

16 May 2024

**ASX RELEASE**

**Addresses by Chair, Debbie Goodin and Chief Executive Officer, Graeme Bevans at the  
Atlas Arteria 2024 Annual General Meetings**

Please find attached the addresses to securityholders to be delivered by the Chair and Chief Executive Officer at Atlas Arteria's 2024 Annual General Meetings to be held today at 10:00am Melbourne time.

Further information, including details of the webcast, can be found at [www.atlasarteria.com](http://www.atlasarteria.com).

---

**For further information please contact:**

**Investors:**

Chloe Heazlewood  
Acting Director, Investor Relations  
+61 (0) 438 493 692  
[investors@atlasarteria.com](mailto:investors@atlasarteria.com)

**Media:**

Lisa Keenan  
Nightingale Advisors  
+61 (0) 409 150 771  
[lisa@nightingleadvisors.com.au](mailto:lisa@nightingleadvisors.com.au)

---

This announcement has been authorised for release by Clayton McCormack, General Counsel and Company Secretary.

**About Atlas Arteria**

Atlas Arteria (ASX:ALX) is a global owner, operator and developer of toll roads, creating value for our investors over the long-term through considered and disciplined management. The roads we own, operate and develop benefit communities through reduced travel time, greater time certainty, reduced fuel consumption and carbon emissions.

Today the Atlas Arteria Group consists of five businesses. We currently own a 31.14% interest in the APRR toll road group in France. Adjacent to the APRR business is the smaller ADELAC business which connects to APRR in south-east France. Together APRR and ADELAC comprise a 2,424km motorway network located in the East and South East of France. In the US, we own a 66.67% interest in the Chicago Skyway, a 12.5km toll road in Chicago and have 100% of the economic interest in the Dulles Greenway, a 22km toll road in the Commonwealth of Virginia. In Germany, we own 100% of the Warnow Tunnel in the north-east city of Rostock.

[www.atlasarteria.com](http://www.atlasarteria.com)

**Important Notice:**

Investors should note that neither of the Atlas Arteria entities has been, or will be, registered under the U.S. Investment Company Act of 1940, as amended (the "U.S. Investment Company Act"), in reliance on the exception in Section 3(c)(7) from the definition of "investment company". Accordingly, Atlas Arteria securities cannot be held at any time by, or for the account or benefit of, any "U.S. person" (as defined in Rule 902(k) under the U.S. Securities Act of 1933) ("U.S. Person") that is not a "qualified purchaser" (as defined in section 2(a)(51)

of the U.S. Investment Company Act and the rules and regulations thereunder) (“Qualified Purchaser” or “QP”) at the time of their acquisition. Any U.S. Person that is not a Qualified Purchaser, or any investor acting for the account or benefit of any U.S. Person that is not a Qualified Purchaser, is an “Excluded U.S. Person” and may not hold Atlas Arteria securities.

For further details of ownership restrictions that apply to residents of the United States and other U.S. Persons that are not Qualified Purchasers, please see our website.

[https://www.atlasarteria.com/stores/\\_sharedfiles/US\\_Ownership/AtlasArteria-USownershiprestrictions.pdf](https://www.atlasarteria.com/stores/_sharedfiles/US_Ownership/AtlasArteria-USownershiprestrictions.pdf)

## Atlas Arteria 2024 AGM Chair's Address

### Debbie Goodin, Chair, Atlas Arteria Ltd

The past year has been one of consolidation and integration.

Despite some challenges, we remained focused on executing and delivering against our objectives, and we performed in line with expectations. This is a testament to the resilience of our business, and to the strength of our management team.

We engaged extensively with securityholders and key stakeholders as we refined our strategic priorities; to provide a framework for transparent communication with securityholders, and to position Atlas Arteria to continue to deliver long-term value.

Importantly, our strong governance practices continued, namely with the refinement of our Remuneration Framework, our focus on Board renewal and maintaining a constructive working relationship with IFM, our largest investor.

In terms of our financial performance, the positive impact of inflation linked tolls was evident in our 2023 results. Weighted average toll revenue and weighted average EBITDA both increased by 7% compared to 2022.

