

Securities Dealing Policy

1.1 Purpose and Objectives

This policy sets out the requirements and responsibilities of Sydney Airport's directors, officers, employees, and certain contractors regarding dealings in Sydney Airport Securities and any Embargoed Securities.

The purpose of these restrictions on securities dealings is to ensure that Sydney Airport staff and directors comply with the law prohibiting insider trading and that their dealings in Securities are beyond reproach. This policy also contains obligations to keep Sydney Airport information confidential.

1.2 Scope

This Policy applies to:

- each director and officer of Sydney Airport
- each Sydney Airport Group employee
- contractors where stated in their terms of engagement
- companies, trusts and other entities controlled by any of the persons referred to in paragraphs (a) to (c) and any family member or other person acting on the direction or recommendation of any of the persons referred to in paragraphs (a) to (c).

This class of people is referred to collectively as **Sydney Airport People** and individually as a **Sydney Airport Person** in this Policy.

1.3 Responsibility

Each Sydney Airport Person has an individual responsibility to ensure that they comply with both the law relating to insider trading, confidentiality and the other requirements of this Policy. This Policy is only a general guide in relation to complex legal provisions, and should not be taken as legal advice.

If you do not understand this Policy or have further questions, guidance can be obtained from the General Counsel & Company Secretary. However, that guidance will not affect your individual responsibility to comply with your obligations.

2 What is the Law on Insider Trading?

2.1 Insider Trading Prohibition

Sydney Airport People must comply with the law at all times when they are in possession of Inside Information. In particular, Sydney Airport People must not engage in insider trading.

This means that a Sydney Airport Person who possesses Inside Information in relation to Securities (whether of Sydney Airport or any other entity) must not:

- Apply for, acquire or dispose of those Securities, or agree to do so
- Procure, encourage, incite or induce any other person (for example, a family member, friend, or family company or trust) to do any of the above things
- Directly or indirectly communicate the Inside Information to any other person, if the Sydney Airport Person knows or ought reasonably to know that the other person may use the information to do any of the above things

These restrictions apply to anything the Sydney Airport Person does on their own behalf, or on behalf of another person.

These restrictions also apply to another person doing things on the Sydney Airport Person's behalf. For example, if a family member acquires Securities for a Sydney Airport Person while the Sydney Airport Person is in possession of Inside Information in relation to those Securities, then the Sydney Airport Person may face insider trading liability.

Furthermore, these restrictions apply to all Securities, including shares, units, options, rights and Derivatives as well as to any application to participate in or any variation to the level of participation in the Sydney Airport Distribution Reinvestment Plan.

2.2 What is Inside Information?

Inside Information is information that is not generally available and that, if it were generally available, a reasonable person would expect to have a material effect on the price or value of relevant Securities.

A reasonable person would be taken to expect information to have a material effect on the price or value of particular securities if the information would, or would be likely to, influence persons who commonly acquire securities in deciding whether or not to acquire or dispose of the particular securities in question.

Examples of information that might be Inside Information include information relating to:

- Sydney Airport's financial performance
- Sydney Airport considering a major project or development

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- The threat of major litigation or regulatory audit in respect of Sydney Airport
- The likely granting (or loss) of a major contract or government approval
- Breach of a debt covenant having material consequences
- A proposed dividend or change in dividend policy
- A proposed capital raising or change to capital structure
- A significant change in senior management

Information is 'generally available' if:

- a) it consists of readily observable matter
- b) it has been brought to the attention of investors by an ASX announcement and a reasonable period for its dissemination has elapsed since the announcement
- c) it consists of observations, deductions, conclusions or inferences made or drawn from other generally available information

2.3 Not limited to Sydney Airport information

The prohibition in the Corporations Act against insider trading applies to Inside Information held by a Sydney Airport Person in respect of another company's Securities, as well as to Inside Information relating to the Securities of Sydney Airport. Consequently Sydney Airport maintains a list of Embargoed Securities as set out in section 3.3.

2.4 Information however obtained

It does not matter how or where the Sydney Airport Person obtains the information – it does not have to be obtained from Sydney Airport to constitute Inside Information.

2.5 Extra-territorial application

Under the Corporations Act, the prohibition against insider trading applies to acts within Australia and acts outside Australia that involve the Securities of companies that are Australian or do business in Australia.

