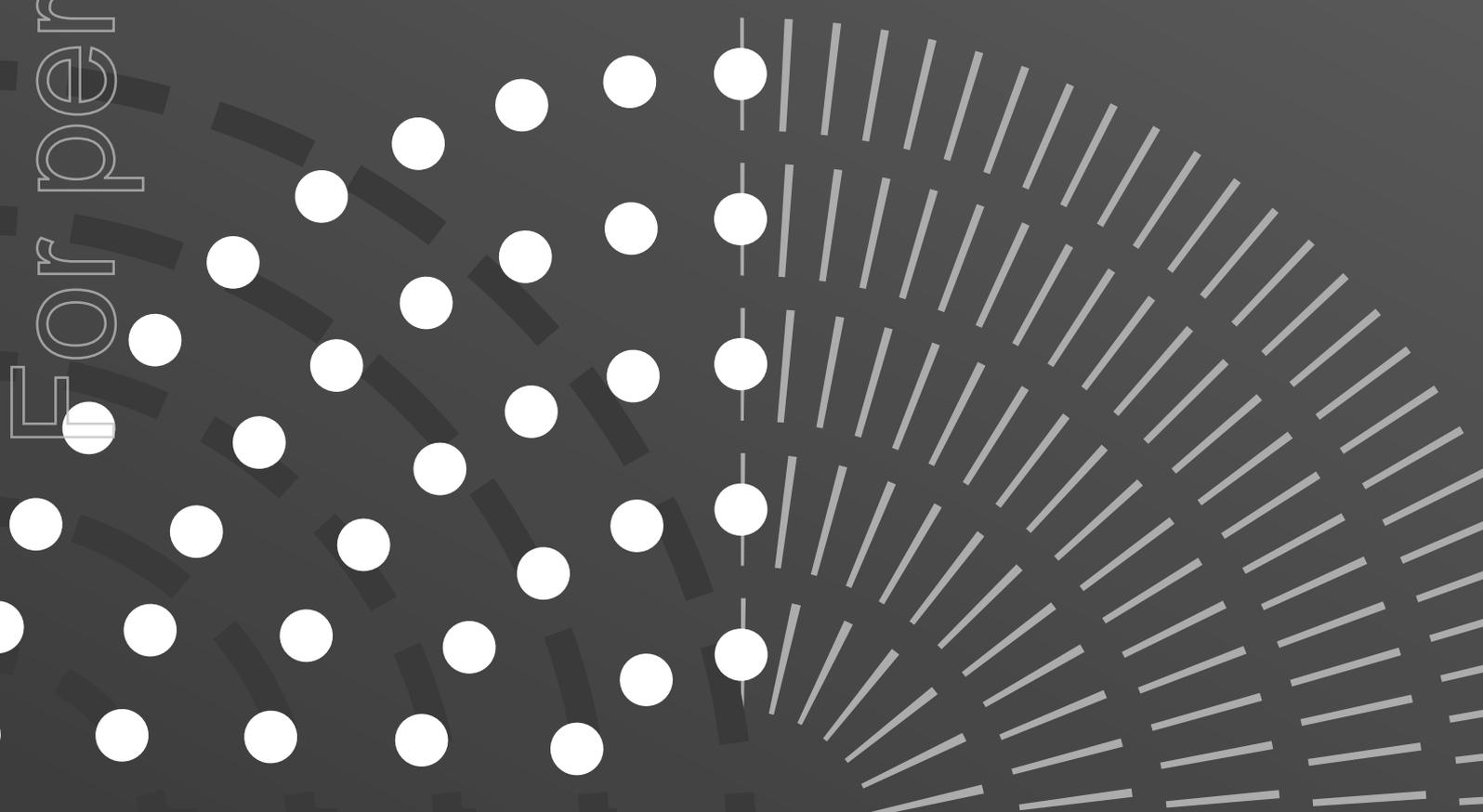


ASX-listed Sydney Airport comprises  
Sydney Airport Limited and Sydney Airport Trust 1



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# Notices of Meeting 2015



# 1. Annual General Meeting

The Sydney Airport Annual General Meeting will be held on 14 May 2015. The AGM will comprise concurrent meetings of the two entities that make up ASX-listed Sydney Airport, namely Sydney Airport Limited (ACN 165 056 360) (**SAL**) and Sydney Airport Trust 1 (ARSN 099 597 921) (**SAT1**). The Trust Company (Sydney Airport) Limited (ACN 115 967 087) (AFSL 301162) (**TTCSAL**) is the responsible entity of SAT1.

