

REMUNERATION REPORT AUDITED

MESSAGE FROM THE PEOPLE AND REMUNERATION COMMITTEE CHAIRS



On behalf of the ATLAX and ATLIX People and Remuneration Committees (PRCs) and Boards, we are pleased to present the Remuneration Report for the 2020 financial year. This report contains detailed information regarding the remuneration arrangements for the Directors and Senior Executives who were Key Management Personnel (KMP) for Atlas Arteria during the year.

This year, given the impact of COVID-19 on business performance and the ongoing disruption associated with the pandemic, our approach to remuneration has been to take into account not only the impact of the pandemic, but also to ensure we continue to attract talent and incentivise future performance.

While traffic on our roads was significantly affected by COVID-19 related movement restrictions, our people moved quickly to respond and worked effectively to maintain uninterrupted operations in a rapidly changing environment. Our priority has been to continue operations and ensure the safety and wellbeing of our employees, contractors, suppliers, customers and the local communities we serve.

We have a clear strategy to focus on sustainable cash flows for securityholders and long-term value creation. During the year we undertook and actively pursued activities to achieve these objectives, which have been outlined in the Strategic Framework section in the Annual Report on pages 10-11.

We sought to mitigate the impact of the pandemic with disciplined capital management. The final 2019 distribution was cancelled and cash relating to this distribution, together with the proceeds from the equity raise were used to repay the only remaining holding company debt facility within the Atlas Arteria structure. This means Atlas Arteria enjoys a strong liquidity position with improved flexibility to pursue intrinsic growth opportunities.

Other significant achievements during the year included:

- We completed a complex process to open up the US market as a future source of capital with completion of a Security Sale Facility which removed all US based retail investors from the Atlas Arteria share register. This will provide access to new capital for future growth and will benefit all securityholders.
- We completed the transition from an externally managed organisation to an independent internal management team that is actively managing our businesses. Completion of the APRR Transaction saw all management agreements with the Macquarie Group terminated, other than short term transition arrangements which expired in the second half of the year. We are now operating as a truly independent organisation.
- We have a high-quality corporate team in place with strong executive management, negotiation, data management and forecasting capability to support operations teams.

- We have implemented our People Strategy to support growth, development, diversity and inclusion in our team. Consistent with our values, we continued to embed a safety-first culture at both the corporate level and at our underlying businesses.

The first half distribution for 2020 of 11.0 cps was paid in full by ATLIX on 5 October 2020 and reflected the strong and resilient operational performance of APRR in the first half of the year. Following the performance of the APRR business in H2 2020, we are pleased to provide distribution guidance of 13 cents per security. The distribution guidance reflects the business cashflows that Atlas Arteria expects to receive from APRR as a result of its financial performance in H2 2020. The distribution remains subject to continued business performance (particularly in light of COVID-19), movements in foreign exchange rates, and other future events.

FY2020 remuneration outcomes

Atlas Arteria's remuneration framework aims to ensure executive remuneration is aligned both with the performance of the business and the interests of securityholders. This year, given the impact of COVID-19 on business performance, the Boards carefully considered whether it was appropriate to exercise discretion to change the performance measures or thresholds for incentive payments, and whether to exercise discretion as to the final payments to be made.

The Boards had regard to the fact that, due to the impact of COVID-19, none of the thresholds for incentive payments against financial targets were achieved with the exception of the management of corporate costs. The Boards also considered the efforts of the management team to safely maintain operations and continue to deliver on strategic outcomes which will support long-term securityholder value.

On balance, the Boards concluded that Atlas Arteria's STI performance targets for FY2020 remained appropriate. However, they exercised discretion to deliver the STI awards entirely in restricted securities, with no cash STI awards made to KMP Executives. In doing so, the Boards sought to uphold Atlas Arteria's consistent focus on ensuring a strong balance sheet and liquidity, while also acknowledging the significant impact of the pandemic on our stakeholders and their expectations.

The fixed pay for senior executives was established in 2018 prior to the internalisation of management and reflected the scale and complexity of the business at the time. As previously advised, in late 2019 the Boards commenced a review of fixed pay to ensure remuneration remained market competitive. This review found that some remuneration levels were materially below competitive benchmarks and not consistent with our strategy to attract and retain a high performing executive team. Accordingly, adjustments were made during the year to the fixed pay of the MD & CEO and CFO to better reflect market benchmarks.

REMUNERATION REPORT

The value of awards under the FY2020 STI and LTI Plans will be based on the fixed pay levels that applied on 1 January 2020.

Further information on the fixed pay review is included in the Remuneration Report at section 6.1.

Enhancements to remuneration structure and disclosures

The Boards are always looking for opportunities to improve and evolve the Company's approach to remuneration so that it remains appropriate to the business, aligned to securityholders' interests, and consistent with contemporary practices. We take investor feedback seriously and we will continue to engage with investors and their advisors in relation to remuneration.

As disclosed in the 2019 Report, following a review of the Long Term Incentive Plan (LTIP), changes were introduced to the LTIP for FY2020 and subsequent awards. The review concluded that the use of relative Total Security Return (TSR) as the sole performance hurdle continues to be appropriate. This is further supported by the challenges to setting targets for other measures posed by COVID-19. Given the location of the Groups' businesses and its business strategy, for future LTIP awards, commencing with the 2020 Award, the Boards adopted a new comparator group of over 100 OECD-domiciled companies in the Global Listed Infrastructure Organisation (GLIO) group as a more relevant basis for assessing performance.

The following changes have been introduced for FY2021:

- There will be no increase to the fixed pay for the MD & CEO and the CFO for FY2021.
- NED fees will not increase for FY2021.
- A positive TSR hurdle is being introduced for the FY2021 LTI Award which will apply in addition to the existing relative TSR test. Thus, irrespective of the relative TSR performance, no awards under the FY2021 LTIP will vest unless the absolute TSR over the performance period has been positive.
- Securityholder approval for the actual awards of restricted securities under the STI Plan to the MD & CEO will in future be sought on a retrospective basis. This is a change from current practice where approval has been obtained in advance for a maximum number of awards with the final number to be awarded to be determined by the Board.

Enhanced disclosure of STI outcomes incorporating retrospective disclosure of targets and performance against those targets has also been adopted for the FY2020 Report in response to investor feedback.

Remuneration governance

The PRCs are actively involved in ensuring our remuneration policies reflect Atlas Arteria's values and behaviours and encourage appropriate behaviours and actions which are aligned with Atlas Arteria's business strategy, performance and securityholders. Specifically, the PRCs seek to ensure management behaviours are consistent with the creation of value for securityholders, our commitment to diversity and inclusion, and our focus on customers and communities. Activities undertaken by the PRC during the year were focused on enhancing our formal, rigorous and transparent HR and remuneration framework, including developing guidelines for the exercise of discretion over variable pay decisions.

At the commencement of the financial year, the Boards set the KPIs for the MD & CEO, and the MD & CEO in consultation with the Boards set the KPIs for each of the KMP Executives. The PRCs provide regular informal feedback on performance to the MD & CEO and KMP Executives throughout the year. At the end of the financial year, the MD & CEO and each of the executive team have their performance assessed against these KPI's and other relevant matters. The formal performance review process has been completed for the FY2020 year, and more information in relation to the outcomes of the process for the KMP Executives can be found at section 6.2 below.

We trust you, our securityholders, find the 2020 Remuneration Report provides clear and informative insights into our executive remuneration policies, practices and outcomes.