Hence, the law against insider trading applies to dealing in Sydney Airport Securities which occurs both outside Australia as well as within Australia.

2.6 Penalties

Insider trading is a criminal offence, attracting potential fines and imprisonment. Civil penalties and compensation may also be ordered against a

person for engaging in insider trading. In addition to the consequences applicable under law, Sydney Airport People who fail to adhere to the requirements of this Policy may face disciplinary action, including suspension or termination of employment.

3 Sydney Airport Policy on Securities Dealing

Sydney Airport People are required to adhere to the following policy in addition to their obligation to comply with the law in relation to insider trading. A copy of this policy will be provided to all Sydney Airport People as part of their induction and will be made available to all staff as part of Sydney Airport's Employee Policies.

3.1 Short-term or speculative dealing

Sydney Airport People are encouraged to be long-term holders of Sydney Airport Securities. No Sydney Airport Person may deal in Sydney Airport Securities for short-term gain. Short-term gain means a holding of Sydney Airport Securities for less than 3 months.

3.2 Blackout Periods

3.2.1 Operation of Blackout Periods

There are certain periods of the year during which Sydney Airport People must not deal in Sydney Airport Securities due to the proximity of those periods to the release of Sydney Airport's financial or trading results, and hence a heightened risk of actual or perceived insider trading.

Sydney Airport People are restricted from trading in Sydney Airport Securities during those periods, called 'Blackout Periods', as set out below. An annual schedule of the Blackout Periods is maintained by the Company Secretary and made available to Sydney Airport People.

Additional Blackout Periods outside of the scheduled black out periods may be declared when Sydney Airport is engaging in a market sensitive transaction or has Inside Information. These periods will be determined by the Sydney Airport Holdings Limited board or the Company Secretary in consultation with the Chief Executive Officer, Chief Financial Officer and Head of Investor Relations and notified to all Sydney Airport People.

The Blackout Periods apply to all Sydney Airport People. Ultimately, all Sydney Airport People are responsible for complying with the law at all times.

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Securities under the Sydney Airport Distribution Reinvestment Plan may be provided during a Blackout Period but a Sydney Airport Person may not vary the level of participation during a Blackout Period.

Circumstance Blackout Period*

Blackout Event	Duration of Blackout Period
Release of Full Year Results to ASX	From end of relevant financial year until day after release
Release of Half Year Results to ASX	From end of relevant half year until day after release
Annual General Meeting	From 4 weeks before AGM until AGM
Transactions or upon other events designated by the Sydney Airport Holdings Limited board or by the Company Secretary	As notified by the Company Secretary

3.2.2 Exemptions for dealing in Blackout Periods

In exceptional circumstances Sydney Airport People who are not actually in possession of Inside Information in relation to Sydney Airport Securities may be given clearance to dispose of (but not acquire) Sydney Airport Securities where they would otherwise be restricted by this Policy due to the application of a Blackout Period.

Exceptional circumstances may arise where for example the person is in severe financial difficulty or Securities are required to be transferred pursuant to a Family Court order.

The Chairman of Sydney Airport Holdings Limited acting with one other director has sole discretion to decide whether exceptional circumstances exist. If the circumstances involve a disposal of Sydney Airport Securities by the Chairman, a second director will make the determination in place of the Chairman. Applications for determination of exceptional circumstances must be in writing.

3.3 Embargoed Securities

From time to time, Sydney Airport may engage in certain activities where Inside Information in relation to Securities of another entity may be made available to Sydney Airport People. Sydney Airport wishes to minimise the risk that such Sydney Airport People, because of their position, might be perceived to be engaged in inappropriate dealings, and therefore Sydney Airport may embargo certain Securities.

The list of Embargoed Securities may include listed counterparties or potential counterparties of Sydney Airport to significant transactions.

A schedule of Embargoed Securities will be maintained by the Company Secretary and made available to Sydney Airport People.

3.4 Derivatives over Sydney Airport Securities

As noted in section 2.1 above, the insider trading provisions apply to trading in Derivatives, including price protection arrangements (“hedging”), in respect of Sydney Airport Securities. It is contrary to Sydney Airport policy for Sydney Airport People to use, or allow to be used, any such price protection arrangements in relation to any Sydney Airport Securities (such as shares, options or performance rights).