Section 2 explains the business of the meetings and the notices of meeting are contained in section 3. Voting information is contained in section 4 and proxy forms accompany this document. These can also be lodged online at [investorvote.com.au](http://investorvote.com.au).

Consistent with Sydney Airport's usual practice, voting on all resolutions will be conducted by poll and the results announced to the ASX and made available on the Sydney Airport website as soon as they are known.

The Chairman intends to cast undirected proxies in favour of all resolutions, subject to the voting exclusions set out below.

This document is important and requires immediate attention. It should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your stockbroker, solicitor, accountant or professional adviser without delay.

## 2. Explanatory Notes to AGM business

### 2.1 Consideration of Reports

In accordance with the *Corporations Act 2001 (Cth)* (the **Act**), the Financial Report, Directors' Report and Auditor's Report of SAL and its controlled entities for the financial year ended 31 December 2014 will be put before investors. These Reports are in Sydney Airport's 2014 Annual Report and can be accessed on our website at [www.sydneyairport.com.au/investors](http://www.sydneyairport.com.au/investors).

This item does not require a formal resolution and, accordingly, no vote will be held on this item. Investors will, however, be given a reasonable opportunity to ask questions on these Reports during discussion on this item.

### 2.2 Adoption of Remuneration Report - (SAL Resolution 1)

SAL's Remuneration Report for the period ending 31 December 2014 is set out on pages 20-30 of the Sydney Airport Financial Report for the year ended 31 December 2014 and is also available on our website at [www.sydneyairport.com.au/investors](http://www.sydneyairport.com.au/investors).

The Remuneration Report includes an explanation of SAL's remuneration principles, policy and structure, the role of the Nomination and Remuneration Committee and the remuneration arrangements for Directors and key management personnel.

In accordance with the Act, the vote on the adoption of the Company's remuneration report for the financial year ended 31 December 2014 is advisory only and does not bind the Directors or SAL.

The Directors will, however, take the outcome of the vote into account when considering the future remuneration policy for Non-executive Directors and Executives of Sydney Airport.

### Voting exclusion statement

SAL will disregard any votes cast on SAL Resolution 1:

- by or on behalf of a member of the key management personnel (**KMP**) details of whose remuneration are included in the Remuneration Report or a 'closely related party' (as defined in section 9 of the Act) of such a member of KMP; and
- as proxy by a member of KMP or a KMP's closely related party,

unless the vote is cast:

- as proxy for a person entitled to vote, in accordance with the directions on the proxy form; or
- where there is no specified direction on the proxy form, by the Chairman of the meeting as proxy for a person entitled to vote, in accordance with an express authority to vote undirected proxies as the Chairman sees fit (even though the resolution is connected directly or indirectly with the remuneration of a member of the KMP).

### 2.3 Appointment of director (SAL Resolution 2)

To pass the resolution to appoint a director, more than 50% of the votes cast by investors must be in favour of the resolution. SAL Resolution 2 will be put as an ordinary resolution.

### Director standing for re-election

In accordance with the SAL constitution and the ASX Listing Rules, Mr Max Moore-Wilton and Mr Trevor Gerber retire by rotation. Mr Gerber offers himself for re-election to the board of SAL, but Mr Moore-Wilton is not seeking re-election.

## 2. Explanatory Notes to AGM business (continued)

### **Trevor Gerber B Acc, CA**

Mr Gerber was appointed as a Sydney Airport director in May 2002. He is the Chairman of the SAL Audit and Risk Committee. He is an independent non-executive director of the following ASX-listed entities: Tassal Group Limited; Novion Property Group; Leighton Holdings Limited; and Regis Healthcare Limited. Mr Gerber has been a professional director since 2000. He previously worked for Westfield Holdings Limited for 14 years as Group Treasurer and subsequently as Director of Funds Management responsible for Westfield Trust and Westfield America Trust.

