



# Board Charter

**Atlas Arteria Limited**

# ATLAX Board Charter

## Introduction

Atlas Arteria is a dual stapled vehicle, listed on the Australian Securities Exchange.

Atlas Arteria comprises Atlas Arteria Limited (ACN 141 075 201) (**ATLAX**), an Australian public company, together with its controlled and managed entities and Atlas Arteria International Limited (Registration no. 438 28) (**ATLIX**), an exempted mutual fund company incorporated in Bermuda, together with its controlled and managed entities. The securities of ATLAX and ATLIX are stapled and must trade and otherwise be dealt with together.

ATLAX and ATLIX each have a separate Board of Directors (the **ATLAX Board** and the **ATLIX Board** respectively).

ATLAX and ATLIX have also entered into a cooperation deed which provides for sharing of information, adopting of consistent accounting policies and coordination of reporting to securityholders.

## Purpose of this Charter

This Charter sets out the functions and responsibilities of the ATLAX Board within the governance of Atlas Arteria.

The ATLAX Board is governed by the constitution of ATLAX (**ATLAX Constitution**).

## Role and Responsibilities

The ATLAX Board is accountable to the securityholders of Atlas Arteria for the performance of ATLAX.

The responsibilities of the ATLAX Board include to:

- provide leadership;
- develop with management and set the strategic objectives for Atlas Arteria;
- define Atlas Arteria's purpose and approve its Vision and Values Statement;
- set the tone for, and monitor, Atlas Arteria's culture, ethical standards, corporate governance and legal compliance in line with Atlas Arteria's Vision and Values Statement;
- approve acquisitions, divestments, operating budgets and capital management activities;
- approve annual and half yearly financial statements and Directors' Report and other material related disclosures, including the Corporate Governance Statement, Modern

Slavery Statement and other sustainability (including climate-related) reporting;

- monitor the financial performance of Atlas Arteria;
- identify and monitor Atlas Arteria's material business risks and to oversee how they are managed;
- oversee the process for establishing a Risk Management Framework in respect of Atlas Arteria's material business and operational risks (both financial and non-financial) and to approve the Risk Management Policy;
- set the risk appetite within which Atlas Arteria is expected to operate;
- ensure Atlas Arteria's remuneration policies are aligned with the Atlas Arteria purpose and Vision and Values Statement, strategic objectives and Risk Appetite Statement; and
- ensure that an appropriate framework exists for relevant information to be reported by management to the ATLAX Board.

In support of the above, the ATLAX Board will:

- appoint, review the performance of and when necessary, replace the Chair of ATLAX, the Chief Executive Officer (**CEO**), the Chief Financial Officer (**CFO**) and the Company Secretary;
- review and oversee the succession planning process for the CEO;
- oversee management's performance including in its implementation of Atlas Arteria's strategic objectives and instilling of Atlas Arteria's values;
- monitor the integrity of the accounting and corporate reporting systems used for ATLAX financial reporting, the integrity and effectiveness of internal controls and oversee the external audit;
- approve the appointment and removal of external auditors (on the recommendation of the Atlas Arteria Audit and Risk Committee);
- oversee the process for making timely and balanced disclosure of all other material information concerning Atlas Arteria that a reasonable person would expect to have a material effect on the price or value of Atlas Arteria's securities;

# ATLAX Board Charter

- monitor implementation of Atlas Arteria’s Risk Management Framework and review Atlas Arteria’s risks;
- approve key policies and targets relating to the operations of Atlas Arteria and monitor the effectiveness of Atlas Arteria’s practices, and progress towards targets, relating to workplace health and safety, environment, sustainability (including climate) and governance;
- oversee the communication of key issues with securityholders and regulators; and
- be prepared to challenge management and hold them to account.

## The Chair

The role and responsibilities of the Chair of the ATLAX Board include:

- leading the ATLAX Board;
- facilitating the effective contribution of all Directors and promoting constructive and respectful relations between Directors and between the ATLAX Board and management;
- approving ATLAX Board agendas and ensuring adequate time is available for discussion of all agenda items including strategic issues;
- chairing ATLAX Board and securityholder meetings; and
- representing the ATLAX Board to external stakeholders (including investors) and communicating the ATLAX Board’s position on key issues.

