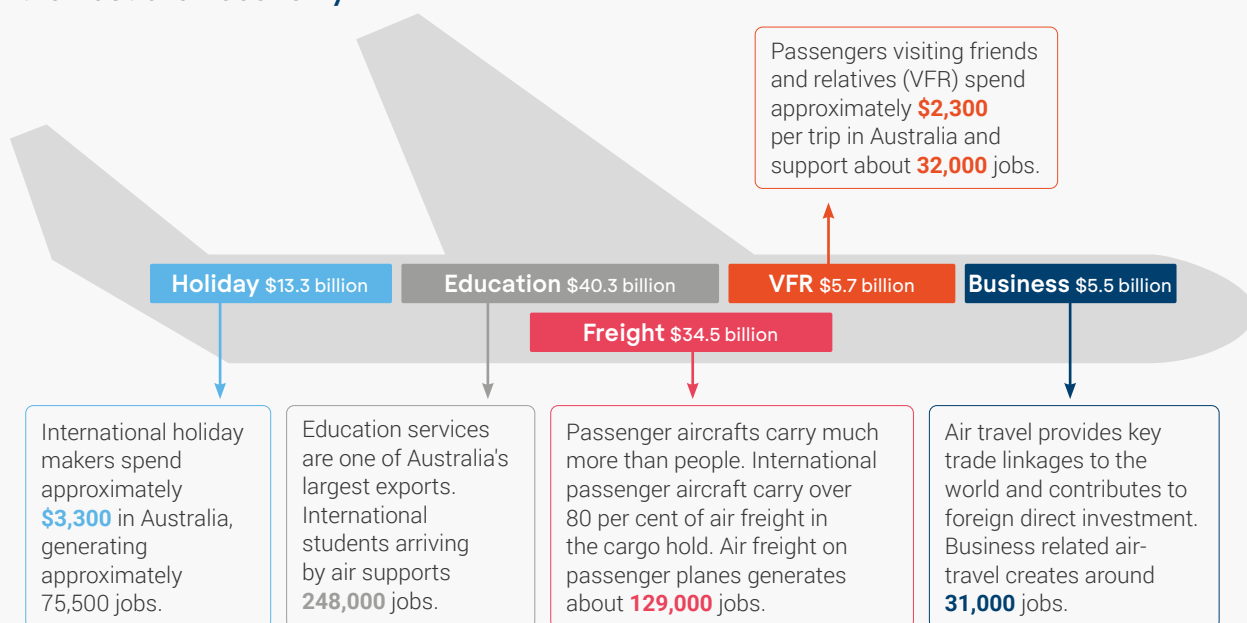
time, the airport has stayed open as an essential service supporting repatriation and freight flights, as well as a limited number of domestic and regional flights that have continued to operate.

Sydney Airport is working with national and international governments and airline partners to support a stronger and faster recovery of this critical sector in a COVID-safe manner. See the 'Business continuity and resilience' section (page 19) of this report for more information.



By supporting access to a worldwide transportation network, the airport is important for global businesses as it supports the achievement of economic productivity.

International aviation's contribution to the Australian economy



Source: EY, The role of international aviation in Australia's economic recovery

1. Deloitte Access Economics, Economic contribution of Sydney Airport 2019, February 2021

2. Excludes 'Other income' as referenced in ASX-listed Sydney Airport Financial Report for the year ended 31 December 2020

3. EY, The role of aviation in Australia's economic recovery, October 2020

Performance data

The data covers the performance and activities over which Sydney Airport had operational control during all, or part of, the year ended 31 December 2020.

For the years prior to 2020, environmental data sets (emissions, energy, waste, water, noise and environmental spills) were reported for 1 July to 30 June, in line with Sydney Airport's regulatory environmental reporting obligations. In 2020, this has transitioned to a calendar year data set to align with all other data sets. Performance data from the 2019-20 year has been included in these data tables for comparison purposes.

Additionally from July 2019, emissions, water and waste data from T3 domestic terminal is included in our environmental reporting in line with the handover of T3 domestic terminal operations to Sydney Airport. In October 2020, Sydney Airport assumed ownership of the Jet Fuel Infrastructure at the airport. Energy, emissions and water data is included in 2020 performance data for the three month period.

Commitments and data points reported heavily impacted by COVID-19 are asterisked (*) in the tables below and may represent an anomaly in trend performance year on year.

General metrics	2020	2019	2018	2017	2016
Revenue (AU\$m)	803.7	1,639.7	1,584.7	1,483.3	1,364.6
Number of passengers (million)	11.24	44.4	44.4	43.3	41.9
Number of domestic passengers	7.45	27.5	27.7	27.4	26.9
Number of international passengers	3.79	16.9	16.7	16	14.9
Total number of aircraft movements	137,313	346,182	344,149	345,104	346,437
Total number of employees	436	508	487	441	418

