



Company	Aurizon Holdings Limited
Code	AZJ
Meeting Date	13 October 2022
Type of Meeting	Hybrid
Monitor	Shirley Watson assisted by Alison Harrington
Pre-AGM	Yes with Chair Tim Poole

Number of holdings Represented by ASA	120
Number of shares represented by ASA	757,729
Value of shares represented by ASA	\$4.4m
Total number attending meeting	284
Market capitalisation	\$6.52b
ASA open proxies voted	681,475

Leading Australia from the North

A welcome to country from First Nations People was given by Matt Dukes who has been with the company for 4 years and works with young and indigenous people. The Chairman, Tim Poole, gave a welcome on behalf of the Board and introduced each Director. Townsville was chosen for this AGM as it the Northern centre and the original location of Aurizon. There was a quorum and the meeting was declared open with the process for asking questions and voting well explained.

In his opening address the Chairman spoke of the year as having strong operational, financial and safety performance. He described some of the strengths of the company. Third-quarters of the world depends on metallurgical and Australia exports most of it. The regulated train network would continue to profit with metallurgical coal alone. Grain, copper and new economy minerals are becoming very important with Western Australia and South Australia producing half the product and Aurizon being the largest grain operator in Australia. The Chairman spoke of the future continuous transformation in bulk haulage, greatly assisted by the acquisition of 'One Rail'. One part of which is **Bulk Central** from Adelaide through to Darwin and the other is the East Coast Rail (ECR) which will grow its revenue in FY23 until it is divested. CQCN has reached half-way through its 10 year agreement with its partners.

Andrew Harding CEO & MD spoke of a stable cash flow despite COVID and bad weather. He explained One Rail will be transformed and will grow regional economies. Along the 2,200 kilometre red line into Darwin there will be 200 Resource projects.

Aurizon is tracking towards Net-zero operational emissions, clean coal supply for Queensland and in the future a hydrogen Hub for Townsville. Aurizon's **2022 Sustainability Report** was on their website last week.

When the meeting was opened for questions, there were virtually none from the floor. ASA was able to ask several questions virtually, all of which were well answered by the Chairman or CEO.

We asked how the good safety record of recent years had been achieved. The reply was mainly just leadership & safe training, critical and disciplined vehicular control and the introduction of special software. Answers to other ASA questions informed us that -

- The 7 year long dividend framework of 100% of NPAT to continue after the 1 – 3 year growth period.
- There would be no strategic change following the announced Queensland Government Energy Plans to 2035 – half of the network is now electric and would benefit from more renewal power.
- Wherever conversion from road to rail haulage is achievable in Australia, there is 16 times more emission reductions.

There were some interesting questions - one was 'what is the risk of exposure to large Fund Managers?' Chairman answered that there is no large influence on the Register – largest is about 6%. A positive is the many small shareholders, a good Balance Sheet and a risk management process. Another investor enquired about becoming involved in Value Added Processes, as well as selling – answer, no, Aurizon is a Servicer Provider.

Someone asked what to do about all the weather disruptions – the Chairman replied “well, it’s the tropics”.

The two directors standing for re-election addressed the meeting on their contributions to the Board. ASA voted for all Resolutions. All resolutions passed with a large majority.

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