This strong business performance, underpinned by APRR and supported by distributions from Chicago Skyway and Warnow Tunnel, enabled distributions of 40 cents per security for the year. This was another pleasing result that reflects the diversity of our revenue sources.

In France, APRR had a record traffic performance, which resulted in Atlas Arteria's weighted average traffic increasing by 3.3% on 2022. At the same time, we continued to foster constructive and productive relationships with our joint venture partners at Eiffage, ADIA and PGGM and with the APRR management team. Pleasingly, we have had a positive start to the year, with a consortium formed by APRR and Eiffage selected as the preferred bidder for the A412 project. This lays the foundations for potential further expansion of the network. The signing of this concession is expected later this year.

A key milestone during the year was the successful completion of the 12-month transition plan at Chicago Skyway. Pleasingly, in year one, the Skyway outperformed the conservative assumptions of our business acquisition case, with growth in tolls and traffic exceeding expectations. We also continued to strengthen our relationships with our joint venture partner Ontario Teachers' and the Skyway management team.

At Dulles Greenway, our clear focus is on the business being more sustainable, either by negotiating and executing a new concession agreement, or achieving increased tolls through rate cases. Graeme will provide more detail on our two-pronged approach in his address.

On the ESG front, we have maintained our 40/40/20 gender balance across all levels of the Company – across our Boards, within senior executive roles and across all Atlas Arteria employees. We also successfully integrated Chicago Skyway into our greenhouse gas emissions reporting, recalculating our baseline and incorporating it in our scope 1 and 2 emission reduction targets.

We did face some external macro headwinds which weighed on our security price. These included rising bond yields, and the imposition of a new French tax on companies operating long-distance transport infrastructure, called the TEILD. The introduction of this new and unforeseen tax is disappointing. APRR is committed to pursuing its legal and contractual rights to the maximum extent, as it has in all other instances where the French Government has sought to impose taxes targeting the motorway sector. Graeme will also go into more detail on this in his address.

Continuing to grow long-term securityholder value remains our unwavering focus. We remain committed to providing our securityholders with distributions funded from operating business cash flows and cash on hand. As communicated at the time of the Skyway acquisition, as a one-off initiative, we are supporting short-term distributions with capital releases from the Skyway regearing, which was completed in 2023. I want to emphasise that future regearing proceeds from the Skyway are not intended to be used to support regular distributions. Instead, they will be used to fund growth projects within the businesses, share buyback programs, or special dividends. Chicago Skyway's next regearing opportunity is expected to be no earlier than 2026.

In 2024, we have again guided to distributions of 40 cents per security, with 7 to 8 cents per security expected to be funded from cash on hand, reflecting a portion of the capital release proceeds. While we estimate the impact of the French tax on cash flows to be around 4 to 5 cents per security, 2024 distribution guidance has been maintained at 40 cents per security. This decision was taken in the context that we have a constitutional challenge underway in France, with an outcome expected during the second half of this year. In addition, we are actively exploring options within APRR, and in partnership with Eiffage, to mitigate the impact of the new French tax on cash flows.

Looking ahead, we remain laser focused on growing underlying operating business cash flows to ensure high-quality distributions to you, our securityholders. For the first time, we have set a free cash flow per security compound annual growth rate (CAGR) target of 5.5% until 2027 under our revised LTI framework.

As I mentioned earlier, during the year we dedicated ourselves to actively engaging with, and listening to, our securityholders and key stakeholders. These conversations played a formative role in shaping our strategic priorities for 2024 and beyond, and we remain committed to continuing this constructive dialogue.

As we stated at our 2023 results, we have refined our business strategy in three key areas. Firstly, we will pursue value accretive initiatives within our existing businesses that aim to enhance operating efficiencies, lower costs, and improve safety.

Secondly, we intend to pursue growth opportunities that are directly related to, or in proximity to, our existing businesses, such as the A79 project in France, which commenced tolling in late 2022. I want to again reiterate that, other than in the context of these associated opportunities, acquisitions are not being considered. Should this position change, we would communicate appropriately with securityholders.

