Aurizon Holdings Limited
ABN 14 146 335 622

ASX Market Announcements
ASX Limited
20 Bridge Street
Sydney NSW 2000

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BY ELECTRONIC LODGEMENT

18 August 2025

2025 Annual Report and AGM

Attached is a copy of Aurizon Holdings Limited's (**Aurizon**) 2025 Annual Report (**Annual Report**).

In accordance with the relief from dual lodgement of financial statements under *ASIC Corporations (Electronic Lodgement of Financial Reports) Instrument 2016/181*, the Annual Report will not be lodged separately with ASIC.

Copies of the Annual Report are expected to be dispatched in September 2025 to shareholders who have elected to receive a hard copy of the Annual Report.

Aurizon's 2025 Annual General Meeting will be held at 2.00pm (Brisbane time) on Thursday 16 October 2025 online or in person at Karstens Brisbane, Level 24/215 Adelaide Street, Brisbane, Queensland. A Notice of Annual General Meeting is expected to be released to the market and provided to shareholders in early September 2025.

In accordance with ASX Listing Rule 3.13.1, the closing time and date for receipt of nominations from persons wishing to be considered for election as a Director of Aurizon is 2.00pm on 28 August 2025.

Yours faithfully

David Wenck
Company Secretary

Authorised for lodgement by the Aurizon Holdings Limited Board of Directors.

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AURIZON®

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2024 – 2025

Annual Report

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Our vision

To be the first choice for bulk commodity transport solutions.

Our purpose

To grow regional Australia by delivering bulk commodities to the world.

Our values

SAFETY
We know safe, we choose safe.

PEOPLE
We seek diverse perspectives.

INTEGRITY
We have the courage to do the right thing.

CUSTOMER
We strive to be the first choice for customers.

EXCELLENCE
We set and achieve ambitious goals.

FY2025 in Review

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Result summary (Underlying and statutory continuing operations)

($M)	FY2025	FY2024	VARIANCE	VARIANCE %
Total revenue and other income	3,952	3,844	108	3%
Total revenue and other income Statutory	3,989	3,844	145	4%
EBITDA	1,576	1,624	(48)	(3%)
Significant items	(43)	–	(43)	–
— Proceeds from settlement of legal matters	37	–	37	–
— Transformation costs	(23)	–	(23)	–
— Goodwill impairment — Bulk	(57)	–	(57)	–
EBITDA Statutory	1,533	1,624	(91)	(6%)
EBIT	844	917	(73)	(8%)
EBIT Statutory	801	917	(116)	(13%)
NPAT	348	406	(58)	(14%)
NPAT Statutory	303	406	(103)	(25%)
Free cash flow (FCF)[1]	518	661	(143)	(22%)
Final dividend (cps)	6.5	7.3	(0.8)	(11%)
Total dividend (cps)	15.7	17.0	(1.3)	(8%)
Earnings per share (cps)	19.5	22.1	(2.6)	(12%)
Earnings per share Statutory (cps)	16.9	22.1	(5.2)	(24%)
Return on invested capital (ROIC)	8.1%	8.9%	(0.8ppt)	–
EBITDA margin	39.9%	42.2%	(2.3ppt)	–
Operating ratio	78.6%	76.1%	(2.5ppt)	–
Above Rail Tonnes (m)	247.5	255.6	(8.1)	(3%)
Gearing (net debt / (net debt + equity))	56.2%	52.2%	(4.0ppt)	–

Overview

- EBITDA down $48m (3%) to $1,576m:
  - Network uplift in earnings driven by higher regulatory revenue, partly offset by higher maintenance costs and a reduction in external construction works
  - Coal earnings flat with higher operating costs offset by an increase in revenue due to higher volumes and yield (price indexation and customer mix)
  - Bulk contract growth was more than offset by the cessation of a rail maintenance contract, lower South Australian grain volumes and an increase in doubtful debt provisions.
- Final dividend declared of 6.5 cps (fully franked) represents a payout ratio of 80% of underlying NPAT for continuing operations.
- An on-market buy-back of up to $150m announced today following on from the completion of a $300m buy-back in FY2025.

Outlook

Group underlying EBITDA for FY2026 is expected to increase and be in the range of $1,680m – $1,750m, with full year dividends of 19 – 20 cps[2]. Sustaining capital expenditure is expected to be $610m – $660m (including ~$30m of transformation capital) and growth capital expenditure is expected to be $100m – $150m.

Key assumptions:

- Network: EBITDA expected to be higher than FY2025 with an increase in the regulatory revenue, partly offset by increased direct costs. Allowable Revenue is to be entirely recognised in underlying revenue, regardless of volumes railed
- Coal: EBITDA expected to be higher than FY2025 driven by volumes and flat unit costs[3], partly offset by lower yield (due to customer/corridor mix) expected with higher volumes
- Bulk: EBITDA expected to be higher than FY2025 driven by the non-recurrence of provisions and increased grain volumes, partly offset by lower iron ore volumes
- Other: EBITDA expected to be higher than FY2025 with improved Containerised Freight contribution offsetting the non-recurrence of the settlement of legal matters in FY2025
- No significant disruptions to supply chains and customers (such as major derailments, extreme/prolonged wet weather).

1 Free cash flow (continuing operations) defined as net cash flow from operating activities, less non-growth capex and less interest paid. It does not include growth capex (FY2025: $107m, FY2024: $204m), payments for acquisitions (FY2025: $25m, FY2024: $nil) and cash flows from significant items (FY2025: $26m, FY2024: $nil).