## Composition

The following guidelines apply to the ATLAX Board’s composition:

- the ATLAX Board is to comprise at least three Directors, but not more than seven Directors;
- the Chair and a majority of the ATLAX Board must be independent Non-executive Directors. Independence of each Director is assessed by the ATLAX Board at least annually. For further details see appendix 1;
- Directors must stand for election on a three year rotational basis in accordance with the requirements of the ATLAX Constitution. To ensure an appropriate process of ATLAX Board renewal, Directors will generally retire after 10 years but their term can be extended if

considered of significant benefit to Atlas Arteria; and

- if there is a vacancy on the ATLAX Board that remains unfilled or if there are any casual vacancies on the ATLAX Board, then the ATLAX Board may appoint any person to fill that vacancy in accordance with the ATLAX Constitution, to hold office only until the next general meeting of ATLAX’s securityholders.

To optimise decision making and provide leadership to Atlas Arteria, the following should also be considered:

- the ATLAX Board is to be comprised of Directors with an appropriate range of qualifications, skills, expertise and experience appropriate for Atlas Arteria’s strategy; and
- the ATLAX Board should contain sufficient diversity in line with Atlas Arteria’s Diversity and Inclusion Policy to enable Atlas Arteria to achieve and maintain its diversity objectives.

## Non-executive Director Board Selection Process

The ATLAX Board in consultation with the Atlas Arteria Nomination and Governance Committee, determines the composition of the ATLAX Board. The ATLAX Board, together with the Atlas Arteria Nomination and Governance Committee, will review the skills represented by the Directors on the ATLAX Board and determine whether the composition and mix of skills remain appropriate for Atlas Arteria’s strategy.

## Meetings

The ATLAX Board will have at least five scheduled meetings per year as well as strategic workshops and periodic site visits, with additional meetings being scheduled as the Chair of the ATLAX Board shall deem appropriate in order for the ATLAX Board to fulfil its duties. In addition, the Company Secretary is required to convene a meeting if requested to do so by any Director.

## Committees

The ATLAX Board may from time to time establish (including jointly with the ATLIX Board) committees to assist it in the discharge of its duties, and, where appropriate, may delegate any of its powers to a committee or committees. No committee established jointly with the ATLIX Board will be delegated decision-making powers by the ATLAX Board, including with respect to ATLAX risk management and operational decisions, which are decisions that must be made by the ATLAX Board.

# ATLAX Board Charter

There are three standing Atlas Arteria Committees established jointly with the ATLIX Board. These standing Atlas Arteria Committees have written Charters setting out matters relevant to the composition, responsibilities and administration of such committees, and other matters that the Board may consider appropriate:

- Atlas Arteria Audit and Risk Committee – comprised of a minimum of three members, at least one of whom is an ATLAX Director (but not also an ATLIX Director) and at least one of whom is an ATLIX Director (but not also an ATLAX Director). A majority must be independent Directors and the chair of the Committee must be an independent Director who is not the chair of either the ATLAX Board or the ATLIX Board;
- Atlas Arteria Nomination and Governance Committee – comprised of minimum of three members, at least one of whom is an ATLAX Director (but not also an ATLIX Director) and at least one of whom is an ATLIX Director (but not also an ATLAX Director). A majority must be independent Directors and the chair must be an independent Director; and
- Atlas Arteria People and Remuneration Committee – comprised of a minimum of three members, at least one of whom is an ATLAX Director (but not also an ATLIX Director) and at least one of whom is an ATLIX Director (but not also an ATLAX Director). A majority must be independent Directors and the chair of the Committee must be an independent Director.

The ATLAX Board will appoint one ATLAX Director from each Committee as its delegate, to report on the respective Committee's work at the next scheduled ATLAX Board meeting. Minutes of each meeting will be prepared and circulated to all ATLAX Directors, subject to any conflicts.

Notices of meetings and Committee papers are provided to all Atlas Arteria Directors and any Directors not on the relevant Atlas Arteria Committee have a standing invitation to attend.

## Relationship with Management

Atlas Arteria's Delegations of Authority Policy outlines those matters specifically reserved for the decision of the ATLAX Board and those delegated to the CEO who can sub-delegate authority where appropriate.

The ATLAX Board monitors the division of responsibilities between the ATLAX Board and

management to satisfy itself that they continue to be appropriate to the needs of ATLAX.

## Induction and Training

### Induction

Each new Director will upon appointment, participate in an induction programme. This will include discussions with the Chair of ATLAX, the CEO, the CFO, the General Counsel and other relevant executives to gain an understanding of Atlas Arteria including the stapled structure and Atlas Arteria's businesses, assets, corporate structure and risk profile.