Lastly, we will maintain a strong balance sheet and look to optimise the capital structures at each of our businesses backed by investment grade credit ratings. We will also explore capital management options that provide value for our securityholders.

In addition to honing our strategic priorities, we refined our Remuneration Framework in 2023. We want to maintain remuneration practices that help to attract and retain the best talent for our businesses, are aligned to the interests of securityholders and are consistent with market best practice. We were pleased to have engaged with many of our securityholders and proxy advisors in the lead up to this AGM to hear their views on this.

We have made enhancements to better align outcomes to Group performance and value for our securityholders. We have also updated our guidelines to be clear about the parameters for the exercise of discretion by the Boards for executive remuneration decisions – both positive and negative. The Board is confident these enhancements will further align executive and securityholder interests.

In other governance and leadership news, in March, Graeme Bevans informed the Boards of his decision to retire. Graeme's leadership has been instrumental in establishing Atlas Arteria as a strong, standalone business. He will leave the business in great shape and on track to continue to drive value

for securityholders. A comprehensive global search is currently underway for Graeme's successor, and he has agreed to stay on until a new CEO has been appointed to ensure an orderly transition.

Our Board renewal process has seen a complete refresh of the Boards since 2017. We continuously strive to ensure the representation of a diverse mix of skills, experience, backgrounds, and perspectives on our Boards. Four directors are standing for either election or re-election today. You will hear from each of them later. Laura Hendricks is standing to be elected to the ATLAX Board, Fiona Beck is standing for re-election to the ATLIX Board, Kiernan Bell is standing to be elected to the ATLIX Board and IFM Nominee, Ken Daley, is standing for re-election to the ATLAX Board.

I would like to provide some brief context on the circumstances around Ken's appointment to the Board and his recommended reappointment this year. You may recall that in June 2022, IFM became a substantial securityholder in Atlas Arteria and at last year's AGM, the Board recommended Ken for a one-year term as an IFM nominee. Ken has added value to the Board during this time and all measures put in place by the Board to manage conflicts of interest have been respected. Having considered the contribution that Ken makes to the Board of ATLAX as a director, and being satisfied that the agreed corporate governance arrangements are in place and working well, the Board has recommended Ken's re-election for the standard three-year term.

In March this year, we received a request from IFM for additional representation on the ATLAX Board. IFM have advised us that they would like to nominate an IFM executive as a second Board nominee, being Danny Elia, the Global Head of Asset Management, Infrastructure at IFM Investors. As outlined in the Notices of Meeting, the Board of ATLAX has agreed a pathway to a second IFM nominee position on the Board after the outcome of today's AGM is known. The Board has not met with, nor conducted standard due diligence on any second IFM director nominee, nor has the Board agreed with IFM any shareholding thresholds or corporate governance arrangements appropriate for a second nominee. We do, however, respect IFM's request as our largest securityholder for increased Board representation, subject to agreement on these threshold matters of ownership, corporate governance arrangements, and the skills and experience of any nominee.

Today, we are only seeking securityholder approval to increase the maximum number of ATLAX directors to eight. This will create space on the Board for the potential appointment of another IFM director in due course. It is important to note that Atlas Arteria, as a listed Australian company, is also committed to meeting the ASX Corporate Governance Principles. We will be seeking joint commitment to these generally accepted principles of good governance in the Australian market from IFM. We are committed to maintaining a constructive relationship with IFM, and we will always act in the best interests of all our securityholders.

In closing, I would like to reassure you that your best interests – and the sustainable value we create for you – is what drives us every day. The Executive Team and the broader Atlas Arteria team worked hard to deliver solid results in the face of some challenges in 2023. They will continue with this commitment; and I am confident that with their expertise, we can continue to build an even stronger, more resilient business for you.

Thank you for your continued support and investment.

## Atlas Arteria 2024 AGM Chief Executive Officer's Address

### Mr Graeme Bevans, Chief Executive Officer, Atlas Arteria

As you have just heard, 2023 was a year of consolidation. The business delivered a robust financial performance, underpinned by strong traffic and inflation-linked tolls.

As you heard from Debbie, we announced a refined and transparent strategy with our annual results. We also reviewed our organisational structure and ways of working, launching a new business operating model all geared to optimise value for securityholders.

