

Voting Intentions Report for Atlas Arteria (ALX) – FY2025

Company	Atlas Arteria (ALX)
Date / Time	Wednesday, 13 May 2026, 10.00am (Melbourne time) Note: proxies are due 48 hours beforehand
Location	Dexus Place, Level 6, North Tower, 80 Collins Street, Melbourne, Victoria 3000
Registry	Computershare
Meeting Type	Hybrid with online questions and voting
Pre AGM	Yes, with Chairs Debra Goldin and Fiona Beck and IR Manager Rachel Storrs
Monitor	Michael Muntisov

Monitor Shareholding: The monitors and/or their associates involved in the preparation of this voting intention do not hold shares in this company.

Resolution Voting Table:

Res No	Description	ASA Vote
ATLAX 2a	Re-election of Debra Goodin as a Director	For
ATLAX 2b	Re-election of John Wigglesworth as a Director	For
ATLAX 3	Adoption of Remuneration Report	For
ATLAX 4	Approval of grant of Performance Rights to Hugh Wehby (2026 LTI)	For
ATLAX 5	Approval of grant of Restricted Securities to Hugh Wehby (2025 STI)	For
ATLAX 6	Approval of increase to the non-executive Director Fee Pool	Against
ATLIX 2	Re-appointment of Deloitte as Auditor	For
ATLIX 3a	Re-election of Fiona Beck as a Director	For
ATLIX 3b	Re-election of Kiernan Bell as a Director	Undecided
ATLIX 3c	Re-election of Debra Goodin as a Director	For
ATLIX 4	Approval of increase to the non-executive Director Fee Pool	For

Summary of Issues

Atlas Arteria (ALX) enters the 2026 AGM following a period of significant leadership transition and fiscal challenges in its primary French market. The transition from long-serving CEO Graeme Bevans to Hugh Wehby was completed in November 2024, with 2025 serving as Mr. Wehby's first full year of operational leadership.

The underlying business performance has remained steady with robust toll revenue and EBITDA growth of more than 9%. However, the statutory profit has been significantly impacted by the introduction and extension of the French long-distance transportation infrastructure tax (TEILD), which the company is actively contesting.

Following a remuneration first strike in 2023, the Board has lengthened the Long-Term Incentive (LTI) performance period to four years and introduced a free cash flow (FCF) CAGR measure to balance the existing relative Total Shareholder Return (TSR) hurdle.

Governance remains complex due to the stapled structure of ATLAX and ATLIIX. The Board strengthened arrangements with the major securityholder, IFM Investors, formalizing director representation while maintaining a commitment to a majority of independent directors.

Strategic focus is currently directed toward the Dulles Greenway rate case in Virginia and mitigating the impact of French tax changes on distributions in the short term, but more broadly on preparing for the retenders on French toll road concessions which commence in 2031.

Matters Considered

Governance

The Boards of ATLAX and ATLIIX operate collectively, although they maintain independent decision-making processes. A key development in 2024 was the signing of a Director Representation Agreement with IFM Investors, ALX's largest securityholder with a stake exceeding 30%. This agreement allows IFM two nominee directors, provided they maintain at least a 25% holding.

IFM supports the requirement for an independent Chair and a majority of independent directors.

ESG

Atlas Arteria achieved its interim target of a 25% reduction in Scope 1 and 2 emissions one year early in 2024 and achieved a 34% reduction against its 2019 baseline. Furthermore, the company has transitioned to 100% renewable electricity across its wholly and majority-owned businesses.

Safety targets at APRR were missed in 2025 with an LTIFR of 3.51 against a target of 3.0. In response, the Board has overseen a safety review and developed a two-year improvement roadmap. The company also maintains a commitment to its 40:40:20 gender balance target, which was achieved at all levels within the organization in 2025.

Board

The Board possesses a broad range of infrastructure, legal, and financial skills. Workload across the directors is generally acceptable, though the ASA monitors David Bartholomew's multiple external roles. The inclusion of IFM nominees ensures major shareholder alignment, though their non-independent status necessitates the continued maintenance of a clear independent majority.