### Training

Directors should ensure that they keep themselves adequately informed in respect of relevant industry and regulatory issues and changes.

Each Director will be invited to participate in:

- internal training sessions and workshops from time to time in respect of relevant industry and regulatory issues; and
- site tours organised from time to time.

Any other training requirements should be discussed with and if appropriate arranged by the Company Secretary (with the Chair of ATLAX's approval).

## Performance Evaluation

The ATLAX Board will assess its performance and that of each Atlas Arteria Committee and each Director annually and, for any individual Director, prior to recommending their re-election at an annual general meeting.

## Access

The ATLAX Board may seek further information on any issue, including requesting that particular executives present to it on the performance, strategy or outlook for Atlas Arteria or particular assets.

Each Director will have direct access to the CEO, the CFO and Company Secretary and to any other staff member through the CEO or Company Secretary.

Each Director shall have the ability to take independent professional advice at the expense of ATLAX where that Director considers it necessary to carry out their duties and responsibilities, subject to obtaining:

- the prior approval of the Chair of ATLAX (or in the case of the Chair of ATLAX, the Chair of the Atlas Arteria Audit & Risk Committee); and

# ATLAX Board Charter

---

- an estimate of the costs and the costs being reasonable.

## Charter Review

The ATLAX Board will review this Charter once every two years to keep it up to date and consistent with the ATLAX Board's objectives and responsibilities.

## Publication

Copies of this Charter and the Charters of the Atlas Arteria Audit and Risk Committee, Nomination and Governance Committee and People and Remuneration Committee are to be made available on Atlas Arteria's website.

# ATLAX Board Charter

## Appendix 1

### Independence requirements

A Director will be considered independent if not a member of management, and if they are free of any interests or relationships that might interfere, or might reasonably be seen to interfere with the Director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of ATLAX rather than in the interests of an individual securityholder or other party.

The independence of each Non-executive Director (**NED**) is considered prior to appointment and then confirmed annually by the ATLAX Board.

Prior to the consideration of Director independence, each NED is asked to declare whether they have any interests or relationships that could materially interfere with the Directors ability to act in the best interests of ATLAX and independently of management (**Director Declaration**).

A NED will normally be considered independent if they:

- are not a substantial securityholder of Atlas Arteria or of a company holding more than five per cent of Atlas Arteria's voting stock or an officer or employee, or professional adviser to, or otherwise associated directly with, a securityholder holding more than five per cent of Atlas Arteria voting stock;
- have not been employed within the last three years in an executive capacity by Atlas Arteria or any of its group members or been a Director after ceasing to hold any such employment;
- have not been a partner, Director or senior employee of a material professional adviser to Atlas Arteria and any of its group members within the last three years;
- have not had a material business relationship, including as a supplier, professional adviser, consultant or customer, within the last three years with Atlas Arteria or any of its group members or an officer of, or otherwise associated with, someone with such a relationship;
- have not been a Director for such a period that their independence from management and substantial holders may have been compromised;

- do not have a material contractual relationship with Atlas Arteria or any of its group members other than as a Director; and
- do not have any other interests or relationships including close personal ties with any person who falls within any of the categories described above), that could materially interfere with the Director's ability to act in the best interests of Atlas Arteria as a whole rather than the interests of an individual security holder or other party.

Further, to be considered independent a NED should not receive performance-based remuneration (including options or performance rights) from, or participate in an employee incentive scheme of ATLAX.

The Atlas Arteria Nomination and Governance Committee reviews each Director Declaration, tenure and the materiality of any interests or relationships disclosed by the NED. Materiality is assessed having regard to each individual Director's circumstances, the circumstances of the supplier, customer or advisor and any other significant relationships with Atlas Arteria or any of its group members.

The ATLAX Board manages potential conflicts that may arise from disclosed business relationships or interests in accordance with its guidelines for ATLAX Board members declaring and dealing with conflicts of interest.

A Director who is or within the last three years has been a partner, Director or senior employee of a professional adviser will not participate in any consideration of the possible appointment of the professional adviser and will not participate in the provision of any service to Atlas Arteria or any of its group members by the professional adviser.

If any independent Director has been determined by the ATLAX Board as independent despite not satisfying all the criteria mentioned above this will be noted in their descriptions in any Atlas Arteria public disclosures and reasons will be provided for any independence determination.