2 Dividends are ultimately determined by the Aurizon Board.

3 Operating costs (excluding access and fuel), measured on an NTK basis.

Chairman's Report

Dear fellow shareholders

I am pleased to present our FY2025 Annual Report.

The past financial year has presented challenging trading conditions for the Company, resulting in lower volumes and earnings. In response, significant work was undertaken — and continues into FY2026 — to reduce our cost base, streamline management structures, and re-position under-performing segments to support future growth in volumes and an expected increase in profitability and dividends in FY2026.

Underlying Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) for FY2025 was $1,576 million, representing a 3% decrease compared to FY2024. This outcome was below expectations, and both the Board and Executive team remain focused on a range of initiatives to improve performance and deliver stronger financial outcomes. These include:

- a review of the Company's non-operational cost base, targeting further efficiency gains to be implemented during the 2025 calendar year and beyond
- a review of the Group's capital and Network ownership structures
- the management of the Bulk and Containerised Freight businesses to unlock commercial and operational synergies and streamline accountability under a single Group Executive.

Despite the challenging environment, Aurizon maintained solid free cash flow and coupled with lower growth capital expenditure, this enabled an extension of our on-market buyback program. During FY2025, we completed share buybacks totalling $300 million and today announced an on-market buy-back of up to $150 million for FY2026. The Board has declared a final dividend of 6.5 cents per share, fully franked, taking total dividends for FY2025 to 15.7 cents. This compared to 17 cents per share for FY2024.

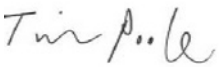
We continue to execute our strategy of expanding into emerging markets in bulk and containerised freight, while optimising our long-standing, cash-generative positions in coal haulage and coal rail infrastructure. While trading conditions in bulk freight were challenging in FY2025, we remain confident in the long-term growth and earnings potential in these markets. Our focus is on structural growth opportunities in bulk commodities, agriculture, and critical minerals — sectors aligned with Australia's long-term economic trajectory and global demand for future-facing resources such as copper, nickel, rare earths, phosphate and grain.

A clear example of this potential is the securing of contracts by Aurizon in June 2025 for a new long-term logistics solution for BHP Copper South Australia. This is anticipated to deliver revenue to Aurizon of approximately $1.5 billion in the first 10 years of delivering the contracts. Our services will support a world-class copper province with aspirations by BHP to significantly increase production in coming decades. Importantly, Aurizon has been able to secure this contract with a limited commitment of capital because we have tapped into existing assets across our South Australian footprint, including our recently-acquired terminal at Port Adelaide. This is the quality of opportunity that will underpin Aurizon's future growth: large-scale, integrated transport and logistics solutions with resilient earnings. The Board is pleased to see this development following a number of years of sustained investment and transformation. Aurizon now possesses industry-leading capabilities and assets across a national network, with strong exposure to resource and agricultural corridors.

Whilst there were no changes to the Board during FY2025, significant work was undertaken as we prepare for a period of renewal. Long-standing director, Russell Caplan, will be retiring from the Board after 15 years of tremendous service. Russell was appointed to the Board in September 2010 at the time of Aurizon's IPO and listing on the ASX. Russell's wisdom, commercial and industrial experience, and corporate knowledge have been of great benefit to Aurizon. We expect to provide further information on appointments to the Board by the end of the current calendar year, including the plan for my own succession.

I would like to acknowledge the continued dedication of our employees across Aurizon. Their commitment to delivering safe and reliable services to our customers has remained steadfast through the operational and business challenges this year.

Finally, I wish to thank fellow shareholders for your continued trust and support.



Tim Poole

Chairman
18 August 2025

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Managing Director & CEO's Report

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Dear fellow shareholders

I begin my report with safety. In December 2024, we were deeply saddened by the loss of Troy Ernst, a highly-respected member of the New South Wales Coal team. Troy was killed in a road accident in the Hunter Valley when the Aurizon car in which he was travelling was struck by a truck. Aurizon and work colleagues have extended support for Troy's family during this very difficult time.

In respect to operational safety in the business, Aurizon continues to use two primary safety metrics: Total Recordable Injury Frequency Rate (TRIFR) and Serious Injury and Fatality Frequency Rate (SIFR). Performance against both measures saw a slight deterioration during the year. These results reinforce the ongoing need for focus in effectively managing critical risks in our workplaces, supported by a range of initiatives to enhance safety performance and health and wellbeing for our employees.

During the year, Aurizon continued its education and awareness campaign, *Respect the sign. Lives are on the line.* as we work to improve level crossing safety for our traincrew, motorists, and pedestrians. We have reached out to regional communities across Australia where our trains operate to urge responsible driving behaviour around level crossings. Social media for the campaign alone has reached around five million Australians, but equally our local teams have presented to more than 10,000 students in schools near rail corridors. I thank our employees for their outstanding work in engaging with young people in their local communities on this important safety message. Unfortunately level crossing incidents continue to be far too frequent, causing trauma to motorists, our traincrew, and the community. The rail industry, governments, and road user organisations are committed to continued education, together with ongoing investment and enforcement initiatives.

In his report, the Chairman outlines the Company's financial outcomes during FY2025 with Underlying Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) of $1,576 million. This is below our expectations and reflects mixed results in the Company. This includes lower tonnages and an increase in doubtful debt provisions in the Bulk business, together with the deferral of ~$50 million of Network earnings until FY2027.

We are committed to an ongoing program of work to reduce our cost base, make operations more efficient, and to deliver the growth in volumes and earnings to which we aspire. This work is well underway and already delivering cost savings and operational efficiencies. This includes:

- a company-wide review to achieve efficiencies in non-operational parts of the business, including labour and external spend
- the decision to manage the Bulk and Containerised Freight businesses under a single Group Executive to unlock synergies and streamline accountability
- reviews completed to identify and implement cost and fleet optimisation opportunities for the Bulk East, Bulk Central, and Bulk West operations.