Health, safety and security	2020	2019	2018	2017	2016
Injuries and injury rates					
Injuries by type – Employees					
Fatalities	0	0	0	0	0
Lost time ¹	5	6 ²	10	6	3
Medical treatment	3	8 ²	8	10	12
Injuries by type – Service providers³					
Fatalities	0	0	0	0	0
Lost time	13	14 ⁴	9	13	19
Medical treatment	6	11 ⁴	16	41	47
Lost Time Injury Frequency Rate (LTIFR)⁵					
Employees	5.4	6.4 ²	9.6	6.0	3.3
Service providers	8.0*	4.9 ⁴	3.0	4.7	6.8
Total Recordable Injury Frequency Rate (TRIFR)⁶					
Employees	8.6	15.0	17.3	16	17.6
Service providers	11.8*	8.7	8.4	19.4	19.9
Other rates					
Passenger Incident Rate ⁷	1.3*	0.9	1.0	1.0	1.1
Absenteeism rate ⁸	2.08	—	2.13	2.80	2.40
Training hours and inspections					
Safety training hours	1,699	1,891	2,762	—	—
Number of safety walks and talks	736	840	—	—	—
% planned workplace inspections completed	49%*	—	—	—	—
% of facilities that failed safety inspections	0%	—	—	—	—
Aviation safety					
Aviation safety hours	7,687	6,287	8,297	8,256	8,780
Wildlife strikes ⁹	2.4*	2.3	1.2	1.9	1.8
Cyber security					
Number of reportable data security breaches	0	—	—	—	—
Number of breaches involving confidential information	0	—	—	—	—
Number of customers affected	0	—	—	—	—

1. LTI is a work-related injury that results in at least one full day or shift being lost after the day in which the injury or illness occurred

2. Post 2019 report publication, closed investigations resulted in the reclassification of one 2019 employee MTI as an LTI

3. Service providers (including cleaning, security, curb side management, waste management, parking and trolleys and bussing) engaged by Sydney Airport

4. Post 2019 report publication, closed investigations resulted in the reclassification of one 2019 service provider MTI as an LTI

5. Represents the number of LTIs per one million hours worked

6. Represents the number of MTIs and LTIs per million hours worked

7. Represents the number of first aid and medical treatment injuries per 100,000 passengers

8. Calculated by dividing the number of days of employee absences by the available workdays Absenteeism does not include excused absences, when an employer has granted an employee permission to miss work

9. Wildlife strikes per 10,000 aircraft movements

Performance data

Environment and climate ¹⁰	2020	2019-20	2018-19	2017-18	2016-17	2015-16
Total Emissions (tCO₂e)						
Total Scope 1 & 2 ¹¹	75,854	88,517	83,620	86,916	87,888	85,644
Scope 1	5,612	6,568	5,755	5,569	5,826	5,746
Natural gas	4,316	4,981	4,080	3,550	3,313	3,268
Stationary fuels	140	185	134	167	127	357
Transport fuels	838	1,139	1,270	1,585	2,071	2,120
Other ¹²	319	263	271	267	315	1
Scope 2	70,242	81,949	77,865	81,347	82,062	79,898
Electricity	70,242	81,949	77,865	81,347	82,062	79,898
Scope 3	276,821 *	503,403	883,983	884,304	1,120,932	952,747
Landing and Take Off	165,121	311,843	431,445	428,924	455,300	434,694
Ground Support Equipment	6,005	12,125	29,380	29,016	14,138	15,442
Auxiliary Power Unit	6,150	12,040	49,247	52,147	47,322	31,145
Surface Access	37,594	108,442	289,583	288,985	520,482	387,806
Third party energy use	58,320	51,292	74,491	74,491	72,914	72,912
Waste	3,021	6,838	8,968	9,747	10,083	9,417
Engine testing	452	602	696	751	415	1,023
Corporate travel	53	116	81	133	141	159
Aviation Rescue and Fire Fighting	105	105	92	110	137	149
Emissions intensity (kgCO₂e/ PAX)						
Total emissions intensity ¹³	6.7 *	2.7	2.4	2.6	2.7	2.8
Carbon Offsetting (tCO₂e)						
Total offsets	785	N/A	784	295	295	295
Other air emissions (kg)						
Carbon Monoxide (CO)	4,029	4,515	3,708	3,700	3,400	4,500
Oxides of Nitrogen (NOx)	5,705	7,968	6,670	6,700	5,600	10,000
Oxides of Sulphur (SOx)	45	34	34	34	32	33
Volatile Organic Compounds (VOC)	154,601 ¹⁴	545	461	460	440	620
Suspended Particulate Matter (PM10)	415	505	417	420	370	560
Suspended Particulate Matter (PM2.5)	412	501	414	420	360	550
Energy						
Total energy consumption (GJ)	412,564	481,719	446,544	447,635	447,283	441,103
Natural gas	83,758	85,673	79,184	68,893	63,422	63,422
Stationary fuels	1,815	2,627	1,924	2,391	1,817	5,081
Transport fuels	12,007	16,220	18,067	22,577	29,472	30,179
Electricity (excl. renewables)	312,184	323,364	344,607	352,831	351,696	342,421
Renewable	2,800	2,009	2,763	943	0	0

* Result impacted by COVID-19 and may represent an anomaly trend in performance year on year

10. Data from 2020 onwards is reported on a calendar year basis and includes T3 and JFI from October 2020. Data for 2019-20 is reported July-June for comparison purposes and includes T3. Data for 2018-19 and prior was reported for the period July-June and excludes T3