I will now take you through our performance for 2023 and the first quarter of 2024.

The APRR Group had another strong year and continues to be the major driver of our financial performance. Traffic, toll revenue and EBITDA all outperformed 2022 levels, a record result predominantly driven by robust light vehicle demand.

For the first quarter of 2024, APRR Group traffic was slightly lower than the prior corresponding period, primarily due to farmers' strikes in France. This saw road closures and motorways blockaded during a two-week period. Despite the farmers' strikes, demand for light vehicle traffic remained resilient.

At Chicago Skyway, traffic for 2023 fell by around 7% but was above the business acquisition case, which allowed for the negative impact of the planned Indiana Toll Road works. The roadworks on the ITR reduced capacity to one lane in each direction for around six months of the year, with a break over the summer.

The strength of the tolling regime drove growth in tolls of 21% across 2023 and 2024, above our acquisition assumption of 18%. Toll revenue and EBITDA grew compared to 2022 levels, despite a fall in traffic because of the ITR roadworks. As a reminder, the estimated toll increases for 2025 are around 5.8% based on US GDP per capita in 2023.

Traffic at the Skyway remained lower in Q1 due to periods of heavy snowfall and extreme winter conditions in January across the Midwest. The prior period also reflected roadworks on the Frank Borman Expressway (I-94) alternative route. Toll revenue, however, was higher than Q1 2023, supported by toll increases.

At Dulles Greenway, traffic was up by around 6% compared to 2022, reflecting the gradual return to office-based work in Northern Virginia. Revenue increased ahead of traffic due to the increase in higher priced peak traffic and higher violation revenue collection. Traffic continued to show positive signs of improvement in the first quarter of 2024.

At Warnow Tunnel, traffic increased around 3% versus 2022, with roadworks along the Am Strande alternative route amplifying the travel time savings offered by the tunnel. This positive trend continued into the first quarter of 2024, with more roadworks on the alternative route expected over the next few years.

Turning to our ESG progress and achievements during 2023. Our efforts are focused around four key sustainability pillars:

- safety;
- climate and environmental stewardship;
- our people; and
- customers and community.

Safety is core to everything that we do; and we are focused on building a strong safety culture, continuously improving performance and mitigating risk across all our businesses. While our safety performance was slightly better than in 2022, there is still significant work to be done to ensure that we are consistently meeting all our targets.

Overall, at APRR we are disappointed to have missed our target to keep the lost-time injury frequency rate at 3 or less, with a score of 3.36. We did, however, meet our target of one or less lost-time injuries at our smaller businesses.

Across all our businesses, we are taking tangible steps to improve safety. At APRR, the 2023 Safety Plan was launched with nine core safety objectives focused on accident and injury prevention. APRR also undertook an outreach campaign visiting schools and community groups to educate local communities on safe driving practices.

At Chicago Skyway, a key objective during the year was aligning the business with Atlas Arteria's safety approach and reporting process. A core part of this was rolling out our safety reporting software, Asset Vision, to improve safety performance monitoring for all incident types.

On the climate and environmental stewardship front, we are on track to achieve our target of a 25% reduction in our scope 1 and 2 emissions by 2025, compared to a 2019 baseline. This target has been restated to include Chicago Skyway emissions. During 2023 we continued to address our emissions profile with a 22% reduction in scope 1 and 2 emissions compared to a 2019 baseline. This was driven predominantly through renewable electricity purchases and the continued electrification of APRR's light vehicle fleet.

We have also worked to further define our 2019 baseline scope 3 upstream emissions across our wholly owned businesses, including establishing baseline scope 3 upstream emissions for Chicago Skyway.

I am also happy to report that our 2022 Modern Slavery Statement achieved an A rating in the Monash University assessment of ASX 100 Modern Slavery Statements. A very pleasing result. Our 2023 Modern Slavery Statement will be published around the end of June. In addition, this year we published our first Human Rights Commitment Statement and in April we became a participant member of the UN Global Compact.