It was pleasing during FY2025 to see returns from the strategic investments we have made in recent years in Bulk and Containerised Freight. This includes the growth of interstate container volumes with completion of the ramp-up of national linehaul services; the establishment of a regular landbridging service from the Asia-Pacific region through the Port of Darwin; and the winning of long-term, high-value logistics contracts for BHP Copper South Australia. These are good examples of how we can leverage recent investments to deliver supply chain solutions for customers. These investments include rail, port, and rollingstock assets in South Australia and the Northern Territory secured through the acquisition of One Rail in 2022 and Flinders Logistics in 2024. These positive developments also highlight the opportunities we have to grow our business in markets exposed to Australia's economic growth and the global energy transition which is driving increasing demand for commodities such as copper.

Aurizon remains committed to our decarbonisation initiatives and our target of delivering net zero operational emissions by 2050. This includes a range of specific medium and long-term initiatives such as solar generation, vegetation offsets, and technology to reduce fuel usage and emissions, together with ongoing work to develop new-generation locomotives with low or zero emissions. In September, for example, we unveiled our first nature-based carbon-offsetting tree reserve adjacent to our rail corridor in north Queensland. This is an Australian-first for Aurizon and over the next 25 years the reserve is expected to generate more than 32,000 tonnes of carbon abatement. Aurizon was able to successfully implement this sustainability project, in part, through financial support from a Federal Government Carbon + Biodiversity (C+B) Pilot grant.

Aurizon is developing two key platforms for our future fleet of freight trains: a Battery-Electric Locomotive and a Battery-Electric Tender. With the support of global technology partners, both of these leading-edge projects are underway here in Australia. Aurizon is also well positioned to leverage and adopt emerging decarbonisation technology from the global rail sector as it becomes available.

Importantly, Aurizon continues to engage with customers to reinforce the current environmental and commercial benefits of using rail for bulk transport and logistics. A great example is the recent work we have secured with BHP Copper South Australia, servicing one of the world's largest copper provinces. By moving the majority of BHP Copper's tonnes from road to rail, and once fully operational, Aurizon will effectively replace an estimated 13 million kilometres of truck movements annually, with an estimated reduction in carbon emissions of ~20,000 tonnes a year compared to the existing road-based operation. That's equivalent to removing about 11,000 truck movements from South Australian roads per year. This represents one of the largest ever road to rail conversions of bulk transport in Australia.

In closing, I want to express my sincere thanks to all our employees across Australia for their hard work and dedication during FY2025. This year brought its share of operational and commercial challenges but through skill, teamwork, and commitment, we continued to deliver safe, reliable, and efficient services to our customers.

Andrew Harding

Managing Director & CEO
18 August 2025

Directors' Report

Aurizon Holdings Limited For the year ended 30 June 2025

The Directors of Aurizon Holdings Limited present their Directors' Report together with the Financial Report of the Company and its controlled entities (collectively the **Consolidated Entity** or the **Group**) for the financial year ended 30 June 2025 and the Independent Auditors' Report thereon.

This Directors' Report has been prepared in accordance with the requirements of Division 1 of Part 2M.3 of the *Corporations Act*.

Board of Directors

The following people are Directors of the Company, or were Directors during the reporting period:

Tim Poole
(Appointed 1 July 2015)
(Chairman, Independent Non-Executive Director).

Andrew Harding
(Appointed 1 December 2016)
(Managing Director & CEO).

Marcelo Bastos
(Appointed 15 November 2017)
(Independent Non-Executive Director).

Russell Caplan
(Appointed 14 September 2010)
(Independent Non-Executive Director).

Tim Longstaff
(Appointed 1 June 2023)
(Independent Non-Executive Director).

Sarah Ryan
(Appointed 1 December 2019)
(Independent Non-Executive Director).

Lyell Strambi
(Appointed 1 December 2019)
(Independent Non-Executive Director).

Samantha Tough
(Appointed 1 September 2023)
(Independent Non-Executive Director).

Details of each Director's experience, qualifications, special responsibilities, and other directorships of listed companies as at the date of this Directors' Report are set out in the pages following.

Tim Poole

Experience: Mr Poole began his executive career in 1990 at PricewaterhouseCoopers (then Price Waterhouse) before joining Hastings Funds Management in 1995.

He helped to build Hastings into a global investor in private market assets, principally equity and debt issued by infrastructure companies, and was the Managing Director from 2005 to 2007.

Since retiring from Hastings, Mr Poole has been an investor and non-executive director of a range of public and private companies in sectors including infrastructure, transport, property, financial services, and mining.

Mr Poole is a Non-executive Director of The Lottery Corporation.

Qualifications: BCom.

Special responsibilities: Chair of Nomination & Succession Committee. Member of People and Remuneration Committee. Member of Audit, Governance & Risk Management Committee.

Australian Listed Company Directorships held in the past three years: McMillan Shakespeare Limited — Non-Executive Director (17 December 2013 – 31 August 2022); and Reece Limited — Non-Executive Director (28 July 2016 – 31 December 2024); (Chairman from 22 May 2023 – 1 November 2024).

Andrew Harding

Experience: Mr Harding was appointed Managing Director & CEO of Aurizon in December 2016.

Mr Harding has more than 30 years' experience across the resource and rail sectors, as a leader committed to creating sustainable, productive businesses that make meaningful contributions to the community.

Mr Harding has led initiatives to leverage Aurizon's core expertise in heavy haulage and rail infrastructure, and to drive improved safety and operational performance.