Financial History

Year	2025	2024	2023	2022	2021
NPAT (\$m)	181.8	300.2	256.3	241.0	179.1
Underlying NPAT (\$m)	181.8	300.2	256.3	238.7	163.7
Security Price (\$)	4.88	4.75	5.78	6.61	6.47
Dividend (cents)	40.0	40.0	40.0	40.5	28.5
Simple TSR (%)	11.2	-10.9	-6.5	8.3	11.3
EPS (cents)	12.5	20.7	17.7	22.2	17.1
CEO Rem (\$m)	4.43	4.19*	3.51	3.74	3.25

Note: CEO Rem represents Statutory Remuneration. *Represents the sum of old and new CEO in the transition year.

Voting Rationales:

Item 2a & ATLIX Item 3a: Re-election of Debra Goodin

Debra Goodin has been a director of ALX since September 2017 and chair since 2020. Her qualifications are in economics and her corporate career included COO and CFO roles at infrastructure companies. She is currently chair of the Port of Melbourne and an independent director at Ansell (ASX:ANN). This is a solid workload but within ASA guidelines. Her shareholding represents adequate "skin-in-the-game". She is considered independent.

She has indicated that if re-elected she plans to retire prior to the completion of her term which is appropriate given her tenure. She plans to work through a board transition in the meantime.

ASA proposes to support her re-election.

ATLAX Item 2b: Re-election of John Wigglesworth

John Wigglesworth has been an independent director of ALX since January 2023. He is a Chartered Accountant and was a partner at KPMG for 24 years working with companies on audits and financial reporting. He recently resigned as an independent director at Cyclopharm (ASX:CYC) and so his workload is not excessive. He holds an adequate “skin-in-the-game” shareholding.

ASA proposes to support his re-election.

ATLAX Item 3: Adoption of Remuneration Report

The remuneration framework is well designed and fit for purpose. It meets virtually all of ASA’s guidelines. The only area for improvement is for ALX to disclose in the Remuneration Report the 22 peer comparator companies used to benchmark remuneration. Details and assessment of ALX’s remuneration scheme are provided in the Appendix.

ASA proposes to support the adoption of the Remuneration Report.

ATLAX Item 4: Approval of grant of Performance Rights to Hugh Wehby (2026 LTI)

See item 3 above and Appendix.

ASA proposes to support this resolution.

ATLAX Item 5: Approval of grant of Restricted Securities to Hugh Wehby (2025 STI)

See item 3 above and Appendix.

ASA proposes to support this resolution.

ATLAX Item 6: Approval of increase to the non-executive Director Fee Pool

This resolution seeks to increase the aggregate director fee pool from \$1.7m to \$1.9m. The company states that the current director fees are “*below the market median*”. It goes on: “*The increase is intended to permit a modest uplift in current non-executive Directors’ fees, provide headroom for future adjustments informed by periodic market reviews and ensure fees remain appropriate to attract and retain high performing non-executive Directors.*”

However, there is no disclosure of the benchmark market or comparator group, nor is there any indication as to their percentile within the comparator group or what the board believes is their target percentile to allow shareholders to assess what future increases may be imminent.

Further, we note that aggregate board fees increased by around 13% from last year and the board proposes to grant a further 3% increase subject to the passing of this resolution.

Finally, it is noted that the ATLAX board fees in 2025 totaled \$1,465,000, which is 14% under the current fee cap. The company argues that one of the IFM nominee directors draws no fees which would otherwise bring the aggregate fee pool close to the current cap. However, this ignores the fact that the company only had seven directors prior to the additional IFM director appointment which brought the total to eight. There is no reason why a board of seven would not be adequate as demonstrated by prior practice.

On balance, we believe that the company has not provided sufficient justification to shareholders for the proposed increase in fee pool cap.

ASA will vote against this resolution.

ATLIX Item 2: Re-appointment of Deloitte as Auditor

Deloitte was appointed in 2024 following the resignation of PwC. ASA supports planned changes on a five-to-ten-year frequency to ensure audit independence and fresh oversight. This resolution is a routine annual auditor re-appointment under Bermuda law.

