

26 September 2017

Sydney Airport appoints new Chief Executive Officer

Sydney Airport's Board of Directors is pleased to announce Mr Geoff Culbert has been appointed as Chief Executive Officer. Mr Culbert will commence with Sydney Airport prior to the end of January 2018.

Sydney Airport Chairman, Mr Trevor Gerber said, "After a rigorous global search we are delighted to announce we have appointed Geoff Culbert as Sydney Airport's new CEO. Geoff has had a highly successful international career with General Electric Company, most recently as President & CEO of GE Australia, New Zealand and Papua New Guinea.

"Geoff brings to Sydney Airport extensive commercial and operational experience and a track record of working closely and collaboratively with customers, business partners and government, including through GE's Aviation business. Geoff impressed the Board with his commitment to contributing to the social and economic development of Sydney, NSW and Australia, his interest in public policy and lifelong passion for aviation.

"Aviation is one of the most dynamic and fast changing industries in the world. Geoff embraces innovation and technology and this ongoing focus will position Sydney Airport for future success. He also has strong and established relationships with many of Sydney Airport's key airline and business partners, and across all levels of government.

"Geoff's deep international experience, including 10 years living and working in Asia, his broad-based skills and his commitment to customer and stakeholder relations make him ideally suited to lead Sydney Airport through its next exciting phase of growth and development."

Mr Geoff Culbert said, "I am looking forward to the opportunity to lead Sydney Airport and to continuing to partner with our customers, government and our local community. As Australia's international gateway, I believe Sydney Airport is ideally placed to meet our growing aviation needs.

"I am also excited about the contribution the Airport makes to the broader economy. If we continue to capture the increasing demand for travel, particularly from developing markets, the flow on benefits for the NSW and Australian economy will be huge."

As previously advised, Ms Kerrie Mather will continue as Managing Director and Chief Executive Officer until Mr Culbert commences with Sydney Airport. The Board would like to thank Kerrie for her ongoing commitment and contribution to the business during this period of transition.

Sydney Airport has entered into a CEO Employment Agreement with Mr Culbert. A summary of the key terms of the Agreement is set out in the Appendix to this announcement.

Geoff Culbert bio

Mr Culbert has been the President and Chief Executive of GE Australia and New Zealand & Papua New Guinea since 2014. Mr Culbert joined GE in 2002 and has held senior positions in Australia and globally.

Prior to his current role he was General Counsel for GE's Global Growth Organisation. Before joining GE Mr Culbert worked in legal private practice for 10 years in Australia, Europe and Asia specialising in international banking and finance.

Mr Culbert is Chair of the Energy and Climate Committee of the Business Council of Australia and on the Board of the American Chamber of Commerce.

He graduated from Melbourne University with a Bachelor of Economics and Bachelor of Law (Honours).

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INFORMATION**

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Appendix

Summary of material terms of the CEO Employment Agreement between Sydney Airport and Geoff Culbert (the *Employment Agreement*)

Position	Chief Executive Officer
Commencement date	Prior to the end of January 2018.
Term	Mr Culbert's employment has no fixed term. Each party's termination rights under the Employment Agreement are set out below.
Fixed Annual Remuneration (FAR)	\$1,500,000 (including superannuation), to be reviewed by Sydney Airport from time to time.
Short Term Incentive (STI) for FY17	<p>Mr Culbert will be eligible for an annual STI award of up to 100% of his FAR which is payable in cash. Of the STI award that is payable, 80% of the award will be paid around the award date, with the remaining 20% to be paid 2 years later.</p> <p>The Board may award the STI if it is satisfied that Mr Culbert has achieved the key performance indicators (KPIs) established by the Board. The STI award KPIs will be weighted between financial and non-financial measures.</p> <p>Mr Culbert's ongoing participation in Sydney Airport's STI scheme, and the terms of this scheme, are subject to the discretion of the Board.</p>
Long Term Incentive (LTI) for FY17	<p>Mr Culbert will be eligible to participate in Sydney Airport's current LTI equity award scheme, with his initial maximum annual LTI award having a face value of \$1,200,000. The LTI share rights awarded under the current LTI plan are subject to performance hurdles determined over a three year performance period.</p> <p>Mr Culbert's ongoing participation in Sydney Airport's LTI scheme, and the terms of this scheme, are subject to the discretion of the Board.</p>
Compensation for foregone incentive	<p>In recognition of the fact that Mr Culbert will forgo certain incentives that he may have otherwise become entitled to in his former employment, Mr Culbert will be granted:</p> <p>(a) Sydney Airport securities to the value of \$1,250,000 (Securities Award); and</p> <p>(b) up to \$1,065,000 in cash (Cash Award).</p>

The number of securities issued for the Securities Award will be based on the volume weighted average price for Sydney Airport securities, and will vest as follows:

- 50% on 31 December 2018; and
- 50% on 31 December 2019.

The Cash Award will be paid to Mr Culbert as follows:

- 50% within the first month after the Commencement Date; and
- 50% on the first anniversary of the Commencement Date.

Both the Securities Award and the Cash Award are subject to Mr Culbert remaining employed with Sydney Airport at the relevant vesting dates. The Cash Award to be made within the first month of the Commencement Date is subject to a claw back provision in the event that his employment is terminated before the first anniversary of the Commencement Date.

Termination provisions

Both Mr Culbert and Sydney Airport may terminate Mr Culbert's employment for any reason by giving 6 months' notice. Sydney Airport may require Mr Culbert to serve out the notice period or may elect to pay Mr Culbert in lieu of the remainder of the notice period.

Sydney Airport may immediately terminate Mr Culbert's employment in the event of any serious, wilful or persistent misconduct, including fraudulent or dishonest conduct.

If Mr Culbert's employment is terminated as a consequence of an uncontrollable event (which includes death, permanent disability, retirement and termination without cause), any unvested STI or LTI award that has been awarded will remain on foot and vest in accordance with its terms, unless the Board exercises its discretion to determine the relevant award lapses on termination.

Post-employment restraint

A 6 month restraint provision applies.