11. GHG inventory is compiled using the National Greenhouse and Energy Reporting and the National Greenhouse Accounts Factors' methodologies

12. Includes refrigerants for HVAC system and industrial gases for network infrastructure and baggage handling systems

13. Calculated by dividing total Scope 1 and 2 emissions by total number of passengers. Offsets purchased for Scope 1 emissions deducted. Includes T3 from 2020 onwards

14. Increase in VOC due to Sydney Airport taking ownership of the Jet Fuel Infrastructure (JFI) in 2020

Environment and climate	2020	2019-20	2018-19	2017-18	2016-17	2015-16
Water						
Total water consumption (KL)	480,076*	646,344	705,702	617,891	756,081	719,585
Potable water consumption	328,255	353,137	526,698	465,960	600,845	507,211
Ground water	244	1,064	534 ¹⁵	1,263	3,964	2,757
Water recycled (and consumed)	151,577	202,631	178,141	150,668	151,272	209,617
Total water recycled (%)	32%	31%	25%	24%	20%	29%
Total water recycled T1 (%) ¹⁶	36%	37%	30%	30%	0%	0%
Water intensity						
Total potable water intensity (L/PAX) ¹⁷	43*	20	21	18	24	23
Waste¹⁸						
Waste generated (tonnes)	2,325*	5,408	6,360	6,489	6,438	5,740
Hazardous waste (quarantine)	454	1,278	1,772	1,704	1,486	1,330
Non-hazardous waste ¹⁹	1,870	4,129	4,588	4,785	4,952	4,410
Waste disposal (tonnes)	2,325*	5,408	6,360	6,489	6,438	5,740
Recycling (including eWaste)	795	1,836	1,990	2,052	2,101	1,799
Autoclaving and landfill	454	1,278	1,772	1,704	1,486	1,330
Landfill	1,034	2,196	2,598	2,733	2,851	2,611
Organics recovery	42	98				
Total waste recycled (%)	44.7%	46.8%	43.4%	42.9%	42.4%	31.3%
Waste intensity (kg/PAX)²⁰	0.21*	0.17	0.19	0.19	0.20	0.19
Environmental Spills						
Number of large spills (>100m ²)	1	1	4	4	1	4
Noise						
Noise complaints and breaches	2	2	2	10	4	5
Number of Aircraft Engine Operating Procedure breaches	0	0	0	12	0	1
Customer	2020²¹	2019	2018	2017	2016	
Customer satisfaction (out of five)*						
International	4.29	4.21	4.13	4.01	3.89	
Domestic	4.21	4.16	4.14	3.95	3.91	
Ambience						
International	4.36	4.28	4.22	4.17	3.99	
Domestic	4.21	4.20	4.14	4.11	4.06	
Cleanliness						
International	4.37	4.31	4.27	4.24	4.13	
Domestic	4.25	4.22	4.19	4.14	4.11	
Wayfinding						
International	4.23	4.19	4.12	3.97	3.82	
Domestic	4.30	4.25	4.21	4.09	4.02	

* Result impacted by COVID-19 and may represent an anomaly trend in performance year on year

15. Number updated for accuracy based on internal data reviews

16. Includes tenants in the international precinct

17. Calculated by dividing total water consumption (L) by the total number of passengers. Includes T3 from 2020 onwards

18. Excludes waste generated on aircraft, Qantas Premium Lounge, car parks and construction waste

19. Includes non-quarantine solid and liquid wastes

20. Calculated by dividing total hazardous and non-hazardous (Kg) by the number of passengers. Includes T3 from 2020 onwards

21. Customer satisfaction data for 2020 impacted by COVID-19 and reported here for Q1 2020 only

Performance data

People and organisation ²²	2020		2019		2018		2017		2016	
Total employees	436		508		487		441		418	
Total Workforce by employment type	M	F	M	F						
Permanent full time	276	139	300	170	435		387		373	
Permanent part time	3	12	10	19	30		26		18	
Fixed term full time	1	2	2	7	20		24		26	
Fixed term part time	3	0	0	0	2		4		1	
Casual	0	0	0	0	0		0		0	
Total Workforce by age	M	F	M	F						
<30	18	12	26	20	106		103		96	
30-50	185	113	197	142	297		261		246	
>50	79	28	89	34	84		77		76	
Total Workforce by category	M	F	M	F						
Board	5	2	5	2	— —		— —		— —	
CEO	1	0	1	0	— —		— —		— —	
Key Management Personnel	2	1	2	1	— —		— —		— —	
Other executive/ General Manager	7	5	10	6	— —		— —		— —	
Senior Manager	16	11	10	11	— —		— —		— —	
Other Manager	55	24	47	23	— —		— —		— —	
Professional	102	77	142	110	— —		— —		— —	
Technical and trade	93	11	96	10	— —		— —		— —	
Administration and clerical	2	22	4	35	— —		— —		— —	
Diversity										
Diversity in the total workforce										
Number of female employees	153		196		189		167		152	
% women in the total workforce	35%		39%		39%		38%		36%	
% of females in management roles	34%		37%		35%		39%		37%	
Female representation by category										
Board	29%		29%		25%		29%		29%	
CEO	0%		0%		0%		100%		100%	
Key Management Personnel	33%		33%		30%		27%		33%	
Other executive/ General Manager	42%		38%		30%		27%		33%	
Senior Manager	41%		52%		45%		48%		41%	
Other Manager	30%		33%		33%		37%		36%	
Professional	43%		44% ²³		46%		43%		42%	
Technical and trade	11%		9% ²³		3%		8%		8%	
Administration and clerical	92%		90%		82%		92%		94%	
Pay equity ²⁴										
Gender pay equity ratio	99.8		95.9		93.4		92.2		94.5	