In December 2014 the board conducted a review of the performance of the board, the directors and the committees to which they are appointed. Consistent with the result of those reviews, the re-election of Mr Gerber is recommended.

*The board of Sydney Airport Limited (with Mr Gerber abstaining) considers that Mr Gerber qualifies as an independent director and supports his re-election.*

### **2.4 Long Term Incentive Plan**

As noted in Sydney Airport's 2014 Annual Report, Sydney Airport is implementing an equity-based long-term incentive plan for the CEO and other executives (the **LTI Plan**). Details of the terms of the LTI Plan and the proposed initial grant under the LTI Plan to the CEO are set out in the Appendix to this document. The relevant information is included in this document in the interests of transparency and corporate governance best practice.

Securityholder approval is not required in connection with the establishment of the LTI Plan or the proposed initial grant to the CEO. However, the board of SAL will invite any questions from securityholders.

### **2.5 Appointment of director (SAT1 Resolution 1)**

To pass the resolution to appoint the director, more than 50% of the votes cast by investors must be in favour of the resolution.

#### **Director standing for re-election**

In accordance with the TTCSAL constitution and the ASX Listing Rules, Mr Russell Balding retires by rotation as a director of the responsible entity of SAT1. Mr Balding offers himself for re-election to the board of TTCSAL.

### **Russell Balding AO, Dip. Tech(Com), B Bus, FCPA, MAICD**

Mr Balding was appointed as a TTCSAL director on 23 October 2013. He is Chairman of ASX-listed Cabcharge Australia Limited, Deputy Chairman of Destination NSW, a Board Member of Racing NSW, a Director of ComfortDelgro Cabcharge Pty Ltd and Director of CityFleet Networks Pty Ltd (UK). He was formerly the Chief Executive Officer of Southern Cross Airports Corporation Holdings Limited and the Managing Director of the Australian Broadcasting Corporation.

*The board of The Trust Company (Sydney Airport) Limited (with Mr Balding abstaining) considers that Mr Balding qualifies as an independent director and supports his re-election.*

## 3. Notices of Meeting

### NOTICE OF GENERAL MEETING

#### Sydney Airport Limited (ACN 165 056 360)

Sydney Airport Limited gives notice that a meeting of the shareholders of the company will be held on 14 May 2015 at 11.00am (Sydney time) Ballroom 1, Four Seasons Hotel Sydney, 199 George Street, Sydney NSW 2000 to transact the following business:

#### 1. Financial Statement and Reports

To receive and consider the Financial Report of Sydney Airport Limited and its controlled entities for the financial year ended 31 December 2014, together with the statements and reports of Directors and auditors forming part of the Financial Report.

#### 2. SAL Resolution 1 - Adoption of Remuneration Report

To consider and, if thought fit, to pass the following as an ordinary resolution:

"That the Remuneration Report, which forms part of the Directors' Report for the year ended 31 December 2014, be adopted."

Note: In accordance with the Act, the vote on the adoption of SAL's remuneration report for the financial year ended 31 December 2014 is advisory only and does not bind the Directors or SAL.

#### 3. SAL Resolution 2 - Re-election of Trevor Gerber

To consider and, if thought fit, to pass the following as an ordinary resolution:

"That Trevor Gerber be re-elected as a director of Sydney Airport Limited."

#### 4. Long Term Incentive Plan

The board will invite questions from shareholders on the Long Term Incentive Plan, details of which are set out in the Appendix.

No shareholder approval is required in connection with this item of business.

Terms and expressions used in this Notice of Meeting have, unless otherwise defined, the same meanings set out in section 1 or section 2.