ASA proposes to support this resolution.

ATLIX Item 3a: Re-election of Fiona Beck

Fiona Beck was appointed to the ATLIX board in 2019 and serves as the ATLIX Chair. She brings experience from the energy and infrastructure sectors. She is independent and her workload is appropriate. She has adequate “skin-in-the-game”.

ASA proposes to support her re-election.

ATLIX Item 3b: Re-election of Kiernan Bell

Kiernan Bell was appointed in 2023 and provides Bermudian legal experience. She is independent. However, she has a minimal shareholding in the company, well below the director shareholding policy which she needs to meet by September 2026.

At the AGM, the ASA will ask what her plans are to sufficiently build up her shareholding. Our vote will depend on how she answers.

ATLIX Item 3c: Re-election of Debra Goodin

See ATLAX Item 2a. ASA proposes to support this resolution.

ATLIX Item 4: Approval to increase to the non-executive Director Fee Pool

This resolution seeks to increase the aggregate director fee pool for the ATLIX board from US\$0.6m to US\$0.7m.

The company justification is as per ATLAS item 6, and as in that case the justifications remain unsatisfactory with regard to comparator group and percentile. However, we note in this case that the aggregate fee paid in 2025 was US\$0.597m, just US\$3,000, or 0.5%, shy of the cap.

Given the thin margin available, ASA proposes to support this resolution.

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Appendix 1: CEO Remuneration Framework 2026

Rem Component	Target \$m	% of Total	Max. Opp \$m	% of Total
Fixed	1.45	36%	1.45	25%
STI-Cash	0.725	18%	1.0875	19%
STI-Equity	0.725	18%	1.0875	19%
LTI-Performance	1.087*	27%	2.175	37%
TOTAL	3.987	100%	5.8	100%

Note: *Target for LTI is based on achieving LTI threshold performance.

Assessment of Remuneration framework:

Positives

- CEO's actual take-home remuneration, as well as the target and maximum opportunity of each component is disclosed in the annual report.
- The total quantum of the CEO remuneration package is below benchmark median (no comparator data provided but reasonable compared with peer Transurban).
- The quantum of Board fees is below benchmark median (according to the company – no comparator group provided).
- At least 50% of CEO's pay is genuinely at risk.
- Majority of STIs are based on quantifiable and disclosed performance metrics.
- At least 50% of STIs is paid in equity with a minimum 12 month holding lock.
- Clear disclosure is provided for all Key Management Personnel (KMP) performance hurdles and the weightings applied for each incentive.
- No retesting of performance hurdles is allowed.
- The Long-Term Incentive (LTI) performance period is a minimum of four years.
- LTI hurdles are based on two hurdles, one of which is Total Shareholder Return (TSR)
- There is no payment for the TSR measure if absolute TSR is negative.
- Comparator groups for relative TSR measures are from an appropriate index (FT Wilshire (FTW) Global Listed Infrastructure Organisation (GLIO) index.)
- LTI awards based on comparator groups do not vest unless performance is at least 50th percentile.

- The LTI hurdles and criteria are:

Performance Criteria 2026	Contribution % of total LTI award	Threshold performance	Vesting at threshold performance	Target performance for 100% vesting
Relative Total Shareholder Return	70%	50 th ile	50%	75 th ile
Free Cash Flow growth CAGR	30%	4%	50%	5%

- All share grants are allocated at face value not fair value.
- Hurdles based on Free Cash Flow are clearly defined.
- Sign-on benefits were partly deferred equity payments which vest upon meeting performance hurdles.
- No termination payments exceed 12 months fixed pay.
- No full vesting in a takeover or “change of control” events.
- Overall, the Remuneration report is readable, transparent, and understandable with a logical relationship between rewards and financial performance and corporate governance.

Areas for Improvement

- The remuneration benchmark information and the member companies of the benchmark should be disclosed.

Conclusion on Remuneration

Overall, a very good remuneration framework. ASA will vote in support of the remuneration report.