Mr Harding champions the role of rail in decarbonising the nation's supply chains, leveraging the environmental, safety, and productivity benefits of rail freight for economic and community benefit.

Prior to starting with Aurizon, Mr Harding was the global Chief Executive of Rio Tinto's Iron Ore business with responsibility for managing supply chains for the world's largest integrated portfolio of iron ore assets.

Qualifications: BEng. (Mining Engineering), MBA.

Special responsibilities: Managing Director & CEO of Aurizon. Director of Aurizon subsidiary companies including Aurizon Network Pty Ltd. Member of Safety, Health & Environment Committee.

Australian Listed Company Directorships held in the past three years: None other than Aurizon Holdings Limited.

Marcelo Bastos

Experience: Mr Bastos has more than 35 years of experience globally in the mining industry. He has extensive experience in major project development, operations, logistics, and senior leadership in most of the major sectors of the mining industry including iron ore, gold, copper, nickel, zinc, and coal.

Previously, Mr Bastos was the Chief Operating Officer of MMG Limited with responsibility for the business in four continents and a member of many of the company's Boards. Before MMG, he spent seven years with BHP Billiton where he served as President Nickel Americas, President Nickel West (based in Perth), and Chief Executive Officer and President of BHP Billiton Mitsubishi Alliance (based in Brisbane).

Mr Bastos also had a 19-year career with Vale in a range of senior management and operational positions in Brazil, including General Manager of Carajas in the northern region and also Director of Non Ferrous — Copper business.

Mr Bastos is currently a Non-Executive Director of Anglo American PLC (where he is Chair of the Global Workforce Advisory Panel) and a Non-Executive Director of IGO Limited. Mr Bastos is also a Technical Review Board Member of Sumitomo Corporation. He was an External Director (Non-Executive Independent) of Golder Associates from 2017 to 2021.

Qualifications: BEng. Mechanical (Hons), MBA (FDC-MG), MAICD.

Special responsibilities: Non-Executive Director of Aurizon Network Pty Ltd. Chair of Safety, Health & Environment Committee. Member of Nomination & Succession Committee.

Australian Listed Company Directorships held in the past three years: Iluka Resources Limited — Non-Executive Director (February 2014 – August 2024); IGO Limited — Non-Executive Director (July 2024 – ongoing).

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Russell Caplan

Experience: Mr Caplan has extensive international experience in the oil and gas industry. In a 42-year career with Shell, he held senior roles in the upstream and downstream operations, and corporate functions in Australia and overseas. From 1997 to 2006, he had senior international postings in the UK, Europe, and the USA. From 2006 to July 2010, he was Chairman of the Shell Group of Companies in Australia. Mr Caplan is Chairman and Non-Executive Director of Horizon Roads Pty Ltd. He is a former Chairman of the Melbourne and Olympic Parks Trust, the Australian Institute of Petroleum, and Orica Limited, and Non-Executive Director of Woodside Petroleum Limited.

Qualifications: LLB, FAICD, FAIM.

Special responsibilities: Member of People and Remuneration Committee. Member of Audit, Governance & Risk Management Committee.

Australian Listed Company Directorships held in the past three years: None other than Aurizon Holdings Limited.

Tim Longstaff

Experience: With a career spanning more than 35 years, Mr Longstaff brings a depth of experience in finance, accounting, strategy, acquisitions and divestments, debt and equity capital markets, risk management, and investor engagement amongst asset-intensive industrial companies.

Mr Longstaff qualified as a Chartered Accountant with Price Waterhouse before a 25-year career in investment banking at first-tier global firms including JPMorgan, and Deutsche Bank in Australia and internationally. In this time, Mr Longstaff was a strategic partner, and advised the Boards and CEOs of leading Australian and global companies on transformational M&A and capital markets transactions.

More recently, Mr Longstaff served as Senior Advisor to a Federal Cabinet Minister in the Trade & Investment and Finance portfolios. Through this experience, he brings global geo-political perspectives and insights into transport and infrastructure policies, the workings of government and regulated assets.

Mr Longstaff is a Non-Executive Director of the ASX-listed Ingham's Group Limited, Perenti Limited, Nine Entertainment Co. Holdings Limited and also of The George Institute for Global Health. He is a member of the Takeovers Panel.

Qualifications: BEc, FCA, FAICD, SF Fin.

Special responsibilities: Non-Executive Director of Aurizon Network Pty Ltd. Chair of Audit, Governance & Risk Management Committee.

Australian Listed Company Directorships held in the past three years: Inghams Group Limited — Non-Executive Director (20 January 2022 – ongoing); Perenti Limited — Non-Executive Director (16 August 2021 – ongoing); and Nine Entertainment Co. Holdings Limited (1 January 2025 – ongoing).

Sarah Ryan

Experience: Dr Ryan has approximately 30 years of international experience in the oil and gas industry. Initially, Dr Ryan spent 20 years in various technical, operational, and senior management positions, including 15 years with Schlumberger Limited both in Australia and overseas. Dr Ryan then spent 10 years as an equity analyst covering natural resources with institutional investment firm Earnest Partners, based in the US.

Dr Ryan is currently a Non-Executive Director of ASX-listed entities Viva Energy Group Limited, Transurban Group, and Calix Limited, and a Non-Executive Director of Future Battery Industry Cooperative Research Centre and Karting Australia. Dr Ryan is also a member of Motorsport Australia's People, Remuneration and Nominations Committee. Dr Ryan is a former Non-Executive Director of ASX-listed Woodside Energy Group Ltd, Oz Minerals Limited and Norwegian-listed Akastor ASA.