BY ORDER OF THE BOARD OF SYDNEY AIRPORT LIMITED



**Jamie Motum**

Company Secretary

14 April 2015

**NOTICE OF GENERAL MEETING****Sydney Airport Trust 1 (ARSN 099 597 921)**

The Trust Company (Sydney Airport) Limited (ACN 115 967 087) gives notice that a meeting of the unitholders of Sydney Airport Trust 1 will be held on 14 May 2015 at 11.00am (Sydney time) Ballroom 1, Four Seasons Hotel Sydney, 199 George Street, Sydney NSW 2000 to transact the following business:

Consider, and if thought fit, pass the following resolution as an ordinary resolution:

**1. SAT1 Resolution 1 - Re-election of Russell Balding**

"That the re-election of Russell Balding as a director of The Trust Company (Sydney Airport) Limited by its shareholder be approved."

Terms and expressions used in this Notice of Meeting have, unless otherwise defined, the same meanings set out in section 1 or section 2.

BY ORDER OF THE BOARD OF THE TRUST COMPANY (SYDNEY AIRPORT) LIMITED



**Jamie Motum**

Company Secretary

14 April 2015

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## 4. Voting information

### Voting

You can vote in either of two ways:

- attending the meetings and voting in person or, if you are a corporate member, by corporate representative voting for you; or
- appointing a proxy to attend and vote for you, using the enclosed proxy form or by completing and lodging a proxy form online at [www.investorvote.com.au](http://www.investorvote.com.au)

### Voting in person

If you plan to attend the meetings, we ask that you arrive at the meeting venue at least 30 minutes prior to the time designated for the meeting so that we may check your security holding against our register of members and note your attendance. **The meetings will be held on Thursday 14 May 2015 at 11.00am (Sydney time) Ballroom 1, Four Seasons Hotel Sydney, 199 George Street, Sydney NSW 2000.**

### Voting by corporate representative

If a corporate member plans to attend, it must appoint a person to act as its representative and the appointed person must bring appropriate written evidence of the appointment to the meeting signed under the corporation's common seal or in accordance with section 127 of the Act.

### Voting by proxy

If you do not intend to attend the meeting and are entitled to vote on the resolution, you may select a representative or the chairman of the meeting to act as your proxy to attend and vote for you. A representative must be a natural person, but otherwise can be any person you choose and need not be a Sydney Airport security holder. Your proxy can be appointed in respect of some or all of your votes. If you are entitled to cast two or more votes at the meeting, you may appoint two proxies each to exercise a specified proportion of your voting rights. Proxy lodgement details are:

By internet: Log on to [www.investorvote.com.au](http://www.investorvote.com.au).

If you are a custodian and an Intermediary Online subscriber, you can log on to [www.intermediaryonline.com](http://www.intermediaryonline.com)

By post: Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne,  
Victoria 3001 Australia

By fax: (within Australia) 1800 783 447  
(outside Australia) +61 3 9415 2555

By hand: Computershare Investor Services Pty Limited  
Level 4, 60 Carrington Street,  
Sydney NSW 2000

### Entitlement to vote

Sydney Airport has determined that for the purpose of entitlement to vote at the meetings, shares in SAL and units in SAT1 will be taken to be held by those persons recorded on the register as at 7.00pm (Sydney time) Tuesday, 12 May 2015.

### Timing

For the appointment of a proxy to be effective, you must ensure that your proxy form (and a certified copy of the relevant authority under which it is signed) is received by the registry, Computershare Investor Services Pty Limited, no later than 11.00am (Sydney time) Tuesday, 12 May 2015.

### More information

If you have any questions, please contact the Sydney Airport Investor Relations team on 1800 181 895 or +61 2 9667 9871 (if calling from outside Australia), Monday to Friday between 9.00am and 6.00pm (Sydney time).

# Appendix

The Sydney Airport Long Term Incentive Plan (the **LTI Plan**) is designed to provide an incentive for participants to ensure that Sydney Airport continues its superior performance, by linking potential benefits to continued growth in Sydney Airport's long term financial performance and security holder returns.

Under the LTI Plan, grants may be made to any employee of a member of the Sydney Airport group. However, the present intention of the board of SAL (the **Board**) is to restrict participation to the CEO and a limited number of senior executives who are considered to have the ability to impact the group's performance.

