AUSTRALIAN
SHAREHOLDERS'
ASSOCIATION

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A difficult year for Aurizon but basis for future growth in place

Company/ASX Code	**Aurizon/AZJ**
AGM time and date	**2:00pm Brisbane time, Thursday, October 16, 2025**
Location	Karstens Brisbane, Level 24, 215 Adelaide Street Brisbane
Registry	Computershare Registry Services
Type of meeting	Hybrid
Monitor	Meredith Clarke assisted by Alison Harrington
Pre-AGM Meeting	Yes, with Chair Tim Poole, Director Tim Longstaff – Non-Executive Director and Chair of Audit, Governance & Risk Management Committee and James Coe, Head of Investor Relations & Market Intelligence

Monitor Shareholding: The individual(s) (or their associates) involved in the preparation of this voting intention have a shareholding in this company

How we intend to vote

No.	Resolution description	
2	Adoption of the remuneration report	For
3a	Re-election of Director Dr. Sarah Ryan	For
3b	Re-election of Director Mr Lyell Strambi	For
4	Approval of a Grant of Performance Rights to the Managing Director & CEO, Mr Andrew Harding	For

1. Summary of Issues and Voting Intentions for AGM/EGM

- Request for a better Board skills matrix, to allow shareholders to make properly informed decisions on Director elections and for this to be published in the Annual Report in future years.
- Acknowledgement of the decision by MD & CEO, Andrew Harding to elect to not receive any payment for the FY25 STIA even though he was entitled to do so.

3. Matters Considered
Accounts and reports

Financial performance

(As at FYE)	**2025**	**2024**	**2023**	**2022**	**2021**
NPAT ($m)	303	406	324	513	607
UPAT ($m)	348	406	367	525	533
Share price ($)	$3.03	$3.65	$3.92	$3.80	$3.72
Dividend (cents)	15.7	17.0	15.0	21.4	28.8
Simple TSR (%)	-13%	-3%	-7%	8%	-19%
EPS (cents)	16.9	22.1	19.9	28.5	28.5
CEO total remuneration, actual ($m)	3.384	4.246	3.748	4.651	3.973

Simple TSR is calculated by dividing (change in share price plus dividend paid during the year, excluding franking, by the share price at the start of the year.

Governance and culture

- The ASA would like to see an improved board skills matrix published in the Annual Report. The current Skills Matrix does not provide details on individual board members skills. The reason for asking for an improved skills matrix is so shareholders can see the skills each director brings to the board and can therefore make a more informed decision when they vote for a particular director.

Key events

- Finalisation of the UT6 Regulatory Reset. This is progressing with price negotiations completed and agreed. It is now at the stage of the legal document being drawn which once completed will be passed to the Queensland Competition Authority for review and agreement. This agreement replaces the current UT5 agreement. These agreements have been typically reviewed and renegotiated every 4 years.

- Review of the Network Ownership - As advised at the February 2025 Investor presentation, the company Board is looking at the current ownership and the capital structure of the company. The last such total review was conducted in 2019. The review is being conducted using both internal resources and some external sources to provide legal and financial advice.

The review approach is to look at and discuss:
  - Synergies /Dis-Synergies
  - Growth options
  - Valuation
  - Capital Structure
  - Stakeholders

- Announcement of a $150 million on market share buy-back.

Key board changes

- Long serving board member – Russell Caplan retires from the Board after 15 years of service. No replacement for Russell has yet been advised.

- Chairman Tim Poole is planning on retiring at the end of this year. A replacement is currently under consideration. No new directors will be appointed until the Chair is appointed as the Board believes the new chairman should be involved in the selection and appointment of any new or replacement directors. An announcement of the new Chair will be made by the end of the current calendar year.

Sustainability/ESG

- Aurizon separately publishes a yearly sustainability report.

- The company has a target of achieving net-zero operational emissions (Scope 1 and 2) by 2050 and aims to reduce emissions intensity by 10% by 2030.

- It has invested in low-emission technologies, renewable energy, and carbon offset programs and a stated focus on reducing coal dust emissions, complying with noise regulations, and minimizing environmental harm during operations.

ASA focus issues (not discussed above or under remuneration report or re-election of directors)

- Female representation on the Board does not meet ASA guidelines of 40%. The Board is aware of this and is in the process of recruiting new directors.

4. Rationale for Voting Intentions

Resolution 2 - Adoption of Remuneration Report - FOR

The remuneration report is reasonable in size and broadly aligned with retail shareholders. Fixed renumeration is reviewed annually but no increases are guaranteed. The MD & CEO, and Group Executive network did not receive and increase in FY25.

The actual Short Term Incentive Award (STIA) is dependent on a combination of Aurizon, Business Unit and individual performance. These metrics include Group underlying EBITDA, safety metrics and individual deliverables. 60% is paid in cash and 40% is paid in deferred equity (performance rights) for 12 months, subject to service conditions and claw-back provisions

In FY25 the CEO, Andrew Harding elected not to receive any payment for the FY2025 STIA even though theoretically he was entitled to do so.

Long Term Incentive Award (LTIA) - The LTIA is measured over a four-year period. Retesting does not apply; outcomes are determined at the end.