Dr Ryan is a Fellow of the Australian Academy of Technology and Engineering.

Qualifications: PhD (Petroleum and Geophysics), BSc (Geophysics) (Hons 1), BSc (Geology), FTSE.

Special responsibilities: Member of Audit, Governance & Risk Management Committee. Member of Safety, Health & Environment Committee. Member of Nomination & Succession Committee.

Australian Listed Company Directorships held in the past three years: Calix Limited — Non-Executive Director (1 January 2024 – ongoing); Transurban Group — Non-Executive Director (1 September 2023 – ongoing); Viva Energy Group — Non-Executive Director (18 June 2018 – ongoing); Woodside Energy — Non-Executive Director (24 October 2012 – 28 April 2023); and OZ Minerals Limited — Non-Executive Director (17 May 2021 – 2 May 2023).

Lyell Strambi

Experience: Mr Strambi has a wealth of experience in the aviation sector both in Australia and abroad, spanning 40 years. In June 2022, Mr Strambi concluded his tenure as CEO and Managing Director of Australia Pacific Airports Corporation (APAC). Having been appointed in September 2015, during his time at APAC he was responsible for the operation and development of both the Melbourne and Launceston airports, and for overseeing a direct workforce of 300 staff and assets valued in excess of $10 billion.

Prior to his role at APAC, Mr Strambi was the Chief Executive Officer of Qantas Airways Domestic, a role he held for three years following four years as the airline's Group Executive Operations. Between 2001 and 2008, Mr Strambi was based in London working in senior roles at Virgin Atlantic including Executive Director — Airline Services followed by six years as Chief Operating Officer.

Mr Strambi is currently a Non-Executive Director of Brisbane Airport Corporation. He is a former Non-Executive Director of APAC, StarTrack Express, Traveland, and Southern Cross Distribution Systems, and was President of the Royal Flying Doctors SE.

Mr Strambi is a Graduate and Fellow of the Australian Institute of Company Directors, and a Member of the Australian Institute of Management.

Qualifications: BBus (Accy), FAICD.

Special responsibilities: Chair of Aurizon Network Pty Ltd. Member of Safety, Health & Environment Committee. Member of Nomination & Succession Committee.

Australian Listed Company Directorships held in the past three years: None other than Aurizon Holdings Limited.

Samantha Tough

Experience: Ms Tough has had a distinguished executive and non-executive career with experience in many industry sectors including energy, resources, agriculture, oil and gas, technology, water, and engineering.

Ms Tough is Pro Vice Chancellor of Industry and Commercial at the University of Western Australia, Chair of Horizon Power, and a Director of the Clean Energy Finance Corporation and Rumin8 Pty Ltd.

Ms Tough has experience in the regions of Western Australia and Australia generally, and has served on over 20 boards of listed, private, and government entities. She completed a Bachelor of Laws and Bachelor of Jurisprudence at UWA, and moved to the commercial sector early in her career. She has Fellow status with the Australian Institute of Company Directors.

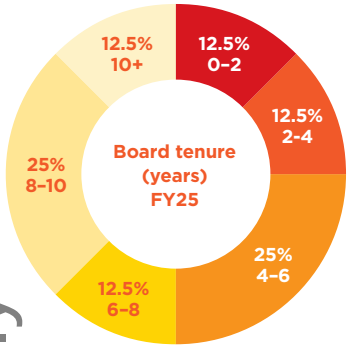
Qualifications: LLB, BJuris, FAICD.

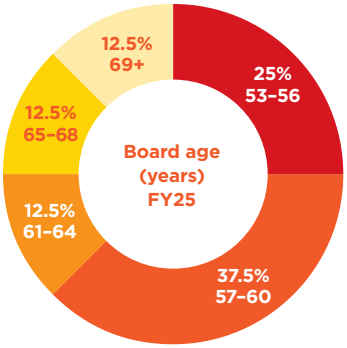
Special responsibilities: Chair of People and Remuneration Committee.

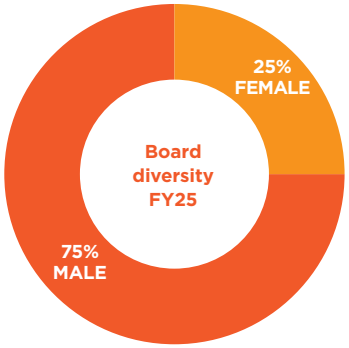
Australian Listed Company Directorships held in the past three years: Fluence Corporation — Non-Executive Director (June 2021 – July 2023).

Directors' Report
(continued)

FIGURE 1 — BOARD DIVERSITY







Note: This reflects the position as at 30 June 2025.

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Company Secretary

David Wenck

Mr Wenck was appointed Company Secretary in April 2021. He joined Aurizon in 2010 as Group General Counsel and has more than 30 years' experience in corporate and commercial law. Prior to joining Aurizon, David was a partner in a leading Australian law firm practising in corporate, commercial and competition law.

David holds a Bachelor of Laws with Honours and is a member of the Australian Institute of Company Directors.

Qualifications: LLB (Hons.), GDLP (UTS), MAICD.

Nicole Allder

Ms Allder was appointed Company Secretary in February 2023, having joined Aurizon as a Legal Counsel in 2018. She has more than 20 years' experience in providing in-house legal and company secretariat services. Prior to joining Aurizon, Nicole held positions at ASX-listed companies including General Counsel & Company Secretary at CSG Limited, and Deputy Company Secretary and Legal Counsel at the Virgin Australia Group. Nicole holds a Bachelor of Laws and a Graduate Diploma in Applied Corporate Governance.

Qualifications: LLB, GradDipLP, GradDipACG.