## Key terms of the LTI Plan

Under the LTI Plan, a participant may be granted contractual rights to receive Sydney Airport stapled securities at a future date, subject to performance conditions being met and any other vesting requirements being satisfied (**Rights**).

No payment is required to be made by a participant in respect of the grant or vesting of Rights. Upon vesting, each Right entitles the holder to receive one stapled security (subject to adjustment in certain circumstances as permitted by the ASX Listing Rules).

**Performance conditions** – subject to the terms of the LTI Plan, the vesting of Rights will be conditional on the achievement of the performance conditions, and satisfaction of the other vesting requirements, set out in the terms and conditions of the specific grant. The performance conditions and vesting requirements for the Rights proposed to be granted to Ms Mather are described below.

**Ceasing employment before vesting** – the Board has the discretion to determine how a participant's unvested Rights will be dealt with where the participant ceases to be employed by a member of the Sydney Airport group due to:

- death, retirement, illness, incapacity or redundancy;
- a change of control, a demerger or certain other capital transactions; or
- other circumstances determined by the Board or its delegate (such as on a transfer of business).

In addition, where employment ceases due to death, retirement, illness, incapacity or redundancy, any retained Rights may be cash settled, at the discretion of the Board.

If a participant resigns or has their employment terminated for cause, all of their unvested Rights will immediately lapse. Lapse may also occur in other circumstances, including where there is dishonesty, fraud or breach of duty by the participant.

**Delivery of stapled securities** – under the rules of the LTI Plan, any Rights that vest will be satisfied by way of the transfer of stapled securities purchased on-market.

**Reorganisations and bonus issues** – a holder's entitlement to stapled securities under a Right will be adjusted to take account of bonus issues as if the Right had been exercised before the determination of entitlements in respect of those issues. In the case of reorganisation of the issued capital of Sydney Airport, the entitlement to stapled securities under a Right will be adjusted as required by the ASX Listing Rules from time to time.

**Restrictions on transfer** – a Right granted to a participant is only exercisable by the participant or their legal personal representative. Rights are not transferable, except with express approval of the Board or its delegate or by force of law on death or legal incapacity.

## Initial grant of Rights to Ms Mather

In respect of the current financial year, the Board intends to grant Ms Mather 191,403 Rights. The Rights will be issued (and, if applicable, will vest) at no cost to Ms Mather.

## Performance Conditions

The performance conditions set by the Board for the proposed grant of Rights to Ms Mather are as follows:

- for one third of the Rights granted (**TSR tranche**), a market comparative Total Shareholder Return (**TSR**) performance condition;
- for one third of the Rights granted (**CPS tranche**), a cash flow per stapled security (**CPS**) performance condition; and
- for one third of the Rights granted, a non-financial performance condition.

For the TSR tranche and the CPS tranche, satisfaction of the performance condition is subject to the vesting scale outlined below.

All performance conditions are measured over the three year period ending 31 December 2017. The performance conditions are not retested if not met and any Rights in respect of which the performance conditions are not met will lapse, subject to the waiver of conditions to the extent permitted under the LTI Plan.

### (a) TSR performance condition

Broadly, TSR measures the return received by security holders from holding securities in an entity over a particular period. TSR is calculated by taking into account the change in an entity's security price over the relevant measurement period as well as the distributions received (and assumed to be reinvested back into the entity's securities) during that period.

The TSR performance condition for the proposed grant of Rights to Ms Mather compares Sydney Airport's TSR performance over the performance period against

## Appendix (continued)

the TSR performance over the same period of a group comprising S&P/ASX 100 companies as at 1 January 2015.

A minimum TSR ranking for Sydney Airport at the 50th percentile measured against the comparator companies is required for any Rights in the TSR tranche to vest. All of the TSR tranche will vest if Sydney Airport's TSR ranking is at or above the 75th percentile measured against the comparator companies. Vesting will occur progressively on a pro rata basis from 50% up to 100% of the TSR tranche for a TSR ranking for Sydney Airport between the 50th percentile and the 75th percentile.

The performance condition will be taken not to have been satisfied if Sydney Airport's absolute TSR over the performance period is negative, regardless of Sydney Airport's relative TSR ranking.