David Bartholomew

Atlas Arteria Limited

People & Remuneration
Committee Chair



Fiona Beck

Atlas Arteria International Limited

People & Remuneration
Committee Chair

REMUNERATION REPORT

This Remuneration Report contains the following sections:

1 Introduction
2 Who is covered by this report?
3 Overview of the remuneration framework
4 FY2020 business performance highlights
5 Remuneration framework
6 FY2020 Remuneration outcomes
7 Non-Executive Director fees
8 Remuneration governance
9 Statutory disclosures

1. Introduction

The Directors of the Groups present the Remuneration Report prepared in accordance with section 300A of the *Corporations Act 2001* for the Groups and the consolidated entity for the year ended 31 December 2020. The information provided in this Remuneration Report has been audited as required by section 308(3C) of the *Corporations Act 2001*. This Remuneration Report forms part of the Directors' Reports.

2. Who is covered by this report?

This Remuneration Report outlines the remuneration framework and outcomes for the ATLAX Group and Atlas Arteria Key Management Personnel ('KMP'). The obligation under the *Corporations Act* to provide a remuneration report only applies to ATLAX as an Australian listed Group. However, given the stapled security holding structure, the Boards and PRCs of both ATLAX and ATLIX have worked together on the Remuneration Report with the disclosures extended to cover all of the Atlas Arteria KMP.

For the purposes of this report, KMP are those persons having authority and responsibility for planning, directing and controlling the major activities of the Groups.

The individuals covered by this Remuneration Report are:

Name	Role	Date of appointment
Management		
Graeme Bevans	Managing Director & Chief Executive Officer	1 April 2019
Nadine Lennie	Chief Financial Officer	1 April 2019
Vincent Portal – Barrault	Chief Operating Officer	1 April 2019
Non-Executive Directors		
Debbie Goodin	Independent Non-Executive Chairman (ATLAX) and Independent Non-Executive Director (ATLIX)	1 November 2020 as Chairman of ATLAX (Director of ATLAX from 1 September 2017) and Director of ATLIX from 1 November 2020
David Bartholomew	Independent Non-Executive Director (ATLAX) PRC Chair	1 October 2018
Jean-Georges Malcor	Independent Non-Executive Director (ATLAX) Audit and Risk Committee (ARC) Chair	1 November 2018 ARC Chair with effect from 1 November 2020
Nora Scheinkestel	Independent Non-Executive Chairman (ATLAX) and Independent Non-Executive Director (ATLIX)	17 April 2015 as Chairman of ATLAX (Director of ATLAX from 28 August 2014); and ATLIX Director from 17 April 2015 (Retired from ATLAX and ATLIX with effect from 1 November 2020)
Jeffrey Conyers	Independent Non-Executive Chairman (ATLIX)	16 December 2009
Fiona Beck	Independent Non-Executive Director (ATLIX) PRC Chair	13 September 2019 PRC Chair with effect from 19 May 2020
Andrew Cook	Independent Non-Executive Director (ATLIX)	25 November 2020
Caroline Foulger	Independent Non-Executive Director (ATLIX) Audit and Risk Committee (ARC) Chair	19 May 2020 ARC Chair with effect from 21 September 2020
Derek Stapley	Independent Non-Executive Director (ATLIX)	1 June 2010 (Retired with effect from 25 November 2020)
James Keyes	Independent Non-Executive Director (ATLIX)	21 February 2013 (Retired with effect from 19 May 2020)

REMUNERATION REPORT

3. Overview of the remuneration framework

Included below is a summary of the remuneration framework for the management team. Further details regarding our remuneration arrangements are provided in the remainder of this Remuneration Report.

Remuneration Framework Overview

Remuneration Principles	<ul style="list-style-type: none"> – Simple – Balance short and long-term needs 	<ul style="list-style-type: none"> – Reflect role complexity – Reflect our values and behaviours 	<ul style="list-style-type: none"> – Specific and differentiated performance outcomes – Securityholder alignment
Remuneration elements	Fixed Remuneration <ul style="list-style-type: none"> – Salary and superannuation – Reviewed annually against comparator benchmarks 	Short Term Incentive <ul style="list-style-type: none"> – Annual incentive normally delivered 50% in cash and 50% in restricted securities – For FY2020, in view of the impact of COVID-19 100% delivered in restricted securities 	Long Term Incentive <ul style="list-style-type: none"> – Annual award of performance rights with a 3 year performance period
Purpose	Executive remuneration levels should be competitive with companies of similar size and complexity	To align the interests of securityholders, executives and other participants as determined by the Boards	Rewards long-term value creation for securityholders
How aligned to performance	Recognises the market value of an individual's skills, experience, accountability and their contribution in delivering the requirements of their roles	A combination of financial measures and non-financial measures relating to specific business outcomes and taking account of behaviours and conduct	Vesting based on achieving challenging performance targets
Performance measures	An individual's skills, experience, accountability and contribution in delivering the requirements of their roles	Assessment of performance against a balanced scorecard of financial measures (weighted 70%) and non-financial measures (weighted 30%) linked to key financial and business objectives	Relative Total Securityholder Return compared to a comparator group of local and international infrastructure companies A positive TSR gateway applies for FY21
Performance targets	Measures are set to reward delivery of returns and value creation for securityholders	Measures are set to reward delivery of returns and value creation for securityholders	Measures performance against local and international infrastructure companies
Alignment to securityholders	Minimum Security holding requirements to be accumulated within five years	STI deferral to restricted securities	Measures aligned to creation of value for securityholders
Governance	Ability to exercise discretion as required over remuneration decisions to ensure that: <ul style="list-style-type: none"> – Remuneration outcomes reflect the performance of the Groups and the individual executives; and – Are consistent with securityholder expectations All variable remuneration is subject to Malus adjustment		

What remuneration principles guide the design of the remuneration framework?

The following six principles underpin the management of the remuneration framework at Atlas Arteria. The principles provide guidance on how remuneration decisions are made and how remuneration outcomes are determined.

The executive remuneration framework should be: Description

1. Simple	Be simple to understand, implement and communicate
2. Balance short and long-term needs	Support the delivery of the annual business plans, whilst also reflecting the long-term needs of the business
3. Reflect role complexity	Reflect the experience of the executive, complexity/nature of the role and the business compared to the market
4. Reflect our values and behaviours	Encourage appropriate behaviours and actions which are aligned to Atlas Arteria's business strategy, performance and securityholders
5. Specific and differentiated performance outcomes	Reflect specific performance measures which executives have the ability to influence, and allow for differentiation of executive incentive outcomes
6. Securityholder alignment	Encourage executive equity ownership so that executives have 'skin in the game', aligning executives to securityholder returns

REMUNERATION REPORT

What changes have been made to the remuneration structure during FY2020 and why?

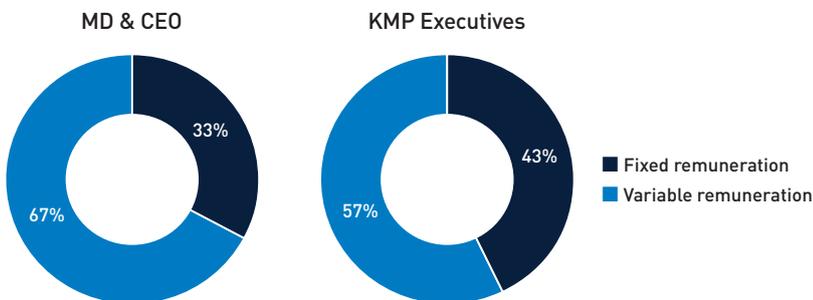
Key changes to the remuneration framework to enhance the alignment between executives and securityholders introduced during FY2020 include:

- STI awards for FY2020 will be delivered entirely in restricted securities with no STI payable to KMP Executives in cash.
- There will be a fixed pay freeze for the MD & CEO and the CFO for FY2021.
- NED fees will not increase for FY2021.
- A positive TSR hurdle is being introduced for the FY2021 LTI Award which will apply in addition to the existing relative TSR test. Thus, irrespective of the relative TSR performance, no awards under the FY2021 LTIP will vest unless the absolute TSR over the performance period has been positive.
- Securityholder approval for the actual awards of restricted securities under the STI Plan to the MD & CEO will in future be sought on a retrospective basis. This is a change from previous practice where approval was obtained in advance for a maximum number of awards with the final number to be awarded to be determined by the Board.
- Enhanced disclosure of STI outcomes incorporating retrospective disclosure of targets and performance against those targets.
- As discussed in the 2019 Report, following a review of the LTIP, changes were introduced for a number of aspects of the LTIP for FY2020 and subsequent awards. The review concluded that use of relative Total Security Return (TSR) as the sole performance hurdle continues to be appropriate. This decision was supported by the challenges to setting targets for other measures posed by the impact of COVID-19. Given the location of the Groups' businesses and its business strategy, for future awards under the LTIP, the Boards adopted a new comparator group of over 100 OECD-domiciled companies in the Global Listed Infrastructure Organisation (GLIO) group as a more relevant basis for assessing performance. Please refer to section 5.4 below for further information on the changes to the FY20 LTI Awards

How are KMP Executives remunerated and how is this aligned with Atlas Arteria performance?

The Boards recognise that to build sustainable long-term growth in securityholder wealth, Atlas Arteria must attract and retain talented people and align their interests and behaviours with securityholders' interests.

To do so, the Groups have developed a remuneration framework that aligns executive remuneration and the Groups' performance. The framework aims to achieve a balance between fixed and performance based remuneration and between short and long-term performance incentives. To ensure our remuneration quantum and structure is market competitive, consideration has been given to the market median remuneration of companies of a similar size and complexity to Atlas Arteria. Target remuneration comprises:



Performance based remuneration comprises both short and long-term performance components:

- The STI for FY2020 was based on an assessment of performance against a balanced scorecard of financial measures (weighted 70%) and non-financial measures (weighted 30%) linked to key financial and business objectives. For further information regarding the performance outcomes and STI structure for the MD & CEO and the KMP Executives, see section 6.2
- For the long-term incentive component, Atlas Arteria TSR performance is assessed relative to selected local and international companies with similar characteristics to ensure there is alignment between the financial interests of executives and securityholders. For further information regarding the LTIP structure (including the changes introduced for 2020), performance measure, relative TSR comparator group constituents and vesting schedule, see section 5.4.

Information on governance provisions such as clawback, malus, treatment of awards on cessation of employment and change of control is provided in section 8.

REMUNERATION REPORT

What happens to variable remuneration awards in the event there is a change of control?

In the event of a change of control, the Boards have absolute discretion to determine the treatment of STI and LTIP awards. However, if the Boards do not exercise their discretion, the following default treatments will apply:

- **STI:** Cash based STI will be assessed on a pro rata basis and paid at that time based on performance, and deferred STI will vest in full on the basis that it relates to performance targets which have already been achieved.
- **LTIP:** Vesting based on performance to the end of the most recent period and pro-rated for time.

What did the MD & CEO and KMP Executives receive during FY2020?

The MD & CEO and KMP Executives received fixed remuneration, STI awards delivered in restricted securities and awards under the Groups' long term incentive plan in respect of FY2020.

The STI was awarded for FY2020 based on achievements in operating the business.

An LTIP grant was made for FY2020. This LTIP grant will be assessed against the LTIP performance targets and, if the targets are met, will vest following the conclusion of the performance period ending 31 December 2022. For further information regarding the LTIP performance targets, see section 5.4.

As a result of the impact of COVID-19, the performance hurdle for the FY2018 LTI Award was not achieved and hence no amount has vested.

The Board retains discretion to modify, defer or cancel any awards granted under the STI and LTI plans. While no discretion was applied to modify the amounts awarded under the STI or LTI plans, discretion was exercised to defer 100% of the awards under the STI plan to restricted securities.

4. FY2020 business performance highlights

4.1 Overview of business performance

Notwithstanding the impact of COVID-19 on the business, the strength of our portfolio and balance sheet has enabled the Groups to continue to deliver against strategy with a number of key initiatives implemented that will drive long-term value creation for securityholders. These have been discussed in the Annual Report on pages 10 to 11.

4.2 Atlas Arteria's performance

The following table outlines the key financial metrics over the past five financial years up to and including 2020 that underpin the STI and LTI plans.

	2020	2019	2018	2017	2016
Dividend Payments per Security (\$)	0.11	0.30	0.24	0.20	0.18
Cash flow per security (\$)	0.31	0.27	0.26	0.19	0.18
EBITDA proportionate (\$m) ¹	884.8	923.0	869.4	652.8	562.4
Share price (at year end) (\$)	6.50	7.83	6.16	6.19	4.92
Total Security Return	-15.5%	32.2%	3.4%	30.6%	28.8%

1. Proportionate EBITDA from the underlying investments as reported for each financial year.

ALX share price (2010-2020)



REMUNERATION REPORT

5. Remuneration framework

The remuneration framework for the executive team aims to achieve balance – between fixed and performance-based remuneration, between short- and long-term performance incentives, and between financial, non-financial and strategic outcomes – as well as providing a balance of remuneration received in cash and in securities.

Our objectives for the executive remuneration framework are to ensure that it:

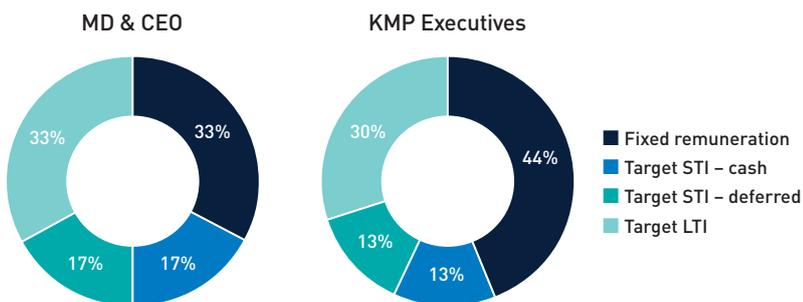
- Is simple to understand, implement and communicate;
- Supports the delivery of the annual business plans whilst also reflecting the long-term needs of the business;
- Reflects the experience of the executive and complexity of the role and business compared to the market;
- Encourages behaviours that are aligned to our business strategy, performance and securityholders;
- Reflects performance measures which our executives have the ability to influence and allows differentiation of executive incentive outcomes; and
- Encourages executive equity ownership so that executives have ‘skin in the game’ thus aligning executives to securityholders.

5.1 Positioning and mix of executive remuneration

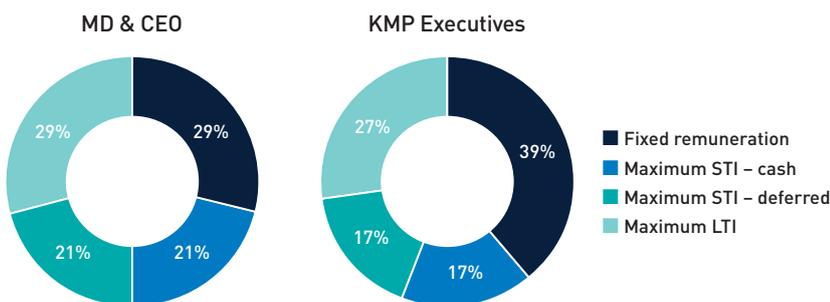
To ensure our remuneration quantum and structure is market competitive, reference is made to the median of a group of comparator companies of similar size and complexity to Atlas Arteria. The remuneration arrangements of selected industry comparators are also considered for each role.