3.5 Margin Lending

It is contrary to Sydney Airport policy for KMPs to enter into Margin Lending arrangements that involve Sydney Airport Securities. This policy does not apply to margin loans in existence on 20 December 2011.

4 Confirmation of dealings in Sydney Airport Securities by directors

Sydney Airport is required by the ASX Listing Rules to disclose dealings in its Securities by directors within five business days after they occur. As required by the ASX Listing Rules, each Sydney Airport Holdings Limited director has signed a Disclosure Deed undertaking to notify the Company Secretary within two business days to facilitate Sydney Airport’s compliance with its disclosure and reporting obligations.

5 Approval procedure for dealings in Sydney Airport Securities

Except as provided in section 3.2.2, a Sydney Airport Person must not deal in Sydney Airport Securities until written approval has been given by the Company Secretary (or in the case of a dealing by the Company Secretary, by the Chief Executive Officer). Approval should be obtained by email. If approval is given, the Sydney Airport Person will be entitled to trade for a period of 5 business days. After this time, approval will lapse and further approval will be required.

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6 Confidentiality

For legal, commercial and reputational reasons, all Sydney Airport People must maintain the confidentiality of information entrusted to them.

Sydney Airport and its staff may hold information that is confidential to Sydney Airport and/or which is subject to obligations of confidence to other people. An obligation of confidence can arise because of an express agreement or undertaking, or can be implied from the circumstances surrounding the disclosure of information to Sydney Airport.

Sydney Airport People must not make unauthorised disclosure of confidential information or use it for purposes other than those for which it was disclosed except as required by law.

As set out in section 2.1, it is an offence to communicate Sydney Airport's Inside Information to a person to whom a Sydney Airport Person knows, or ought reasonably to know, may deal in Sydney Airport Securities.

All Sydney Airport People must observe physical and electronic security procedures to safeguard against unauthorised disclosure of confidential information. Sydney Airport People should also ensure that there is no inadvertent disclosure of confidential information for example on mobile phones in taxis and in lifts.

7 Definitions

For the purposes of this Policy, the following terms have the meaning set out below:

ASX means the Australian Securities Exchange.

Blackout Period means periods during which no Sydney Airport Person may trade in Sydney Airport Securities as set out in section 3.2 above.

Company Secretary means the company secretary of Sydney Airport Holdings Limited.

Corporations Act means the *Corporations Act 2001* of Australia.

deal includes, in relation to Securities, an acquisition or disposal of the Securities, or the entry into a Derivative in relation to the Securities, or the grant, acceptance, acquisition, disposal or exercise of an option to acquire or dispose of the Securities, or the use of the Securities as security or the grant of any encumbrance over the Securities, or the engagement in any other transaction involving a beneficial interest or a change in beneficial ownership of the Securities, or the entry into any agreement to do any of the above things.

This includes, without limitation, engaging in securities lending. **Dealing** has a corresponding meaning.

Derivatives has the meaning given in section 761D of the Corporations Act and includes options, forward contracts, swaps, futures, warrants, caps and collars.

Inside Information means, in relation to any Securities, any information that is not generally available and that, if it were generally available, a reasonable person would expect it to have a material effect on the price or value of the relevant Securities, as discussed in section 2.2 above. Information is 'generally available' if, amongst other things, it consists of a readily observable matter or it has been brought to the attention of investors by an ASX announcement and a reasonable period for its dissemination has elapsed since the announcement. A reasonable person would be taken to expect information to have a material effect on the price or value of particular Securities if the Information would, or would be likely to, influence persons who commonly acquire Securities in deciding whether or not to acquire or dispose of the particular Securities in question.

KMP means the directors of Sydney Airport and any other person named as a key management personnel in the Sydney Airport financial reports.

Margin Lending includes the borrowing of money against the value of Sydney Airport Securities, where the loan is secured by those Sydney Airport Securities.

Securities include shares, units, options, rights, debentures, interests in a managed investment scheme, Derivatives and other financial products covered by the insider trading provisions of the Corporations Act.

Sydney Airport means Sydney Airport Holdings Limited as responsible entity of Sydney Airport Trust 1 and Sydney Airport Trust 2 and Southern Cross Airports Corporation Holdings Limited.

Sydney Airport Group means Sydney Airport and its controlled entities.

Sydney Airport Person has the meaning given in section 1.2.

8 Policy History

- a) 8/9 December 2009 – adopted
- b) 20 December 2011 – amended