This year we are continuing to focus on improving our safety metrics and addressing our greenhouse gas emissions. We are also continuing to develop our approach to scope 3 emissions. APRR, in partnership with ENGIE, also plans to install five 400-500 kW per terminal, electric vehicle charging stations for heavy vehicles travelling along the A6 between Lyon and Paris.

I would now like to focus on our priority areas for the year. Firstly, we are focused on challenging the long-distance transport tax in France, where, as Debbie said, we are pursuing our legal and contractual rights to the maximum extent.

Our first approach is via a constitutional challenge which we, together with the other French motorway companies, filed in March. We expect an outcome by the end of the year. If we are successful on this front, then the new tax will be cancelled. If the constitutional challenge fails, we will commence contractual litigation. As a reminder, this process can take three to four years.

Simultaneously, we are focused on building a relationship with the new Transport Minister, Patrice Vergriete, as we engage with him on the future of the French concession system. We would expect any compensation for the new tax on operators of long-distance transport infrastructure to be under the existing concession arrangements.



Separately, we are pursuing associated growth opportunities at APRR, including the A412 project. A consortium formed by Eiffage and APRR was selected as the preferred bidder in March. The next step following regulatory review, will be the signing of the concession, which is expected to take place in the second half of this year. APRR has an option to fully acquire the concession.

At Dulles Greenway, our priority is to put the business on a more sustainable financial path to unlock value and we are actively pursuing potential options.

As part of a two-pronged strategy, we continue to progress a rate case application with the SCC. Disappointingly, the Hearing Examiner released their report this morning and has recommended that the SCC denies TRIP II's application for increased tolls. He stated that while the proposed tolls provide no more than a reasonable return, they do not satisfy the other two of the three limbs in the statutory test.

The Commission is expected to make a determination in H2 2024 and in doing so will take into account all evidence presented throughout the SCC Rate Case, as well as the findings in the Hearing Examiner's Report.

We stand firmly behind the Greenway's 2023 SCC submission. We strongly believe that our SCC submission is fair and appropriate, given the Greenway has not been granted a peak toll increase for 5 years, and the last approved off-peak increase took effect in January 2022. We will be making a submission to the SCC in this regard by the due date which is 5 June 2024.

Our preferred outcome remains to lower tolls for motorists through a move to distance-based tolling. Unfortunately, language authorising VDOT to negotiate and execute a new concession agreement with the Greenway was removed from the compromise Virginia State Budget. We expect the next opportunity to pass legislation will be in early 2025 at the Legislatures' next session.

At Chicago Skyway, having completed the 12-month transition plan, optimisation of the business is a key area of focus in 2024. The shift to a proactive, whole-of-life approach to maintenance is progressing to plan. This change is supported by technology, including the integration of the new asset management system and upgrade of the back-office tolling system. Simultaneously, work on the digital twin, including drone imaging of the main structures and bridges, continues. Once completed, it will become a valuable tool to support decision-making in whole-of-life maintenance investments.

Through our organisational review, we have removed the Strategy and Corporate Development role by reorganising the COO role into two roles. The first one, based in Europe held by Vincent Portal-Barrault, has taken on Strategy and Portfolio Management. The second is based in the US, where we have a focus on optimising our businesses and incorporates the Corporate Development role.

We are delighted to have recruited Amanda Baxter into this role as Group Executive North America and Corporate Development. Amanda brings over 20 years of experience working in transport infrastructure in both government and corporate roles. She joins us next week.

In conclusion, the outlook for Atlas Arteria is positive. We are positively leveraged to inflation, which has driven significant toll increases and, on the back of record APRR traffic in 2023, increases in proportionate toll revenue and EBITDA.

As Debbie mentioned, we have again guided to 2024 distributions of 40 cents per security.

I am proud of our solid performance in 2023. We have a transparent and refined strategy and the business is well positioned for long-term success. I would like to thank the entire team at Atlas Arteria for their continued hard work.

This is most likely my last AGM as CEO. It has been my honour and privilege to lead the business over the past six years, and I am immensely proud of all we have achieved in a relatively short timeframe. I



would like to thank you, our securityholders for the support you have provided to the team and myself over the past six years. We have built a strong independent business that is now well established to deliver strong sustainable returns into the future for you all.