Board skills and experience

The Board considers its Directors collectively have the range of skills, knowledge and experience necessary to direct the Company. The depth of experience held by the current Board members across key skill and experience areas is reflected in the matrix in Figure 2 on the following page.

The Board is an advocate for diversity of thinking and its gender, age and tenure diversity is depicted in Figure 1.

In instances where the Board recognises additional experience in a particular area would be beneficial to the Board's performance, the Board takes the approach of enhancing its experience in those areas, including through development opportunities such as conducting site visits, receiving further briefings from management and third parties, or undertaking workshops.

In identifying and selecting potential new Directors, the Skills Matrix assists in identifying the experience and skills that will best equip the Board to fulfil its role.

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FIGURE 2 — BOARD SKILLS AND EXPERIENCE

Significant skills and experience — Limited skills and experience

CATEGORY	DESCRIPTION	SKILLS AND EXPERIENCE MIX
1. Leadership	Both senior executive and non-executive director experience with a significant listed or private company.	
2. Strategy	Experience developing, assessing and executing strategic plans to drive long-term growth and transformation.	
3. Industry experience	Experience as a senior executive or advisor to a transport business, a regulated infrastructure business, or a business involved in bulk supply chains.	
4. Transactions and capital markets	Experience in completing significant corporate transactions, equity/debt capital markets and capital management.	
5. Customer and business development	Experience in business development and developing customer-focused strategies with detailed knowledge of Aurizon's customer base.	
6. Technology	Experience in managing and protecting information, identifying emerging or disruptive technologies and in critically assessing technology projects.	
7. People and culture	Experience in employee relations strategies, governing executive remuneration frameworks for listed companies, and overseeing workplace culture and safety.	
8. Sustainability	Experience in climate-exposed industries, transition strategies and emerging technologies or sources of energy.	
9. Government, industry and community	Experience working with government, government departments, relevant industry associations and community stakeholders.	
10. Financial expertise	Qualifications or experience in accounting or financial reporting, and in assessing related reporting and internal controls.	
11. Risk management	Experience in overseeing risk frameworks and controls, and in identifying and monitoring key risks and controls, and the effectiveness of risk and compliance functions.	
12. Governance	Knowledge and experience of high standards of corporate governance for listed companies.	

Note: This reflects the position as at 30 June 2025.

Directors' Report
(continued)

TABLE 1 — DIRECTORS' MEETINGS AS AT 30 JUNE 2025

DIRECTOR	AURIZON HOLDINGS BOARD		AUDIT, GOVERNANCE & RISK MANAGEMENT COMMITTEE		PEOPLE & REMUNERATION COMMITTEE		SAFETY, HEALTH & ENVIRONMENT COMMITTEE		NOMINATION & SUCCESSION COMMITTEE	
	A	B	A	B	A	B	A	B	A	B
T Poole[1]	13	13	7	7	4	4			2	2
A Harding[1]	13	13					4	4		
M Bastos	13	13					4	4	2	2
R Caplan	13	12	7	7	4	4				
T Longstaff	13	13	7	7						
S Ryan	13	12	7	7			4	4	2	2
L Strambi	13	13					4	4	2	2
S Tough	13	11			4	4				

A Number of meetings held while appointed as a Director or Member of a Committee.
B Number of meetings attended by the Director while appointed as a Director or Member of a Committee.
1 In addition to the meetings above, a Committee of the Board comprising T Poole and A Harding met on two occasions.

TABLE 2 — DIRECTORS' INTERESTS AS AT 30 JUNE 2025

DIRECTOR	NUMBER OF ORDINARY SHARES
T Poole*	250,500
A Harding	2,619,720
M Bastos	65,947
R Caplan	82,132
T Longstaff	57,500
S Ryan	68,000
L Strambi	71,392
S Tough	31,586

* Mr Poole also holds 10 Subordinated Notes.
Details regarding remuneration and security interests of Directors is set out in the Remuneration Report.
Only Mr Harding, Managing Director & CEO, receives performance rights, details of which are set out in the Remuneration Report.

Directors' meetings

The number of Board meetings (including Board Committee meetings) and number of meetings attended by each of the Directors of the Company during the financial year are listed above.

During the year, the Aurizon Network Pty Ltd Board met on six occasions.

Directors' interests

Directors' interests set out in Table 2 are as at 30 June 2025.

Principal activities

The principal activities of entities within the Group during the year were:

Network

This segment manages the provision of access to the CQCN below rail infrastructure, and operation and maintenance of the network.

Coal

This segment provides transport of metallurgical and thermal coal from mines in Queensland and New South Wales to domestic customers and coal export terminals.

Bulk

This segment provides integrated supply chain services, including rail and road transportation, port services and material handling for a range of mining, metal, industrial and agricultural customers throughout Australia. This segment also manages the Tarcoola-to-Darwin rail infrastructure, the intrastate rail freight network in South Australia, and containerised freight services between Adelaide and Darwin.

Other

This segment includes Containerised Freight, which is not considered a separate reportable segment, as well as other revenue and central costs not allocated such as Board, Managing Director & CEO, Company Secretary, strategy and investor relations.

Review of operations

A review of the Group's operations for the financial year and the results of those operations are contained in the Operating and Financial Review as set out on Pages 10–26 of this report.

Dividends

A final dividend for FY2024 of 7.3 cents per fully paid ordinary share (60% franked) was paid on 25 September 2024 and an interim dividend for FY2025 of 9.2 cents per fully paid ordinary share (60% franked) was paid on 26 March 2025.

Further details of dividends provided for, or paid, are set out in Note 15 to the consolidated financial statements.