* Result impacted by COVID-19 and may represent an anomaly trend in performance year on year

22. Gender based reporting by category and age adopted in reporting from 2019 onwards

23. Number updated for accuracy based on internal data reviews

24. Calculated on base salary and superannuation

People and organisation	2020		2019		2018		2017		2016	
Recruitment and retention										
New hires										
Total number of new hires	62		96		106		80		87	
	M	F	M	F	M	F	M	F	M	F
% of new hires by gender	56%	44%	55%	45%	57%	45%	50%	50%	53%	47%
Turnover rate	33%		19%		14%		14%		12%	
Voluntary employee turnover rate	11%		12%		10%		12%		8%	
Involuntary employee turnover rate	22%		7%		4%		2%		4%	
Turnover rate by age and gender (%)	M	F	M	F						
<30	2%	2%	1%	1%	—	—	—	—	—	—
30-50	10%	13%	6%	7%	—	—	—	—	—	—
>50	4%	2%	2%	2%	—	—	—	—	—	—
Collective bargaining agreements										
% of employees in collective bargaining agreements	35%		36%		40%		—		—	
Internal movement and opportunities										
% internal recruitment	31%		31%		48%		34%		39%	
% of employees promoted	11%		15%		—		—		—	
Employee engagement										
% employees participated	86%		86%		—		—		—	
Total employee engagement score	80		70		—		—		—	
	M	F	M	F						
Employee engagement score by gender	81	78	71	66	—	—	—	—	—	—
Training										
Average training hours and spend	M	F	M	F						
Total average hours of training per employee	9.6		15.5		14.1		10.0		11.9	
Average amount spent per employee on training (AU\$)	718.58*		1,157		1,289		659		—	
Community investment	2020		2019		2018		2017		2016	
Community investment										
Total community value (AU\$ million) ²⁵	\$2.7*		\$5.2		\$5.7		\$5.0		\$3.3	
Employee participation										
Volunteer hours	1,981.5*		185.0		201.7		162.9		252.3	
% of employees participating in payroll giving	3%		3%		3%		3%		4%	

* Result impacted by COVID-19 and may represent an anomaly trend in performance year on year

25. Calculated and verified in accordance with the London Benchmarking Group (LBG) Australia and New Zealand framework. See the community investment section of this report for the cost breakdown