The target and maximum remuneration framework for the MD & CEO and the KMP Executives comprises fixed remuneration, STI and LTI as in the graphs below.

Remuneration mix based on achieving ‘target’ performance*



Remuneration mix based on achieving ‘maximum’ performance*



* For FY2020, STI awards will be delivered entirely in restricted securities.

Outlined below is further detail regarding the STI and LTI plans for the 2020 financial year.

5.2 Fixed pay

Fixed pay recognises the market value of an individual’s skills, experience, accountability and their contribution in delivering the requirements of their roles. Fixed pay includes base pay and superannuation.

Securityholders were advised in the 2019 Report, that the Boards had commenced a review of executive remuneration to ensure our remuneration levels are competitive with companies of similar size and complexity. This review was concluded during the year and further information on the outcomes of the review is included at section 6.1.

REMUNERATION REPORT

5.3 Short-term incentive

Executives, middle management and additional participants as determined by the Boards are eligible to participate in the annual STI plan. Details regarding the STI arrangements of the MD & CEO and KMP Executives are set out below. The size of each STI award is capped at an agreed percentage of fixed remuneration for each executive. The value of the STI payment made at the end of the performance period is a function of performance against a balance of financial and non-financial performance measures aligned with the Atlas Arteria's annual business plans.

Element	Description
Opportunity	<p>The STI is subject to achievement of defined performance targets.</p> <p>The target STI opportunity represents an opportunity to earn 100% of fixed remuneration for the MD & CEO and 60% of fixed remuneration for the KMP Executives. When assessing performance, the Boards have discretion to increase or decrease an STI award subject to an overall cap of 150% of Target.</p>
Performance period	Performance is measured over a one year performance period from 1 January to 31 December.
STI deferral	To assist in creating alignment with securityholders and in achieving the minimum shareholding requirement, 50% of the STI outcome is normally deferred into restricted securities for a one year period following the conclusion of the performance period, subject to ongoing service and the discretion of the Boards. For FY2020 in view of the impact of COVID-19 on the business, it was decided that 100% of the STI awarded would be delivered in restricted securities.
STI objectives	STI targets were set for FY2020 based on expected performance prior to the impact of COVID-19 and comprised a combination of financial measures and non-financial measures relating to specific strategic outcomes and taking account of culture and behaviours. No adjustment has been made to targets to reflect the impact of COVID-19 on the business.

5.4 Long-term incentive

To align with the interests of securityholders, executives and other participants as determined by the Boards are eligible to participate in an LTIP. Details of the LTIP arrangements of the MD & CEO and KMP Executives are set out below. The size of each year's grant is capped at an agreed percentage of fixed remuneration for each executive. The value of the LTIP award made at the end of the vesting period is a function of:

- Atlas Arteria's TSR performance relative to a group of Australian and international peer companies (which determines the number of securities granted that vest);
- The change in the price per Atlas Arteria stapled security (which determines the value of each stapled security that vests); and
- The value of distributions that would have been made during the vesting period to the number of securities that vest (Distribution equivalents).

As a result, management incentives are aligned with the long-term interests of securityholders to achieve strong performance relative to peers and to generate an appropriate balance of security price performance and distributions.

During 2019, the Boards and the PRCs reviewed a number of aspects of the long term incentive plan and as a result the following decisions were made in relation to the awards made under the LTIP in 2020 (no changes were made to the terms of the awards for previous years):

- 1 To continue to use relative Total Security Return (relative TSR) as a sole performance hurdle given the current strategic focus of the business on longer term value creation and business optimisation. The Boards concluded this year given the impact of COVID-19 on setting reliable targets measures such as EBITDA or cash flow are not currently the most appropriate performance measures. The Boards acknowledge as the business evolves it may be more appropriate to introduce a suitable further measure/s in addition to relative TSR for assessing LTIP performance;
- 2 To adopt a new peer group for assessment of relative TSR comprising OECD-domiciled companies in the Global Listed GLIO in respect of future LTIP awards. The GLIO is an organisation that provides a global platform for information on listed infrastructure companies and includes approximately 125 OECD-domiciled members that represent approximately \$3,765bn (as at 1 January 2020) in market capitalisation. The GLIO was selected as it is a larger and less volatile measure than the current peer group and is specific to the infrastructure sector rather than being a mix of infrastructure and property organisations;
- 3 To use a volume weighted average security price (VWAP) over a 40 business day period at the start and the end of the performance period for the calculation of TSR performance in place of the current point to point calculation. A 40 business day averaging period for calculating the security price for TSR performance helps to eliminate the impact of short term security price movements on vesting outcomes; and
- 4 To continue to use a 10 business day VWAP for the period following release of the Groups' annual results for calculating the security price on which to base the number of securities to be issued for each LTIP Award.

REMUNERATION REPORT

Element	Description										
Opportunity	<p>The maximum grant value of LTIP opportunities represents 100% of fixed remuneration for the MD & CEO and 70% of fixed remuneration for the KMP Executives. The number of awards granted is based on face value.</p> <p>For FY2018, the number of awards granted was determined based on the 10 day VWAP immediately following the 2019 Annual General Meeting (which was held on 15 May 2019).</p> <p>For FY2019 and subsequent years, the number of awards to be granted is determined based on the 10 day VWAP immediately following the announcement by Atlas Arteria of its annual results.</p>										
Vehicle	Awards are delivered in the form of performance rights. A performance right is a right to acquire one fully paid Atlas Arteria security, subject to meeting pre-determined performance measures.										
Performance measure	<p>LTIP performance is assessed against relative TSR. Relative TSR was selected as the sole performance measure as it measures security holding value creation objectively, can be used for comparing performance across different jurisdictions and is widely understood and accepted by stakeholders.</p> <p>For the FY2018 and FY2019 grants, Atlas Arteria's TSR performance will be assessed against a local and global industry comparator group, comprising Abacus Property Group, APA Group, Aurizon Holdings Limited, AusNet Services, Charter Hall Group, Growthpoint Properties Australia, Qube Holdings Limited, Spark Infrastructure Group, Sydney Airport, Transurban Group, 3i Infrastructure, Cogent Communications Holdings Limited, Eiffage SA, Genesee & Wyoming Inc., Getlink, Macquarie Group Infrastructure Corporation and Zayo Group Holdings, Inc. These companies were selected as they operate in comparable industries, with asset size, market capitalisation, jurisdiction of assets and operational control, in relevant ranges.</p> <p>For the FY2020 grant, Atlas Arteria's performance will be assessed against a group of approximately 125 OECD-domiciled companies included in the GLIO as at 1 January 2020.</p> <p>The comparator group may, at the discretion of the Boards, be adjusted to take into account events during the Performance Period including, but not limited to takeovers, mergers, de-mergers or de-listings, so that the outcome appropriately reflects the circumstances. An adjustment has been made to the peer group for the FY2018 and FY2019 awards to reflect the change of ownership of Genesee & Wyoming and Zayo Group which are now in private ownership.</p>										
Vesting schedule	<p>Relative TSR performance is assessed on a sliding scale, with vesting determined as follows:</p> <table border="1"> <thead> <tr> <th>Atlas Arteria's TSR performance</th> <th>% vesting</th> </tr> </thead> <tbody> <tr> <td>Below the 51st percentile</td> <td>0%</td> </tr> <tr> <td>At the 51st percentile</td> <td>50%</td> </tr> <tr> <td>Between the 51st percentile & 75th percentile</td> <td>Pro rata between 50% & 100%</td> </tr> <tr> <td>At the 75th percentile</td> <td>100%</td> </tr> </tbody> </table> <p>The Boards retain discretion to adjust the relative TSR measure in exceptional circumstances if considered appropriate so that participants are neither advantaged nor disadvantaged by matters outside management's control.</p>	Atlas Arteria's TSR performance	% vesting	Below the 51st percentile	0%	At the 51st percentile	50%	Between the 51st percentile & 75th percentile	Pro rata between 50% & 100%	At the 75th percentile	100%
Atlas Arteria's TSR performance	% vesting										
Below the 51st percentile	0%										
At the 51st percentile	50%										
Between the 51st percentile & 75th percentile	Pro rata between 50% & 100%										
At the 75th percentile	100%										
Performance period	Performance is measured over a three year performance period, from 1 January to 31 December. The performance for 2020 grant will be measured from 1 January 2020 to 31 December 2022.										
Vesting and allocation of securities	If and when the Boards determine that the relative TSR performance measure has been achieved, the performance rights will automatically be exercised, and the relevant number of securities will be allocated.										
Distribution equivalents	Distribution equivalents will be payable (via a grant of securities or a cash payment, at the Boards' discretion) on performance rights that have vested, to the value of any distributions paid during the performance period in respect of an equivalent number of Atlas Arteria securities.										

