



Board Charter

Atlas Arteria Limited

ATLAX Board Charter

Introduction

Atlas Arteria Group (**ALX**) is a dual stapled vehicle.

ALX comprises Atlas Arteria Limited (ACN 141 075 201) (**ATLAX**), an Australian public company and Atlas Arteria International Limited (Registration no. 438 28) (**ATLIX**), an exempted mutual fund company incorporated in Bermuda both of which are listed on the Australian Securities Exchange (**ASX**). The securities of ATLAX and ATLIX are stapled and must trade and otherwise be dealt with together.

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 (**ALX Cooperation Deed**).

Purpose of this Charter

This charter sets out the functions and responsibilities of the Board of ATLAX within the governance of ALX.

The Board is governed by the constitution of ATLAX.

Role and Responsibilities

The Board is accountable to the shareholders of ALX for the long term performance of ATLAX.

The responsibilities of the Board include:

- Providing leadership and in conjunction with ATLIX, setting strategic objectives for ALX
- Approving acquisitions, divestments, operating budgets and capital management activities
- Approving annual and half yearly financial statements and Directors' Report and other material related disclosures, including the corporate governance statement
- Monitoring the financial performance of ALX
- Identifying and monitoring ALX's material business risks and overseeing how they are managed,
- Overseeing the process for establishing a risk management framework in respect of ALX's material business risks and operational risks and approving a risk management policy
- Overseeing corporate governance and regulatory compliance.

- Monitoring and influencing ALX's corporate culture, reputation, ethical standards and legal compliance.

In support of the above, the Board will:

- Appoint, reviewing the performance of and when necessary replace, the Chief Executive Officer, the Chief Financial Officer and the Company Secretary
- Oversee the implementation of the Board's strategic objectives, and the management of ALX generally
- 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
- Oversee the process for making timely and balanced disclosure of all other material information concerning ALX that a reasonable person would expect to have a material effect on the price or value of ALX's securities
- Monitor implementation of ALX's risk management framework and review ALX's risks
- Approve key policies governing the operations of ALX
- Oversee communications with shareholders and regulators.

Composition

The following guidelines apply to Board composition:

- The Board is to comprise at least three directors, but not more than five directors
- The Chairman and a majority of the Board must be independent non executive directors. Independence of each director is assessed by the Board at least annually. For further details see appendix 1
- The Board is to be comprised of directors with an appropriate range of qualifications, skills, expertise and experience appropriate for ALX's strategy

ATLAX Board Charter

- 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 Board renewal, directors will generally retire after 10 years but their term can be extended if considered of significant benefit to ALX
- If there is a vacancy on the Board that remains unfilled or if there are any casual vacancies on the Board then the 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 Shareholders
- Nomination and Governance Committee – comprised of a least three directors, a majority must be independent directors and the chair must be an independent director
- People and Remuneration Committee – comprised of a least three directors, a majority must be independent directors and the chair must be an independent director.

The Committee Chairman shall report on the committee's work at the next scheduled Board meeting and minutes of each meeting will be prepared and circulated.

Notices of meetings and Committee papers are provided to all directors and directors not on the relevant Committee are invited to attend.

Non Executive Director Board Selection Process

The Board in consultation with the Nomination and Governance Committee determines the composition of the Board. The Board together with the Nomination and Governance Committee will review the skills represented by the directors on the Board and determine whether the composition and mix of skills remain appropriate for ALX's strategy.

Meetings

The 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 Chairman shall deem appropriate in order for the 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 Board may from time to time establish committees to assist it in the discharge of its duties, and, where appropriate, may delegate any of its powers to a committee or committees.

There are three standing committees with written charters setting out matters relevant to the composition, responsibilities and administration of such committees, and other matters that the Board may consider appropriate:

- Audit and Risk Committee – comprised of at least three directors, all members must be non executive directors, a majority must be independent directors and the Chairman must be an independent director who is not the chair of the Board
- Relationship with Management

Relationship with Management

The Company's Delegation of Authority Policy outlines those matters specifically reserved for the decision of the Board and those delegated to the CEO who can sub-delegate authority where appropriate.

The Board monitors the division of responsibilities between the 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 Chairman, the Chief Executive Officer, the Chief Financial Officer, the General Counsel and other relevant executives to gain an understanding of ALX including the stapled structure and ALX'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 conferences from time to time in respect of relevant industry and regulatory issues; and
- asset tours organised from time to time.

ATLAX Board Charter

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

Performance Evaluation

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

Access

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

Each director will have direct access to the Chief Executive Officer, Chief Financial Officer and Company Secretary and to any other staff member through the Chief Executive Officer 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 Chairman (or in the case of the Chairman, the Chair of the Audit & Risk Committee); and
- an estimate of the costs and the costs being reasonable.

Charter Review

The Board will review this Charter annually to keep it up to date and consistent with the Board's objectives and responsibilities.

Publication

Copies of this Charter and the charters of the Audit and Risk Committee, the Nomination and Governance Committee and the People and Remuneration Committee are to be made available on the ALX 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 could materially interfere with the director's ability to act in the best interests of ATLAX and independently of management.

The independence of each Non-Executive Director (NED) is considered prior to appointment and then confirmed annually by the 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 (Declaration).

A NED will normally be considered independent if they:

- are not a substantial shareholder of ALX or of a company holding more than five per cent of ALX's voting stock or an officer of or otherwise associated directly with a shareholder holding more than five per cent of ALX voting stock.
- have not been employed within the last three years in an executive capacity by ALX 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 ALX and any of its group members within the last three years.
- have not had a material business relationship, including as a supplier or customer, within the last three years with ALX or any of its group members or an officer of, or otherwise associated with, someone with such a relationship.
- do not have a material contractual relationship with ALX or any of its group members other than as a director.
- do not have any other interests or relationships (including close family 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 ALX and independently of management.

The Nomination and Governance Committee reviews each Director's 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 ALX or any of its group members.

The Board manages potential conflicts that may arise from disclosed business relationships or interests in accordance with its guidelines for 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 ALX 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 ALX public disclosures and reasons will be provided for any independence determination.