Other information



GRI Index

Reference	Year	Disclosure Title	SYD disclosure/reference												
General Disclosures															
102-1	2016	Name of the organisation	Sydney Airport Limited												
102-2	2016	Activities, brands, products, and services	<p>Sydney Airport manages landside and airside operations of the Sydney (Kingsford Smith) Airport. SYD's services and operations are segmented into:</p> <ol style="list-style-type: none">1. Aeronautical services: responsible for all aspects of the business associated with aviation operations, activity and revenue, security, safety, sustainability and environment.2. Retail: responsible for the retail, food and dining portfolio across SYD, including leasing, marketing brand space and advertising.3. Property, car rental and hotels: responsible for the development, leasing and day to day management of SYD commercial assets located within terminals, the airfield, landside areas and hotels.4. Landside operations and transport: responsible for all of SYD's landside ground transport operations including car parking and commercial transport operators including buses, taxis, hire cars and rideshare.												
102-3	2016	Location of headquarters	Nigel Love Building, 10 Arrivals Court, Mascot, NSW, Australia												
102-4	2016	Location of operations	Sydney (Kingsford Smith) Airport, Mascot, NSW, Australia												
102-5	2016	Ownership and legal form	Sydney Airport Limited is the ultimate 100% parent company of Sydney Airport Corporation Limited, the operator of Sydney (Kingsford Smith) Airport.												
102-6	2016	Markets served	All of Sydney Airport's operations and services take place at Kingsford Smith Airport. Our key customers are the passengers moving through our terminals and airlines landing at Sydney Airport. See 2020 Annual Report - Highlights for a regional breakdown of the airlines landing at Sydney Airport.												
102-7	2016	Scale of the organisation	<p>Total employees: 436</p> <p>Detailed information on number of operations, quantity of services and financial scale of our business can be found in our 2020 Annual Report.</p>												
102-8	2016	Information on employees and other workers	All our workforce is employed in Australia. 2020 Sustainability Report - Performance data> people and organisation.												
102-9	2016	Supply chain	Sydney Airport's major suppliers include those that support the airport's infrastructure development, deliver services to, and support maintenance of, airport facilities. In 2020, Sydney Airport's main supplier categories by spend related to construction services, security services, facilities and asset maintenance services, civil and asphalt works and utilities (electricity, gas and water).												
102-10	2016	Significant changes to the organisation and its supply chain	<p>In 2020, Sydney Airport restructured its business following the impacts of the COVID-19 pandemic. Our Assets and Infrastructure division moved to our Commercial Division and at the time of restructure, headcount was reduced by 22 per cent.</p> <p>Sydney Airport purchased T3 domestic terminal from Qantas in September 2015, four years ahead of the existing lease's expiration date and took over full management of T3 in 2020. Performance data includes T3 where relevant. Sydney Airport also assumed ownership of the Jet Fuel Infrastructure at the airport in October 2020.</p> <p>Efforts to contain the spread of the COVID-19 pandemic resulted in a sharp fall in air travel, reducing passenger traffic and associated revenue for Sydney Airport. Progress in some of our 2019-2021 commitments has been impacted by these changes. These are flagged in our 2020 Sustainability Report and may represent an anomaly in trend performance year on year.</p>												
102-11	2016	Precautionary Principle or approach	The precautionary principle is reflected in Sydney Airport's approach to risk management. Refer to the risk disclosure in the 2020 Annual Report for further information												
102-12	2016	External initiatives	2020 Sustainability Report - Benchmark and ratings performance												
102-13	2016	Membership of associations	<p>Current main memberships across the company:</p> <table><tr><td>Airport Councils International</td><td>CEDA – Committee for the Economic Development of Australia</td></tr><tr><td>Australia Indonesia Business Council Ltd</td><td>Corporate Citizenship</td></tr><tr><td>Australian Airports Association</td><td>Infrastructure Partnerships Australia</td></tr><tr><td>Australian Logistics Council</td><td>LBG Corporate Citizenship</td></tr><tr><td>Botany Bay Business Enterprise Centre</td><td>New Business Chamber</td></tr><tr><td>Business Council of Australia</td><td>Tourism and Transport Forum Australia (TTF)</td></tr></table>	Airport Councils International	CEDA – Committee for the Economic Development of Australia	Australia Indonesia Business Council Ltd	Corporate Citizenship	Australian Airports Association	Infrastructure Partnerships Australia	Australian Logistics Council	LBG Corporate Citizenship	Botany Bay Business Enterprise Centre	New Business Chamber	Business Council of Australia	Tourism and Transport Forum Australia (TTF)
Airport Councils International	CEDA – Committee for the Economic Development of Australia														
Australia Indonesia Business Council Ltd	Corporate Citizenship														
Australian Airports Association	Infrastructure Partnerships Australia														
Australian Logistics Council	LBG Corporate Citizenship														
Botany Bay Business Enterprise Centre	New Business Chamber														
Business Council of Australia	Tourism and Transport Forum Australia (TTF)														

GRI Index

Reference	Year	Disclosure Title	SYD disclosure/reference
Strategy			
102-14	2016	Statement from senior decision-maker	2020 Sustainability Report - Chair and CEO message
102-15	2016	Key impacts, risks, and opportunities	2020 Annual Report - Risk management
Ethics and integrity			
102-16	2016	Values, principles, standards, and norms of behaviour	2020 Sustainability Report - Our approach to sustainability Sydney Airport website - Vision and values 2020 Corporate Governance Statement - Principle 3
102-17	2016	Mechanisms for advice and concerns about ethics	Sydney Airport Code of Conduct and Whistleblower Policy 2020 Sustainability Report - Fair and ethical business
Governance			
102-18	2016	Governance structure	2020 Annual Report - Directors' Report 2020 Corporate Governance Statement - Principle 2
102-22	2016	Composition of the highest governance body and its committees	2020 Annual Report - Directors' Report 2020 Corporate Governance Statement - Principle 2
102-23	2016	Chair of the highest governance body	Mr Trevor Gerber, Chairman 2020 Annual Report - Directors' Report
102-30	2016	Effectiveness of risk management processes	2020 Corporate Governance Statement - Principle 7
Stakeholder engagement			
102-40	2016	List of stakeholder groups	2020 Sustainability Report - Stakeholder engagement
102-41	2016	Collective bargaining agreements	35% of our workforce was covered by an enterprise agreement at the end of the reporting period 2020 Sustainability Report - Performance data > People and organisation
102-42	2016	Identifying and selecting stakeholders	2020 Sustainability Report - Stakeholder engagement 2039 Sydney Airport Master Plan - Stakeholder and community engagement
102-43	2016	Approach to stakeholder engagement	2020 Sustainability Report - Stakeholder engagement 2039 Sydney Airport Master Plan - Stakeholder and community engagement
102-44	2016	Key topics and concerns raised	2020 Sustainability Report - Stakeholder Engagement
102-45	2016	Entities included in the consolidated financial statements	2020 Annual Report - Directors' Report
Reporting practice			
102-46	2016	Defining report content and topic Boundaries	2020 Sustainability Report - About this report
102-47	2016	List of material topics	2020 Sustainability Report - Focusing on issues that matter
102-48	2016	Restatements of information	Where applicable restatements are indicated as footnotes in the Performance data section of the 2020 Sustainability Report
102-49	2016	Changes in reporting	Sydney Airport purchased T3 domestic terminal from Qantas in September 2015, four years ahead of the existing lease's expiration date and took over full management of T3 in 2020. Performance data includes T3 where relevant. Sydney Airport also assumed ownership of the Jet Fuel Infrastructure at the airport in October 2020.
102-50	2016	Reporting period	1 January 2020 to 31 December 2020
102-51	2016	Date of most recent report	2019 Sustainability Report, published in February 2020
102-52	2016	Reporting cycle	Annual
102-53	2016	Contact point for questions regarding the report	We welcome feedback on our sustainability reporting and performance. Please email us at sustainability@syd.com.au
102-54	2016	Claims of reporting	2020 Sustainability Report - Benchmark and ratings performance
102-55	2016	GRI content index	2020 Sustainability Report - GRI index
102-56	2016	External assurance	2020 Sustainability Report - Limited assurance statement

