

Aurizon Holdings Ltd 2024 AGM Report

ASX code	AZJ
Meeting date	Thursday, 10 October 2024
Type of meeting	Hybrid
Monitor	David Loosemore assisted by Meredith Clarke
Pre AGM-meeting	With Chairman Tim Poole

Meeting Statistics

Number of holdings represented by ASA	83
Number of shares represented by ASA	651,596
Value of shares represented by ASA	\$2.274 million
Total number attending meeting	30 Shareholders/proxy holders plus 26 online
Market capitalisation	\$6.4 billion
ASA open proxies voted	ASA voted in favour of all the resolutions

Monitor Shareholding: The individuals involved in the preparation of this voting intention may have a shareholding or beneficial interest in this company.

Following an acknowledgement of Country by Laurie Anno, an Aurizon employee whose artwork is used extensively by Aurizon, the Chairman, and CEO delivered comprehensive presentations (available [here](#) via weblink) on the company's performance and prospects for the upcoming year.

Key highlights included:

- Aurizon's coal revenues rebounded in FY24, but earnings from newer operations in other minerals and containerised freight (which has been below break-even and only completed ramp up in May 2024) are not yet meeting AZJ's return targets.
- They see a strong future for container traffic in Australia, replacing road transport. This shift could be further strengthened if rail infrastructure's resilience to weather events is improved over time.
- Harnessing regenerative braking energy may be a means to save energy and reduce emissions in the shorter term.
- Reaffirmed guidance in August of EBITDA in the range of \$1.66 to \$1.74 billion.

In opening, ASA complemented Aurizon for holding a hybrid meeting. Questions were encouraged both from the floor and taken from online attendees, increasing the participation of shareholders at the meeting. The Aurizon Chairman later said that they saw the value in hybrid meetings, and the cost was not significant.

Director Samantha Tough, who commenced on 1 September 2023, does not yet have shareholdings in Aurizon. ASA reminded the Board that this was expected to demonstrate alignment with shareholders. There was a commitment to address this in line with the Board's policy which allows minimum Director shareholdings to occur over five years.

Questions regarding Board diversity were raised by shareholders, ASA, and online participants. The Board has been actively seeking new members, but has yet to address two key aspects:

- The departure of two female Directors last year.
- The need to replace Board experience in regulatory frameworks and improve coverage of technology and cybersecurity.

The Chairman, who also chairs the Nomination and Succession Committee, was up for re-election. However, he did not speak to his re-election and has indicated his intention to retire in the coming year. It is expected that his replacement will be selected from among the current Board members.

With Russell Caplan also expected to retire in 2025, this will provide an opportunity for the Board to improve its diversity and cover any capability gaps.

Director Marcelo Bastos addressed the meeting in support of his re-election. He outlined his extensive mining industry experience and said that he also contributes a focus on safety to the Board and Aurizon.

In response to a question on the impact of inflation on Aurizon, it was pointed out that Aurizon was an inflation-protected business both on above-rail contracts and via adjustments to the regulated network business.

All motions were passed.

ASA Disclaimer

This document has been prepared by the Australian Shareholders Association Limited ABN 40 000 625 669 ("ASA"). It is not a disclosure document, it does not constitute investment or legal advice and it does not take into account any person's particular investment objectives. The statements and information contained in this document are not intended to represent recommendations of a particular course of action to any particular person. Readers should obtain their own independent investment and legal advice in relation to the matters contemplated by this document. To the fullest extent permitted by law, neither ASA nor any of its officers, directors, employees, contractors, agents or related bodies corporate:

- *makes any representations, warranties or guarantees (express or implied) as to the accuracy, reliability, completeness or fitness for purpose of any statements or information contained in this document; or*
- *shall have any liability (whether in contract, by reason of negligence or negligent misstatement or otherwise) for any statements or information contained in, or omissions from this document; nor for any person's acts or omissions undertaken or made in reliance of any such statements, information or omissions.*

This document may contain forward looking statements. Such statements are predictions only and are subject to uncertainties. Given these uncertainties, readers are cautioned not to place reliance on any such statements. Any such statements speak only to the date of issue of this document and ASA disclaims any obligation to disseminate any updates or revisions to any such statements to reflect changed expectations or circumstances.