### (b) CPS performance condition

CPS is the cash flow per stapled security for a particular financial year, and is derived by dividing the Net Operating Receipts (as disclosed in the audited financial statements for Sydney Airport for the relevant financial year, and subject to adjustment by the Board for any extraordinary or non-recurring items) by the weighted average number of stapled securities on issue during the financial year.

In relation to the proposed grant of Rights to Ms Mather, the CPS tranche will vest (wholly or in part) upon Sydney Airport attaining a compound annual CPS growth rate equal to or greater than 8% over the performance period, relative to the 2014 financial year. A compound annual CPS growth rate equal to or greater than 12% over the performance period will result in 100% of the Rights in the CPS tranche vesting. Vesting will occur progressively on a pro rata basis from 50% up to 100% of the CPS tranche for a compound annual CPS growth rate between 8% and 12% over the performance period.

### (c) Non-financial performance condition

The Board, in its absolute discretion, will decide what proportion (if any) of the Rights that are subject to the non-financial performance condition will vest. In doing so, the Board may have regard to Ms Mather's performance (and that of the Sydney Airport group as a whole) against one or more of the following matters.

#### *Organisation*

Operational aspects of Sydney Airport's performance, including:

- process/operational excellence (for example, productivity improvements, the effective and innovative use of technology or the re-engineering of operational processes, and cleanliness and appearance of the airport);
- corporate image, including Sydney Airport's management of relationships with government, regulatory entities, airlines and the broader community;
- occupational health and safety; and
- regulatory and compliance, including compliance with existing rules and regulations.

#### *People & Leadership*

The advancement of Sydney Airport's people capabilities, the creation of an environment that is conducive to high performance and the development of Sydney Airport's employees, employee morale, and staff retention.

#### *Customers*

The enhancement of customer satisfaction and other customer-related objectives.

#### *Delivery of financial outcomes*

Contribution to delivery of Sydney Airport's financial outcomes and the sustainability of those outcomes (including the successful implementation of marketing initiatives and business growth strategies) and the delivery or progress of strategic projects.

The Board may review the performance conditions applicable to future grants of Rights on an annual basis.

### **Ceasing employment before vesting**

In the event that Ms Mather ceases employment before the end of the test date for the performance period due to death, retirement, illness, incapacity or redundancy, she may be entitled to retain a pro rata number of her Rights, based on the proportion of the performance period served.

The retained Rights will remain subject to the performance-based conditions and will be tested at the same time as testing would have occurred if employment had continued. Retained Rights that vest may be cash settled at the discretion of the Board. Those Rights that are not retained will lapse.

These arrangements are subject to the general discretion of the Board to determine how unvested Rights are to be dealt with upon cessation of employment before the end of the performance period (subject to the Corporations Act and the ASX Listing Rules).

# Corporate Directory

## Sydney Airport Limited

ACN 165 056 360

## The Trust Company (Sydney Airport) Limited

ACN 115 967 087 / AFSL 301162

Central Terrace Building  
10 Arrivals Court  
Sydney International Airport NSW 2020  
Investor Relations: +61 2 9667 9871  
Toll free: 1800 181 895  
[www.sydneyairport.com.au/investors/](http://www.sydneyairport.com.au/investors/)

The Trust Company (Sydney Airport) Limited is the responsible entity of Sydney Airport Trust 1

## Directors of Sydney Airport Limited

Max Moore-Wilton (Chairman)  
Trevor Gerber  
Michael Lee  
John Roberts  
Stephen Ward  
Kerrie Mather  
Ann Sherry

## Directors of The Trust Company (Sydney Airport) Limited

Russell Balding  
Patrick Gourley  
Christopher Green  
Rupert Smoker (Alternate Director)

## Lawyers

Allens  
Deutsche Bank Place  
Cnr Hunter & Phillip Streets  
Sydney NSW 2000

## Auditors

KPMG  
10 Shelley Street  
Sydney NSW 2000

## Registry

Computershare Investor Services Pty Limited  
GPO Box 2975 Melbourne VIC 3001  
Telephone: 1800 102 368 or +61 3 9415 4195  
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