In 2020, the Groups introduced an employee equity plan to enable all corporate employees to become securityholders of the Groups. The plan was introduced to support employee retention, develop the team with a common purpose, share in the success of the business and for employees to become equity holders and thus increase alignment with securityholders. All corporate employees other than members of the Executive Team who participate in the LTIP Scheme participated in the plan. Awards to the value of \$5,000 were made in the form of share rights with vesting subject to a three year service condition. The total value of the equity awarded in 2020 was in the order of \$125,000.

5.5 Employment contracts

The remuneration and other terms of employment for the MD & CEO and KMP Executives are formalised in executive contracts. Key contractual terms in place for FY2020 are outlined below.

	Contract type	Termination notice by either party	Termination notice with cause	Termination notice by KMP for fundamental change in role
MD & CEO	Ongoing	12 months	Immediate without notice period	30 days within 21 days of fundamental change
KMP Executives	Ongoing	6 months	Immediate without notice period	30 days within 21 days of fundamental change

REMUNERATION REPORT

6. FY2020 Remuneration outcomes

6.1 Fixed pay

Securityholders were advised in the FY2019 Remuneration Report that the Boards had commenced a review of executive remuneration to ensure our remuneration levels are competitive with companies of similar size and complexity. Executive remuneration levels had previously been determined in 2018 prior to the successful internalisation of management and hence had not taken into account changes in the breath and scale of the business since that time.

The review was undertaken with the assistance of an independent remuneration consultant. The review was conducted by comparing Atlas Arteria's remuneration levels with a group of comparable ASX listed companies selected on the basis of similar businesses, scale of operation and skill requirements.

In undertaking the review, the Boards were very mindful of the impact of COVID-19 and the consequential short term impact that it is having on the business. The Boards also appreciated the need for exercising restraint and using discretion to adjust remuneration outcomes commensurate with the impact of the downturn on securityholder returns and taking into account community expectations and the impact on customers.

The Boards considered that, there were a number of important factors to support proceeding with the review and to justify increases in remuneration levels to align more effectively to market.

- The scope of the roles has developed since the internalisation of management on 1 April 2019 with the roles now more clearly defined and the Senior Executive Team having demonstrated their capability and expertise in their respective roles and as a management team.
- Several important strategic initiatives having been successfully implemented to enable the generation of sustainable cash flows to investors, including internalisation of the management and governance of the business, and the accretive acquisition of an additional interest in APRR.
- Management's timely and effective response to the downturn caused by COVID-19 including among other things, successfully negotiating with corporate lenders to obtain relief from debt covenants if required and subsequently strengthening and enhancing the resilience and flexibility of the balance sheet to support future growth through the oversubscribed \$495 million equity raise and subsequent pay down of the corporate debt.

Given the scope of each role, the experience and capability of each executive relative to peers, the following took effect:

- MD & CEO – an increase in annual fixed remuneration to \$1,300,000 from 1 September 2020.
- CFO – an increase in annual fixed remuneration to \$675,000 from 1 January 2020 and to \$710,000 from 1 September 2020.

Whilst acknowledging the need to ensure that our people are remunerated competitively, the Boards also acknowledge the impact that COVID-19 has had on our businesses and securityholders. In this regard, the Board have responded appropriately by introducing the following measures at the time of the fixed pay review:

- The exercise of Board discretion to award 100% of the 2020 STI award as deferred equity. Under the STI Plan Rules, STI awards are normally paid 50% in cash and 50% in deferred equity, vesting in 12 months.
- Introduction of a positive TSR requirement in addition to the existing relative TSR measure for the LTI grant to be made in 2021. The effect would be that an LTI award would not vest if the absolute Total Securityholder Return is not positive, even if the TSR relative to peers would mean that an LTI payment would otherwise be made.
- Implement a remuneration 'freeze' for 2021, with the next review of remuneration for the MD & CEO and the CFO to be conducted in 2022.
- Securityholder approval for awards of Restricted Securities under the STI Plan to the MD & CEO will in future be sought on a retrospective basis for the actual number of awards required to be made.
- A pay review increase for the MD & CEO undertaken earlier in the year was deferred to take effect on 1 September and potential STI and LTI awards have been calculated on the fixed pay rate in place prior to the increase.

6.2 Short term Incentive Plan

STI performance in respect of FY2020 was assessed based on a combination of financial and non-financial measures.

As noted above the Board exercised discretion to amend the terms of the STI Awards for FY2020 for the MD & CEO and the KMP Executives to provide for 100% to be withheld and awarded in Atlas Arteria Restricted Securities.

Details of the FY2020 STI Awards for the MD & CEO and KMP Executives are set out below.

The annual performance assessment includes consideration of both what is achieved and how it is achieved by reference to each executive's behaviours during the year. The actual STI awarded can be adjusted where these expectations are not met. No such adjustments were made for Executive KMP for FY2020. The factors considered by the Board in relation to the exercise of discretion included:

- The 2020 total remuneration for each of the Senior Executive Team would be significantly lower than 2019, as none of the financial STI targets (which account for 70% of the STI award), except for the KPI relating to corporate costs, were likely to be met.
- The value of deferred equity held by each executive in the STI and LTI Plans and the value of their personal holdings of ALX securities has been reduced as a result of the impact of COVID-19 on the ALX share price.
- The probability of existing LTI awards vesting deteriorated significantly during 2020, as the peer group includes a number of listed utilities that have not been as severely affected by the downturn as toll road companies and property companies. The 2018 Award did not vest when performance at 31 December 2020 (the end of the performance period) was assessed primarily due to the impact of COVID-19 and the 2019 and 2020 awards are currently tracking below levels required for vesting for similar reasons.