Since the end of the financial year, the Directors have declared to pay a final dividend for FY2025 of 6.5 cents per fully paid ordinary share. The dividend will be fully franked and is payable on 24 September 2025.

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State of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Company that occurred during the financial year under review.

Events since the end of the financial year

The Directors are not aware of any events or developments which are not set out in this report or Note 30 of the Financial Report that have, or would have, a significant effect on the Group's state of affairs, its operations or its expected results in future years.

Likely developments

Information about likely developments in the operations of the Group and the expected results of those operations are covered in the Chairman's Report set out on Page 2 of this report and the Managing Director & CEO's Report set out on Page 3 of this report, and at a high level in the outlook provided on Page 1 of this report.

In the opinion of the Directors, disclosure of any further information would be likely to result in unreasonable prejudice to the Group.

CEO and CFO declaration

The Managing Director & CEO and Chief Financial Officer (CFO) have provided a written statement to the Board in accordance with Section 295A of the *Corporations Act.*

With regard to the financial records and systems of risk management and internal compliance in this written statement, the Board received assurance from the Managing Director & CEO and CFO that the declaration was founded on a sound system of risk management and internal control, and that the system was operating effectively in all material respects in relation to the reporting of financial risks.

Indemnification and insurance of officers

The Company's Constitution provides that the Company may indemnify any person who is, or has been, an officer of the Group, including the Directors and Company Secretary, against liabilities incurred while acting as such officers to the maximum extent permitted by law.

The Company has entered into a Deed of Access, Indemnity and Insurance with each of the Company's Directors. No Director or officer of the Company has received benefits under an indemnity from the Company during or since the end of the year.

The Company has paid a premium for insurance for Directors and officers of the Group. This insurance is against a liability for costs and expenses incurred by officers in defending civil or criminal proceedings involving them as such officers, with some exceptions. The contract of insurance prohibits disclosure of the nature of the liability insured against and the amount of the premium paid.

Proceedings against the Company

The Directors are not aware of any current civil litigation proceedings, arbitration proceedings, administration appeals or criminal or governmental prosecutions of a material nature that are not set out in this report or Note 29 of the Financial Report in which Aurizon Holdings is directly or indirectly concerned which are likely to have a material adverse effect on the business or financial position of the Company.

Remuneration Report

The Remuneration Report is set out on Pages 27–40 and forms part of the Directors' Report for the financial year ended 30 June 2025.

Rounding of amounts

The amounts contained in this report and in the financial statements have been rounded to the nearest $1,000,000 unless otherwise stated (where rounding is applicable) in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. The Company is an entity to which the instrument applies.

Non-audit services

During the year, the Company's auditor, Deloitte Touche Tohmatsu (Deloitte), performed other services in addition to its audit responsibilities.

The Directors are satisfied that the provision of non-audit services by Deloitte during the reporting period did not compromise the auditor independence requirements set out in the *Corporations Act 2001*.

All non-audit services were subject to the Company's Non-Audit Services Policy and do not undermine the general principles relating to auditor independence set out in APES 110 *Code of Ethics for Professional Accountants* as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, or jointly sharing risks and rewards.

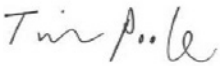
Details of the amounts paid to the auditor of the Company and its related practices for non-audit services provided throughout the year are as set out below:

	2025 $'000
Other assurance services	
Total remuneration for other assurance services	338
Other services	
Total remuneration for other services	–

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration, as required under section 307C of the *Corporations Act*, is set out on Page 41.

The Directors' Report is made in accordance with a resolution of the Directors of the Company.



Tim Poole

Chairman
18 August 2025

Directors' Report (continued)
OPERATING AND FINANCIAL REVIEW

Consolidated Results (Underlying continuing operations unless stated)

The Group's financial performance is explained using measures that are not defined under IFRS Accounting Standards and are therefore termed Non-IFRS measures. The Non-IFRS financial information contained within this Directors' Report and Notes to the Consolidated Financial Statements has not been audited in accordance with Australian Auditing Standards. The Non-IFRS measures used to monitor Group performance are EBITDA (Statutory and Underlying), EBITDA margin (Statutory and Underlying), EBIT (Statutory and Underlying), NPAT Underlying, Return on Invested Capital (ROIC), Net debt and Net gearing ratios. Each of these measures is discussed in more detail on Page 108.

1. Annual comparison

FINANCIAL SUMMARY

($M)	FY2025	FY2024	VARIANCE
Total revenue and other income	**3,952**	**3,844**	**3%**
Statutory Total revenue and other income	**3,989**	**3,844**	**4%**
Operating costs			
Employee benefits	(1,149)	(1,086)	(6%)
Energy and fuel	(358)	(391)	8%
External track access	(164)	(146)	(12%)
Consumables	(613)	(582)	(5%)
Other	(92)	(15)	(513%)
EBITDA	**1,576**	**1,624**	**(3%)**
Statutory EBITDA	**1,533**	**1,624**	**(6%)**
Depreciation and amortisation	(732)	(707)	(4%)
EBIT	**844**	**917**	**(8%)**
Statutory EBIT	**801**	**917**	**(13%)**
Net finance costs	(345)	(333)	(4%)
Income tax expense	(151)	(178)	15%
NPAT	**348**	**406**	**(14%)**
Statutory NPAT	**303**	**406**	**(25%)**
Earnings per share (cps)[1]	19.5	22.1	(12%)
Statutory earnings per share (cps)[1]	16.9	22.1	(24%)
Return on invested capital (ROIC)[2]	8.1%	8.9%	(0.8ppt)
Net cash flow from operating activities	1,461	1,616	(10%)
Total dividend per share (cps)	15.7	17.0	(8%)
Gearing (net debt / (net debt + equity))	56.2%	52.2%	(4.0ppt)
Net debt / EBITDA[3]	3.3x	3.0x	(0.3x)
Net tangible assets per share ($)	2.3	2.3	–
People (FTE)	5,988	5,930	1%
Labour costs[4] / Revenue	29.0%	28.1%	(0.9ppt)