Reference	Year	Disclosure Title	SYD disclosure/reference
Material topics			
Safety			
103-1/2/3	2016	Explanation of the material topic and its Boundary. The management approach and its components. Evaluation of the management approach	2020 Sustainability Report - Focusing on issues that matter 2020 Sustainability Report - Safety Sydney Airport website - Safety 2020 Sustainability Report - Our approach to sustainability
403-9	2018	Work-related injuries	2020 Sustainability Report - Safety 2020 Sustainability Report - Performance data > Health and safety
Security, including cyber security			
103-1/2/3	2016	Explanation of the material topic and its Boundary. The management approach and its components. Evaluation of the management approach	2020 Sustainability Report - Focusing on issues that matter 2020 Sustainability Report - Security Sydney Airport website - Security 2020 Sustainability Report - Our approach to sustainability
Own indicator		Reportable cyber security breaches	2020 Sustainability Report - Security 2020 Sustainability Report - Performance data > Health, safety and security
Environmental management			
103-1/2/3	2016	Explanation of the material topic and its Boundary. The management approach and its components. Evaluation of the management approach	2020 Sustainability Report - Focusing on issues that matter 2020 Sustainability Report - Environmental management Sydney Airport website - Environmental management 2020 Sustainability Report - Our approach to sustainability
Energy			
302-1/3	2016	Energy consumption within the organisation and energy intensity	2020 Sustainability Report - Environmental management 2020 Sustainability Report - Performance data > Environment
Water and effluents			
303-5	2018	Water consumption	2020 Sustainability Report - Environmental management 2020 Sustainability Report - Performance data > Environment
Effluents and waste			
306-3	2016	Significant spills	2020 Sustainability Report - Performance data > Environment
Employee attraction, retention and development			
103-1/2/3	2016	Explanation of the material topic and its Boundary. The management approach and its components. Evaluation of the management approach	2020 Sustainability Report - Focusing on issues that matter 2020 Sustainability Report - Our People Sydney Airport website - Employee attraction, retention and development 2020 Sustainability Report - Our approach to sustainability
Employment			
401-1	2016	New employee hires and employee turnover	2020 Sustainability Report - Our people 2020 Sustainability Report - Performance data > People and organisation
Training and education			
404-2	2016	Programs for upgrading employee skills and transition assistance programs	2020 Sustainability Report - Our people Sydney Airport website - Employee attraction, retention and development
Diversity and inclusion			
103-1/2/3	2016	Explanation of the material topic and its Boundary. The management approach and its components. Evaluation of the management approach	2020 Sustainability Report - Focusing on issues that matter 2020 Sustainability Report - Our People Sydney Airport website - Employee attraction, retention and development 2020 Sustainability Report - Our approach to sustainability
405-1	2016	Diversity of governance bodies and employees	2020 Sustainability Report - Our people 2020 Sustainability Report - Performance data > People and organisation

GRI Index

Reference	Year	Disclosure Title	SYD disclosure/reference
Fair and ethical business practices			
103-1/2/3	2016	Explanation of the material topic and its Boundary. The management approach and its components. Evaluation of the management approach	2020 Sustainability Report - Focusing on issues that matter 2020 Sustainability Report - Fair and ethical business Sydney Airport website - Fair and ethical business operations 2020 Sustainability Report - Our approach to sustainability 2020 Modern Slavery Statement
Procurement practices			
Own indicator		Suppliers against the expectations set out in the Supplier Code of Conduct	2020 Sustainability Report - Fair and ethical business 2020 Modern Slavery Statement
Public policy			
415-1	2016	Political contributions	\$AU 1,990 was paid to attend political events and conferences during the reporting period
Climate change			
103-1/2/3	2016	Explanation of the material topic and its Boundary. The management approach and its components. Evaluation of the management approach	2020 Sustainability Report - Focusing on issues that matter 2020 Sustainability Report - Building resilience to climate change 2020 TCFD Report Sydney Airport website - Climate resilience 2020 Sustainability Report - Our approach to sustainability
Economic performance			
201-2	2016	Financial implications and other risks and opportunities due to climate change	2020 Sustainability Report - Building resilience to climate change 2020 TCFD Report
Emissions			
305-1/2/3/4	2016	Direct (Scope 1) GHG emissions; Energy indirect (Scope 2) GHG emissions; Other indirect (Scope 3) GHG emissions; GHG emissions intensity	2020 Sustainability Report - Environmental management 2020 Sustainability Report - Performance data > Environment
Sustainable development of the airport			
103-1/2/3	2016	Explanation of the material topic and its Boundary. The management approach and its components. Evaluation of the management approach	2020 Sustainability Report - Focusing on issues that matter 2020 Sustainability Report - Sustainable development of the airport Sydney Airport website - Sustainable development of the airport 2020 Sustainability Report - Our approach to sustainability
Own indicator		Achieve a minimum 4-Star Green Star Design and As-Built rating for new developments	2020 Sustainability Report - 2019-2021 Sustainability commitments
Operational efficiency and business continuity			
103-1/2/3	2016	Explanation of the material topic and its Boundary. The management approach and its components. Evaluation of the management approach	2020 Sustainability Report - Focusing on issues that matter 2020 Sustainability Report - Business continuity and resilience; Operational efficiency and continuous improvement Sydney Airport website - Operational efficiency and continuous improvement; Business continuity and performance 2020 Sustainability Report - Our approach to sustainability
Own indicator		Explore opportunities to further improve efficiencies	2020 Sustainability Report - Business continuity and resilience; Operational efficiency and continuous improvement