REMUNERATION REPORT

6.2.1 MD & CEO

Performance area	Weighting	Target	Result	Commentary
Proportional adjusted EBITDA (proportional performance of each business at constant exchange rates) ¹		\$1,190m	\$909	- As a result of the impact of COVID-19 restrictions on the operations of the businesses, proportionate EBITDA on a constant currency basis was below threshold
Free Cashflow Received from Operations (at constant exchange rates)		\$370m	\$293	- Distributions from APRR are the primary source of cash from operations and were adversely impacted by the reduced revenue from operations due to COVID-19, resulting in a below threshold outcome
Distributions of \$0.36 per Security ²		\$0.36	\$0.11	- The first half distribution for 2020 of 11.0 cps was paid on 5 October 2020, a below threshold outcome
Corporate operational expenditure (excluding costs of STIs and LTIs, special projects and at constant exchange rates) ^{3,4}		\$20.7	\$20.5	- Corporate costs for the year were managed effectively with an above target outcome achieved
Total financials	70%		11%	
Strategic STI objectives were set for the following areas of activity				Significant achievements against the strategic objectives included:
- Corporate development and M&A activity				- Successfully lifted our stake in APRR from 25% to just over 31% in March 2020 increasing our share of profits and enhancing our governance rights
- Restructuring the capital structure of businesses				- Completed during 2020 the transition from an externally managed portfolio to an independent internal management team that is actively managing our businesses
- Cultural change				- Completed \$495 million oversubscribed equity raise in mid-year. The proceeds were used to repay the corporate debt facility, strengthen the balance sheet and increase resilience and flexibility to pursue growth opportunities
				- Both S&P and Fitch re-affirmed their A- long-term issuer ratings for APRR, and reflecting the strength of the APRR balance sheet, maintained their outlook as 'stable'. In October, Fitch also increased its short-term rating despite the COVID-19 traffic disruption. In February 2020, the €1.07 billion Eiffarie debt was refinanced, deferring amortisation to 2023, unlocking around 8cps in distributions for Atlas Arteria in 2020
				- Completed the sale facility for U.S. based non-qualified investors, which has unlocked our ability to access future capital from U.S. institutional investors
				- Completed a Ways of Working Review to provide opportunity to improve job satisfaction and support the development of team capabilities
Total non-financials	30%		28%	
Total awarded	100%		39%	

1. ALX proportionate EBITDA at constant exchange rates provides a direct line of sight to management to the earnings performance of the businesses

2. The Boards' objective to mitigate the impact of the COVID 19 pandemic through disciplined capital management and sustainable business practices led to the cancellation of the H2 2019 distribution (for which guidance had previously been given of 18cps)

3. The costs of STI and LTI are not included as they form a significant proportion of the total cost base and decisions around these items can prevent an STI outcome being achieved and remove the incentive to manage costs effectively

4. The costs associated with special projects are removed to avoid any perception of conflict as to whether to pursue or not to pursue special projects. The Boards approve budgets for special projects and maintain governance over the expenditure to ensure proper treatment

REMUNERATION REPORT

6.2.2 KMP Executives

The MD & CEO's STI objectives, both financial and non-financial, for FY2020 were cascaded to the KMP Executives. Their STI outcomes were assessed on a consistent basis with that of the MD & CEO.

6.2.3 Executive STI outcomes

Based on the performance achievement assessments described above, the following STI Awards were made in respect of achievements relating to FY2020.

Name	% of maximum achieved	Value – cash \$	Value – equity \$	STI forfeited \$
Graeme Bevans	26%	0	429,000	1,221,000
Nadine Lennie	27%	0	162,000	445,500
Vincent Portal-Barrault	29%	0	161,277	401,316

6.3 Long term Incentive Plan

The relative TSR hurdle for the FY2018 LTI Award was tested following the end of the performance period on 31 December 2020. The result was at the 27th percentile of the comparator group which was below threshold and hence the vesting outcome was nil.

7. Non-Executive Director fees

7.1 Determination of Non-Executive Director fees

Non-Executive Directors receive fees to recognise their contributions to the Boards and Committees on which they serve. No performance related remuneration is payable to Non-Executive Directors.

There was no increase in Non-Executive Director fees during FY2020 and the Board have decided that there will be no increase in fees in FY2021.

The fees payable for 2020 are set out below:

Fees	ATLAX		ATLIX		
	Chair (AUD)	Member (AUD)	Chair (USD)	Member (USD)	Member (AUD) ¹
Board	\$280,000 ²	\$140,000	\$160,000 ²	\$80,000	\$80,000
Audit and Risk Committee	\$30,000	\$15,000	\$18,000	\$9,000	\$9,000
Remuneration Committee	\$30,000	\$15,000	\$18,000	\$9,000	\$9,000
Nominations and Governance Committee	Nil	Nil	Nil	Nil	Nil
Travel fee ³	\$10,000		\$10,000		N/A
Additional ad hoc committee fee	\$2,500 per day		\$1,750 per day		\$1,750 per day

1. For Australian based Director.

2. Committee fees are not payable to the Chairs of the ATLAX or ATLIX Boards.

3. Non-Executive Directors are also be entitled to receive a travel fee of AUD\$10,000 for each occasion where they are required to travel over 8 hours to attend a Board meeting or strategy session.

ATLAX and ATLIX Directors are not entitled to Atlas Arteria options or securities or to retirement benefits as part of their remuneration package.

7.2 Aggregate fee pool

As approved by securityholders at the 2019 AGM, the aggregate ATLAX Non-Executive Director fee pool is capped at AU\$1,100,000 and the ATLIX Non-Executive Director fee pool is capped at US\$700,000.

REMUNERATION REPORT

8. Remuneration governance

8.1 Roles and responsibilities

The table below outlines the roles and responsibilities of the Boards, PRCs, Management and external advisors in relation to the remuneration arrangements of Non-Executive Directors, MD & CEO and KMP Executives.

The Boards	People & Remuneration Committees	Management	External advisors
Approve remuneration strategy and approves recommendations from the PRCs	The PRCs consist entirely of independent Non-Executive Directors	Makes recommendations to the PRCs on Atlas Arteria's remuneration framework, policies and practices	Provide independent advice to the PRCs and/or Management on remuneration market data, market practice and other remuneration related matters
The Boards approve the quantum of remuneration for Non-Executive Directors and the MD & CEO	Make recommendations to the Boards regarding the remuneration framework, policies and practices for Atlas Arteria The PRCs approve the quantum of remuneration for KMP Executives		

8.2 PRC activities during FY2020

The PRCs are actively engaged in ensuring our remuneration and people programmes are contemporary and working as intended. The activities of the PRCs during FY2020 included:

- Approving the STI outcomes for FY19 and setting the STI objectives for FY20, including recommending approval the financial targets to the Boards.
- Monitoring progress against the FY20 STI targets.
- Reviewing the fixed pay levels of the MD & CEO and the KMP Executives.
- Engagement with investors and proxy advisers in relation to the remuneration framework and report.
- Considering and recommending to the Boards amendments to the remuneration framework.
- Recommendations regarding NED fees to the Boards for approval.
- Review and approval of the offer terms, plan rules and basis of participation for the Groups' equity plans.
- Consideration of a formal security holding policy for NEDs and KMP Executives.
- Consideration of market and regulatory related developments impacting the Groups' remuneration arrangements including adoption of a framework for the exercise of discretion over variable pay decisions.
- Adoption of a policy for dealing with changes to the composition of TSR comparator groups during the performance period.
- Interventions to address the impact of COVID-19 including employee well-being.
- Review progress against the ALX People Plan and Priorities.
- Consideration of the Diversity and Inclusion objectives.
- Review of the Talent Management Framework and undertaking the annual Talent and Succession Review.
- Review and approval of the Atlas Arteria People Strategy (2021 – 2023).
- Executive Talent & Succession Reviews.

8.3 External Advisers

The requirement for external remuneration advisor services is assessed in the context of matters the PRCs need to address. Remuneration advisers are engaged by and report directly to the PRCs. Potential conflicts of interest are considered when advisers are appointed, including the level of access to management. External advice is used as a guide but does not serve as a substitute for Directors' consideration of the relevant matters. Therefore, no remuneration recommendations, as defined by the Corporations Act 2001 (Cth), were made by external remuneration advisors during FY2020.