There are three performance hurdles that need to be met:

I. Relative Total Shareholder Return (TSR) – measured against peer group within the ASX100 index.
   This is the growth in share price plus cash distributions notionally reinvested in shares.
   The percentage weighting assigned to this is 25%.
II. Return on Invested Capital (ROIC)
   The percentage weighting assigned to this is 50%
III. Strategic Transformation.
   The percentage weighting assigned to this is 25%

Each performance right is a right to receive one share in Aurizon upon vesting, and the value of the award depends on the share price at the time of award.

During 2025, the 2021 Long Term Incentive Award was subject to testing. No portion of the TSR or ROIC components of the award vested and these rights lapsed. Performance against the Strategic Transformation measure resulted in a maximum vesting outcome and therefore 25% of the Award vested.

Resolution 39(a) - Re-election of Director Dr. Sarah Ryan – FOR

Dr Sarah Ryan was elected to the Board in 2019. Without a more detailed skills matrix it is difficult to know exactly which skills she contributes to the Board other than general governance given the lack of detailed Board skills matrix.

Sarah has 30 years of international experience in the Oil and Gas Industry both at an operational level and then subsequently as an equity analyst with an institutional investment firm in the USA (Ernest Partners). She is currently a Non-Executive Director of ASX-listed entities Viva Energy Group Limited, Transurban Group and Calix Limited, and a Non-Executive Director of Future Battery Industry Cooperative Research Centre and Karting Australia. In addition, Sarah is also a member of Motorsport Australia's People, Remuneration and Nominations Committee. She is a former Non-Executive Director of ASX-listed Woodside Energy Group Ltd, Oz Minerals Limited and Norwegian-listed Akastor ASA. She is a Fellow of the Australian Academy of Technology and Engineering.

Dr Ryan is a member of the Audit, Governance & Risk Management Committee, the Safety, Health and Environment Committee and the Nomination & Succession Committee. She holds over 99% of her annual payment in shares so has appropriate "skin in the game".

Sarah will speak to her election at the AGM.

We will support her re-election.

Resolution 3(b) - Re-election of Director Mr Lyell Strambi - FOR

Mr Lyell Strambi has a wealth of experience in the aviation sector both in Australia and abroad, spanning 40 years. As is the case with Dr Ryan it is difficult to know exactly which skills he contributes to the Board other than general governance given the lack of a detailed Board Skills Matrix.

In June 2022, Lyell concluded his tenure as CEO and Managing Director of Australia Pacific Airports Corporation (APAC). Having been appointed in September 2015, during his time at APAC he was responsible for the operation and development of both the Melbourne and Launceston airports and for overseeing a direct workforce of 300 staff and assets valued in excess of $10 billion.

Prior to his role at APAC, Lyell was the Chief Executive Officer of Qantas Airways Domestic, a role he held for three years following four years as the airline's Group Executive Operations. Between 2001 and 2008 Lyell was based in London, working in senior roles at Virgin Atlantic that included Executive Director — Airline Services and followed by six years as Chief Operating Officer.

Mr Strambi is currently a Non-Executive Director of Brisbane Airport Corporation. He is a former Non-Executive Director of APAC, StarTrack Express, Traveland and Southern Cross Distribution Systems and was President of the Royal Flying Doctors SE.

Lyell is a Graduate and Fellow of the Australian Institute of Company Directors and a Member of the Australian Institute of Management.

He has been a member of the Board since 2019 and is on the Safety, Health & Environment Committee, the Nomination & Succession Committee and the Board Audit, Governance & Risk Management Committee. He holds 95% of his annual payment in shares so has appropriate 'skin in the game'.

Lyell will speak to his appointment at the AGM.

We will support his re-election.

Resolution 4 - Approval of a Grant of Performance Rights to the Managing Director & CEO, Mr Andrew Harding - FOR

The meeting is seeking approval to award the allocation of 852,632 Performance Rights to CEO Andrew Harding in the form of shares in Aurizon, in accordance with the remuneration Long-Term Incentive (LTI) plan. These Rights hold an equivalent value of $2,754,000, which is set at 150% of his fixed annual remuneration for FY25. The rights are calculated by dividing $2,754,000 by the volume-weighted average price of shares over the five days leading up to 18 August 2024, which is $3.23 per share.

These Performance Rights are scheduled to vest four years from now, contingent upon meeting specified performance criteria on relative TSR, non coal EBITA growth, ROIC and fulfilling employment conditions. Until vesting occurs, these Performance Rights do not entitle the holder to receive any dividends.

Andrew Harding currently holds company shares valued at approximately 4.6 times his fixed remuneration. In the Annual Report, Aurizon provides shareholders with both a comprehensive and detailed explanation of the vesting process for these performance rights, including the proportion that will vest at various levels of performance. The awarding of these performance rights aligns with ASA policy.

We support the grant of performance rights.

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Appendix 1
Remuneration framework detail

CEO rem. Framework for FY25	Target* $m	% of Total	Max. Opportunity $m	% of Total
Fixed Remuneration	$1,836,000	24%	$1,836,000	24%
STI - Cash	$1,759,500	23%	$1,759,500	23%
STI - Equity	$1,147,500	15%	$1,147,000	15%
LTI		38%	$2,754,000	38%
Total		100.0%		100%

The amounts in the table above are the amounts that are envisaged in the design of the remuneration plan. *Target remuneration is sometimes called budgeted remuneration and is what the company expects to award the CEO in an ordinary year, with deferred amounts subject to hurdles in subsequent years before vesting. Some remuneration framework set a maximum opportunity amount, but not all.