Reference	Year	Disclosure Title	SYD disclosure/reference
Customer experience			
103-1/2/3	2016	Explanation of the material topic and its Boundary. The management approach and its components. Evaluation of the management approach	2020 Sustainability Report - Focusing on issues that matter 2020 Sustainability Report - Customer experience Sydney Airport website - Customer experience 2020 Sustainability Report - Our approach to sustainability
Own indicator		Customer satisfaction	2020 Sustainability Report - Performance data > Customer
Own indicator		Passenger incident rate	2020 Sustainability Report - Performance data > Health and safety
Access to and from the airport			
103-1/2/3	2016	Explanation of the material topic and its Boundary. The management approach and its components. Evaluation of the management approach	2020 Sustainability Report - Focusing on issues that matter 2020 Sustainability Report - Access to and from the airport Sydney Airport website - Access to and from the airport 2020 Sustainability Report - Our approach to sustainability
Own indicator		Support diversity of public transport modal options	2020 Sustainability Report - Access to and from the airport
Indirect economic impacts			
203-1	2016	Infrastructure investments and services supported	2020 Sustainability Report - Access to and from the airport 2020 Sustainability Report - Sustainable development of the airport 2020 Annual Report - Capital expenditure
Innovation and technology			
103-1/2/3	2016	Explanation of the material topic and its Boundary. The management approach and its components. Evaluation of the management approach	2020 Sustainability Report - Focusing on issues that matter 2020 Sustainability Report - Innovation and technology Sydney Airport website - Innovation and technology 2020 Sustainability Report - Our approach to sustainability
Community investment and engagement			
103-1/2/3	2016	Explanation of the material topic and its Boundary. The management approach and its components. Evaluation of the management approach	2020 Sustainability Report - Focusing on issues that matter 2020 Sustainability Report - Community investment; Community engagement Sydney Airport website - Community investment and engagement 2020 Sustainability Report - Our approach to sustainability
Own indicator	2016	Community investment	2020 Sustainability Report - Performance data > Community
Own indicator	2016	Noise management including aircraft noise	2020 Sustainability Report - Aircraft noise
Economic performance			
103-1/2/3	2016	Explanation of the material topic and its Boundary. The management approach and its components. Evaluation of the management approach	2020 Sustainability Report - Focusing on issues that matter 2020 Sustainability Report - Economic contribution Sydney Airport website - Economic contribution 2020 Sustainability Report - Our approach to sustainability
Economic value			
201-1	2016	Direct economic value generated and distributed	2020 Sustainability Report - Economic contribution
Indirect economic impacts			
203-2	2016	Significant indirect economic impacts	2020 Sustainability Report - Economic contribution



SASB Index

SASB Index

This is the first year that Sydney Airport is reporting against the Sustainability Accounting Standards Board (SASB) standards. SASB guides the disclosure of financially material sustainability data and classifies Sydney Airport under the Professional and Commercial Services sector.

We have included all financially material topics under Professional and commercial services, our assigned sector, as well as material topics from the Real Estate, Airline, Leisure Facilities and Air Freight sectors where relevant.

SASB Sector: Professional and commercial services	Reference	SYD disclosure/ reference
Topic: Data security		
Description of approach to identifying and addressing data security risks	SV-PS 230a.1	2020 Sustainability Report – Security Sydney Airport website – Security
Description of policies and practices relating to collection, usage, and retention of customer information	SV-PS 230a.2	2020 Sustainability Report – Security Sydney Airport website – Security Sydney Airport website – Privacy
(1) Number of data breaches, (2) percentage involving customers' confidential business information or personally identifiable information (3) number of customers affected	SV-PS 230a.3	2020 Sustainability Report – Performance data > Health, Safety and Security
Topic: Workforce diversity and engagement		
Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	SV-PS 330a.1	2020 Sustainability Report – Performance data > People and organisation 2020 Sustainability Report – Our people
(1) Voluntary and (2) involuntary turnover rate for employees	SV-PS 330a.2	
Employee engagement as a percentage	SV-PS 330a.3	
Topic: Professional integrity		
Description of approach to ensuring professional integrity	SV-PS 510a.1	2020 Sustainability Report – Fair and ethical practices Sydney Airport website – Fair and ethical practices
Total amount of monetary losses as a result of legal proceedings associated with professional integrity	SV-PS 510a.2	Zero monetary losses or fines attributable to professional integrity or anticompetitive behaviour
Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behaviour regulations	TR-AL 520a.1	
Activity metrics		
Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	SV-PS-000.A	2020 Sustainability Report – Performance data > People and organisation
Employee hours worked	SV-PS-000.B	931,084 hours