REMUNERATION REPORT

8.4 Board discretion over remuneration decisions

The PRCs and the Boards consider it important to have the ability to exercise discretion as required over remuneration decisions to ensure that remuneration outcomes reflect the performance of the Groups and the individual executives and are consistent with securityholder expectations. Examples of the circumstances where discretion can be exercised include:

Provision	STI	LTI
Variable pay outcomes	The Boards have adopted a policy to consider if there are any circumstances that may require the exercise of discretion at the time of approval of variable pay outcomes such as approval for STI awards and LTI vesting outcomes. This includes consideration both on an ongoing basis as situations that may require discretion arise and at the time decisions in relation to the actual variable pay outcomes are being made	
Clawback/Malus	<p>In the event of:</p> <ul style="list-style-type: none"> – Material non-compliance with any financial reporting requirement or other policies and operating procedures of the Groups; – Fraudulent or dishonest behaviour; or – Misconduct <p>The Boards have discretion to determine that some or all deferred STI restricted security awards and unvested LTIP awards are forfeited</p>	
Cessation of employment	If a participant resigns or is terminated for cause (including gross misconduct), any deferred securities are forfeited, and the participant is not entitled to any further payment of cash STI. If a participant leaves for any other reason, subject to Board discretion, the participant will be entitled to a pro rata payment of cash STI subject to performance and deferred securities will normally stay 'on foot' until the end of the deferred period	If a participant resigns or is terminated for cause (including gross misconduct), unvested performance rights will automatically lapse. If a participant leaves for any other reason, subject to Board discretion, a pro-rata number of unvested performance rights (reflecting the portion of performance period served) will normally stay 'on-foot' to be tested against the performance condition at the end of the original performance period
Change of control	<p>Upon a change of control:</p> <ul style="list-style-type: none"> – The Boards will determine in their absolute discretion the treatment for STI opportunity – Subject to the Boards determining otherwise, cash based STI will be assessed on a pro rata basis and paid at that time based on performance, and deferred STI will vest in full 	Where a change of control occurs or is likely to occur, the Boards have discretion to determine the treatment of unvested equity awards and the timing of such treatment. In the event the Boards do not exercise its discretion, the LTIP will vest pro rata for time and performance

8.5 Minimum security holding requirements

Minimum security holding requirements apply to support the alignment between the interests of the Directors, KMP Executives and securityholders through significant exposure to the movements in securities price and distributions.

Role	Minimum shareholding	Timing to meet requirement
Non-Executive Directors	100% of annual director base fees	3 years from the later of July 2017 (when the policy was implemented) or from the date of their appointment
MD & CEO	100% of fixed remuneration	5 years from appointment
KMP Executives	50% of fixed remuneration	5 years from appointment

8.6 Atlas Arteria Securities Trading Policy

The Atlas Arteria securities (windows) trading policy applies to Directors, including Directors appointed by Atlas Arteria to investee entities and to all Atlas Arteria staff. The windows trading policy means that trading in securities can only occur at the discretion of the ATLAX and ATLIX Boards during prescribed trading windows and with appropriate approvals. All other periods are 'closed periods' for the purposes of the ASX Listing Rules. ATLAX and ATLIX Directors and Executives must not enter into margin loans or other financing arrangements over their Atlas Arteria Securities.

REMUNERATION REPORT

9. Statutory disclosures

9.1 Executive statutory remuneration disclosures for FY2020

The following table shows the total remuneration for the MD & CEO and KMP Executives for FY2020.

Name	Financial year	Cash salary	Annual leave accrual movement	Cash STI ¹	Superannuation contributions	Value of share based payments LTI ^{2,3}	Value of share based payments STI ⁴	Total remuneration	Performance based pay %
Graeme Bevans	2020	\$1,145,318	\$109,093	\$0	\$21,348	\$455,062	\$637,535	\$2,368,356	46.1%
	2019	\$1,079,231	(\$21,992)	\$783,637	\$20,767	\$342,505	\$543,035	\$2,747,183	60.8%
Nadine Lennie	2020	\$665,318	\$91,456	\$0	\$21,348	\$214,807	\$212,624	\$1,205,553	35.5%
	2019	\$554,228	\$25,078	\$259,714	\$20,767	\$126,860	\$166,055	\$1,152,702	47.9%
Vincent Portal-Barrault ⁵	2020	\$617,826	\$154	\$0	\$16,980	\$227,666	\$203,570	\$1,066,196	40.4%
	2019	\$583,601	\$4,595	\$241,712	\$16,015	\$141,903	\$116,886	\$1,104,712	45.3%
Total	2020	\$2,428,462	\$200,703	\$0	\$59,676	\$897,535	\$1,053,729	\$4,640,105	42.1%
Total	2019⁶	\$2,217,060	\$7,681	\$1,285,063	\$57,549	\$611,268	\$825,976	\$5,004,597	54.4%

1. No STI was awarded in cash for FY2020 with 100% of the STI awarded in deferred equity.

2. The amounts for LTI share based expenses are included based on the fair value of equity awards. External valuation advice has been used to determine the value of performance rights awarded in the year ended 31 December 2020. The valuation has been made using the Black Scholes Option Pricing Model that includes a Monte Carlo simulation analysis. Details of the fair values of equity awards granted during the year are contained in the foot notes in the table titled 'Performance rights held during the year' at 9.3 below.

3. The number of performance rights allocated to each participant is determined based on face value.

4. STI share based payments are expensed from the start of each STI performance period to the end of the relevant restriction period. Hence, the amount disclosed for FY20 includes amounts for STIs awarded in deferred equity in respect of three performance periods – being the two performance periods that ended in FY19 as the restriction periods for those awards ended during FY20 and also an amount for the FY20 STI which was awarded 100% in equity. The comparative figure for FY2019 includes amounts in respect of the 50% of the STI awards made in equity for the two performance periods that ended in FY19.

5. The 2020 remuneration for the Luxembourg based executive was converted to AUD at a rate of AUD \$1 – Euro 0.6055 (2019 0.6254). Fixed pay was increased by 2.5% as required by Luxembourg labour law.

6. Although taking up their positions on 1 April 2019, the remuneration disclosures for FY2019 have been included as though they were KMP for the entire year.

REMUNERATION REPORT

9.2 Non-Executive Director statutory remuneration disclosures for FY2020

The following table shows the fees paid to Non-Executive Directors of ATLAX and ATLIX for FY2020.

Name	Financial year	ATLAX fees (AUD)			ATLIX fees		
		Cash salary and fees	Superannuation	Total	Cash salary and fees	Superannuation	Total
Debbie Goodin ¹	2020	\$183,842	\$17,461	\$201,303	14,916 (AUD)	1,417 (AUD)	16,333(AUD)
	2019	\$190,365	\$17,135	\$207,500	-	-	-
David Bartholomew	2020	\$157,534	\$14,966	\$172,500	-	-	-
	2019	\$172,100	\$15,400	\$187,500	-	-	-
Jean-Georges Malcor	2020	\$168,983	\$1,017	\$170,000	-	-	-
	2019	\$184,340	\$660	\$185,000	-	-	-
Nora Scheinkestel ²	2020	\$216,594	\$18,064	\$234,658	74,926(AUD)	7,118 (AUD)	82,044 (AUD)
	2019	\$269,233	\$20,767	\$290,000	90,736 (AUD)	7,264 (AUD)	98,000 (AUD)
Jeffrey Conyers	2020	-	-	-	160,000 (USD)	-	160,000 (USD)
	2019	-	-	-	179,250 (USD)	-	179,250 (USD)
Fiona Beck ³	2020	-	-	-	103,563 (USD)	-	103,563 (USD)
	2019	-	-	-	41,292(USD)	-	41,292(USD)
Caroline Foulger ⁴	2020	-	-	-	57,508 (USD)	-	57,508 (USD)
	2019	-	-	-	-	-	-
Andrew Cook ⁵	2020	-	-	-	8,948 (USD)	-	8,948 (USD)
	2019	-	-	-	-	-	-
Derek Stapley ⁶	2020	-	-	-	87,043 (USD)	-	87,043 (USD)
	2019	-	-	-	111,762 (USD)	-	111,762 (USD)
James Keyes ⁷	2020	-	-	-	37,692 (USD)	-	37,692 (USD)
	2019	-	-	-	116,000 (USD)	-	116,000 (USD)
Christopher Leslie ⁸	2020	-	-	-	-	-	-
	2019	-	-	-	24,500 (USD)	-	24,500 (USD)
Total	2020	\$726,953	\$51,508	\$778,461	\$744,259	\$8,535	\$752,794
Total	2019	\$816,038	\$53,962	\$870,000	\$764,749	\$7,264	\$772,013