Other relevant SASB metrics	Reference	SYD disclosure/ reference
Greenhouse gas emissions		
Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	TR-AF 10a.2 TR-AL 110a.2	2020 Sustainability Report – Environmental management; Building resilience to climate change
Gross global Scope 1 emissions	TR-AF 110a.1 TR-AL 110a.1	2020 Sustainability Report – Performance data > Environment
(1) Total fuel consumed, (2) percentage alternative, (3) percentage sustainable	TR-AF 110a.3 TR-AL 110a.3	
Energy management		
(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	SV-LF 130a.1 IF-RE 130a.2	2020 Sustainability Report – Performance data > Environment
Climate adaptation		
Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	IF-RE 140a.1	2020 Sustainability Report – Focusing on issues that matter 2020 Sustainability Report – Building resilience to climate change 2020 TCFD Report Sydney Airport website – Climate resilience
Air quality		
Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, and (3) particulate matter (PM10)	TR-AF 120a.1	2020 Sustainability Report – Performance data > Environment
Employee health and safety		
(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	TR-AF 320a.1 SV-LF-320a.1	TRIR using SASB methodology – 1.72 2020 Sustainability Report – Performance data > Health, Safety and Security
Accident and safety management		
Description of implementation and outcomes of a Safety Management System	TR-AF 540a.1 TR-AL-540a.1	Sydney Airport website – Safety 2020 Sustainability Report – Safety
Number of aviation accidents	TR-AF 540a.2	Zero aviation accidents
Number of governmental enforcement actions of aviation safety regulations	TR-AL 540a.3	Zero government enforcement actions
Labour practices		
Percentage of active workforce covered under collective bargaining agreements	TR-AL 310a.1	2020 Sustainability Report – Performance data > People and organisation

Limited assurance statement



Independent Limited Assurance Report to the Directors of Sydney Airport Limited

Conclusion

Based on the evidence we obtained from the procedures performed, we are not aware of any material misstatements in the Selected Sustainability Information, which has been prepared by Sydney Airport in accordance with the criteria as defined and described by management in the Sustainability Report for the year ended 31 December 2020.

Information Subject to Assurance

The Selected Sustainability Information, as presented in Sydney Airport Limited's ("SYD") Sustainability Report 2020 and available on SYD's website for the period 1 Jan 2020 to 31 December 2020, comprised the following:

Selected Sustainability Information	Value assured
Total Scope 1 and Scope 2 greenhouse gas emissions (tCO ₂ e)	75,854
Female representation overall (%)	35
Waste to landfill (tonnes)	1,034
Recycled waste (tonnes)	795
Quarantine waste (tonnes)	454
Lost Time Injury Frequency Rate (LTIFR) for SYD employees	5.4
Total Recordable Injury Frequency Rate (TRIFR) for SYD employees	8.6

Criteria Used as the Basis of Reporting

The criteria used in relation to the Sustainability Report content are SYD's policies, procedures and methodologies as disclosed in the 2020 Sustainability Report ("the criteria").

Basis for Conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 (Standard). In accordance with the Standard we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the Selected Sustainability Information, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of Procedures Performed

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- enquiries with relevant SYD personnel, and review of selected documentation;

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- enquiries with relevant SYD personnel to understand the internal controls, governance structure and reporting process of the Selected Sustainability Information;
- reviews of corporate documents concerning sustainability strategy and policies for material issues, and the implementation of these across the business;
- interviews with relevant staff at corporate level and service organisations engaged by Sydney Airport responsible for providing the information in the Sustainability Report;
- analytical procedures over the Selected Sustainability Information;
- agreement of a sample of Selected Sustainability Information to source documentation;
- evaluating the appropriateness of the criteria with respect to the Selected Sustainability Information; and
- reviewed the Sustainability Report in its entirety to ensure it is consistent with our overall knowledge based on the work undertaken during our limited assurance engagement.

How the Standard Defines Limited Assurance and Material Misstatement

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of Sydney Airport Limited.

Use of this Assurance Report

This report has been prepared for the Directors of Sydney Airport Limited for the purpose of providing an assurance conclusion on the Selected Sustainability Information and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of Sydney Airport Limited, or for any other purpose than that for which it was prepared.

Management's responsibility

Management are responsible for:

- determining that the criteria is appropriate to meet their needs;
- preparing and presenting the Selected Sustainability Information in accordance with the criteria; and
- establishing internal controls that enable the preparation and presentation of the Selected Sustainability Information that is free from material misstatement, whether due to fraud or error.

17 February 2021

Our Responsibility

Our responsibility is to perform a limited assurance engagement in relation to the Sustainability Report and Selected Sustainability Information for the period 1 January 2020 to 31 December 2020, and to issue an assurance report that includes our conclusion.

Our Independence and Quality Control

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Australian Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Control 1 to maintain a comprehensive system of quality control.

SYD