1. Appointed Chairman of ATLAX and Non-Executive Director of ATLIX on 1 November 2020.

2. Retired as a Non-Executive Director, effective 1 November 2020.

3. Appointed as a Non-Executive Director, effective 13 September 2019.

4. Appointed as Non-Executive Director, effective 19 May 2020.

5. Appointed as a Non-Executive Director, effective 25 November 2020.

6. Retired as a Non-Executive Director 25 November 2020.

7. Retired as e a Non-Executive Director on 19 May 2020.

8. Retired as a Non-Executive Director on 1 April 2019.

REMUNERATION REPORT

9.3 Equity instrument disclosures relating to KMP

Security holdings

The table below outlines the number of ordinary securities held by each KMP including their personally related parties, as at 31 December 2020, and the minimum security holding requirements.

Non-Executive Directors have acquired their security holdings from their personal resources on market and in accordance with Atlas Arteria's trading policy. KMP Executives acquire their security holdings from awards that vest under the Groups' equity plans. All Directors and Executives are tracking to meet their security holding requirement on a timely basis.

Non-Executive Directors

Name	Balance at 1 January 2020	Changes	Balance at 31 December 2020	Value at 31 December 2020 ¹	Minimum security holding requirement ²	Date security holding to be attained
Debbie Goodin ^{3,4}	26,579	6,325	32,904	\$213,876	\$220,000 ¹¹	Nov-23
David Bartholomew ³	20,506	4,708	25,214	\$163,891	\$140,000	Oct-21
Jean-Georges Malcor ³	20,238	9,838	30,076	\$195,494	\$140,000	Nov-21
Nora Scheinkestel ^{3,5}	103,824	4,742	-	-	-	N/A
Jeffrey Conyers ^{3,5}	42,381	17,457	59,838	\$388,947	\$104,411	Jul-20
Fiona Beck ^{3,6}	8,333	10,520	18,853	\$122,545	\$104,411	Sep-22
Caroline Foulger ⁷	-	8,500	8,500	\$55,250	\$104,411	May-23
Andrew Cook ⁸	-	-	-	-	\$104,411	Nov-23
Derek Stapley ⁹	26,666	12,000	-	-	-	N/A
James Keyes ¹⁰	5,952	17,952	-	-	-	N/A

1. Based on the closing price of Atlas Arteria securities on 31 December 2020 of \$6.50. The requirement is assessed at the higher of the purchase price or market value of the securities.

2. The minimum security holding requirement for ATLIX Board members has been converted to AUD at the 31 December 2020 exchange rate of AUD\$1 = USD\$0.7662.

3. Includes securities acquired in the ALX Share Purchase Plan announced on 28 May 2020.

4. Appointed as ATLIX Non-Executive Director on 1 November 2020.

5. Retired as a Non-Executive Director 1 November 2020.

6. Appointed as a Non-Executive Director 13 September 2019.

7. Appointed as a Non-Executive Director 19 May 2020.

8. Appointed as a Non-Executive Director 25 November 2020.

9. Retired as a Non-Executive Director 25 November 2020.

10. Retired as a Non-Executive Director 19 May 2020.

11. Securityholding requirement based on the sum of the ATLAX and the ATLIX Non Executive Director base fees

MD & CEO and KMP Executives

Name	Balance at 1 January 2020	Changes	Balance at 31 December 2020 ¹	Value at 31 December 2020	Minimum security holding requirement	Date security holding to be attained
Graeme Bevans	90,731	62,999	153,730	\$999,245	\$1,300,000	May-23
Nadine Lennie	20,758	15,834	36,592	\$237,848	\$355,000	Jul-23
Vincent Portal-Barrault ²	5,636	33,688	39,324	\$255,606	\$302,982	Dec-23

1. Based on the closing price of Atlas Arteria securities on 31 December 2020 of \$6.50. The requirement is assessed at the higher of the purchase price or market value of the securities.

2. The minimum security holding requirement for Luxembourg executives has been converted to AUD at the 31 December 2020 exchange rate of AUD\$1 = Euro 0.6238.

REMUNERATION REPORT

Options

No options over unissued ordinary securities of Atlas Arteria existed or were granted to KMP during FY2020.

Performance rights held during the year

The numbers of performance rights over ordinary securities in the Groups held during the financial year by each KMP Executive as well as the value of performance rights granted or exercised are set out in the table below. Vesting is subject to achieving challenging performance hurdles over the performance period.

Name	Balance at 31 December 2019	Granted in the year ended 31 December 2020 ¹	Exercised in the year ended 31 December 2020	Lapsed in the year ended 31 December 2020	Balance at 31 December 2020	Unvested at 31 December 2020	Value of share rights granted during year ²
	#	#	#	#	#	#	\$
Graeme Bevans	276,758	146,434	0	0	423,192	423,192	502,269
Nadine Lennie	101,268	62,900	0	0	164,168	164,168	315,758
Vincent Portal-Barrault	104,458	61,332	0	0	165,790	165,790	307,887

1. The number of share rights granted during the year under the FY2020 Long Term Incentive Awards which are subject to performance hurdles.
2. External valuation advice from EY has been used to determine the value of the share rights awarded during year ended 31 December 2020. The valuation was made using the Black Scholes Option Pricing Model that includes a Monte Carlo simulation analysis. The value per instrument of the Share Rights granted during the year to the MD & CEO was \$3.43 and to the CFO and COO was \$5.02.
3. There were 1,000,733 unvested Share Rights on issue at the time of this Report.

Unvested STI Equity Awards during FY2020

During FY2020, awards of restricted securities equal to 50% of their Awards under the Groups' FY2019 STI Plan for the Post Internalisation Period (1 April 2019 to 31 December 2019) were granted to the MD & CEO and the KMP Executives. The securities were restricted for 12 months from the end of the performance period (31 December 2019). Following the end of the restriction period, the PRCs confirmed that all KMP Executives complied with the terms of the awards and accordingly, the awards have vested in full.

Details of the Awards are as follows:

Name	Balance at 31 December 2019	Granted in the year ended 31 December 2020 ²	Vested in the year ended 31 December 2020 ¹	Lapsed in the year ended 31 December 2020	Balance at 31 December 2020	Unvested at 31 December 2020	Value of restricted securities granted during year
	#	#	#	#	#	#	\$
Graeme Bevans	76,214	82,369	76,214	0	82,369	82,369	618,748
Nadine Lennie	20,758	25,834	20,758	0	25,834	25,834	194,062
Vincent Portal-Barrault	5,636	28,850	5,636	0	28,850	28,850	216,718

1. Restricted securities awarded in respect of the FY2019 Pre Internalisation STI Plan. These securities vested in full during FY2020.
2. Restricted securities granted in respect of the FY2019 Post Internalisation STI Plan. These securities vested in full in January 2021.

9.4 Loans to Directors or related parties

There were no loans to Directors or related parties during FY2020.

9.5 Other transactions with KMP

There were no other transactions with KMP.