1 Calculated on weighted average number of shares on issue — 1,789m for FY2025 and 1,841m for FY2024.
2 ROIC is defined as underlying rolling twelve-month EBIT divided by the average invested capital. The average invested capital is calculated as the rolling twelve-month average of net assets (excluding cash, borrowings, tax, derivative financial assets and liabilities).
3 Net debt is defined as borrowings (both current and noncurrent) less cash and cash equivalents and excludes lease liabilities. Net debt for Network and Operations is adjusted for funds drawn under the Intra Group Loan Agreement. Network — Net debt / EBITDA: 4.1x (FY2024 3.9x), Operations — Net debt / EBITDA: 1.7x (FY2024 1.8x).
4 FY2025 excludes $4m redundancy costs (FY2024 excludes $5m redundancy costs).

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EBITDA BY SEGMENT

($M)	FY2025	FY2024	VARIANCE
Coal	527	528	–
Bulk	169	229	(26%)
Network	956	930	3%
Other	(76)	(63)	(21%)
Group (Continuing operations)	**1,576**	**1,624**	**(3%)**

Group Performance Overview

Group EBITDA decreased by $48m (3%) to $1,576m with lower earnings in Bulk partly offset by an uplift in Network. Coal earnings were flat with higher operating costs offset by an increase in revenue due to higher volumes and yield (price indexation and customer mix). The Network earnings uplift was driven by higher regulated revenue, partly offset by a reduction in external construction works and higher maintenance costs. Bulk contract growth was more than offset by the cessation of a rail maintenance contract, lower South Australian (SA) grain volumes and an increase in doubtful debt provisions, higher labour escalation and costs to support customer growth. The decrease in Other EBITDA was driven by higher capacity costs in Containerised Freight (full schedule operations from May 2024) partly offset by the settlement of legal matters.

Depreciation increased by $25m or 4% mainly due to an increase in Network.

EBIT decreased by $73m (8%), contributing to a 0.8ppt decrease in ROIC.

Reconciliation to Statutory Earnings

Underlying earnings is a non-statutory measure and is the primary reporting measure used by management and the Group's chief operating decision-making bodies for managing and assessing the financial performance of the business. Underlying earnings is derived by adjusting statutory earnings for significant items as noted in the following table:

($M)	FY2025	FY2024
Underlying EBITDA	**1,576**	**1,624**
Depreciation and amortisation	(732)	(707)
Underlying EBIT	**844**	**917**
Significant items	**(43)**	–
Proceeds from settlement of legal matters	37	–
Transformation costs	(23)	–
Goodwill impairment — Bulk	(57)	–
Statutory EBIT	**801**	**917**
Net finance costs	(345)	(333)
Statutory Profit before tax	**456**	**584**
Income tax expense	(153)	(178)
Statutory NPAT	**303**	**406**
Continuing operations significant items, net of tax	45	–
Underlying NPAT	**348**	**406**

The difference between underlying and statutory items includes the significant items detailed below::

- proceeds from settlement of legal matters ($37m pre-tax, $28m post-tax), representing the majority of the proceeds, being the amount net of legal costs incurred by the Group in relation to the matters
- transformation costs ($23m pre-tax, $16m post-tax) related to the review of non-operating cost base undertaken during FY2025 which primarily relates to redundancies ($18m) recognised as employee benefits expense; and
- goodwill impairment ($57m) related to the Bulk cash-generating unit (CGU), refer to Note 9 of the Financial Report for further information.

2. Other financial information

BALANCE SHEET SUMMARY

($M)	30 JUNE 2025	30 JUNE 2024
Current assets	1,085	991
Property, plant and equipment (PP&E)	10,165	10,153
Other non-current assets	392	452
Total assets	**11,642**	**11,596**
Total borrowings	5,313	4,897
Other current liabilities	815	772
Other non-current liabilities	1,428	1,489
Total liabilities	**7,556**	**7,158**
Net assets	**4,086**	**4,438**
Gearing (net debt / (net debt + equity))	**56.2%**	**52.2%**

Balance Sheet Movements

Current assets increased by $94m largely due to:

- an increase in inventories of $32m predominately related to below rail renewal programs across Network and Bulk Central
- an increase in trade and other receivables of $31m largely due to Network Take-or-Pay accruals
- an increase in derivative financial instruments of $17m due to the classification of cross-currency interest rate swaps for Network Euro Medium Term Note (EMTN) 2 as current, partly offset by the settlement of the cross-currency interest rate swaps for Network EMTN 1
- an increase in cash and cash equivalents of $15m.

Property, plant and equipment increased by $12m including capital additions of $686m and the acquisition of Flinders Logistics Pty Ltd (renamed Aurizon Port Services (SA) Pty Ltd) of $34m, largely offset by depreciation of $701m.

Total borrowings increased by $416m largely due to:

- net drawdowns, including transaction costs, of $229m from new debt issuance including Subordinated Notes and Medium-Term Notes, partly offset by the maturity of EMTN 1
- fair value movements of $179m.

Other current liabilities increased by $43m due to income tax provisions for the current year of $50m. This was partly offset by a reduction in provisions of $4m (largely due to insurance and employee benefit provisions) and other current liabilities of $3m.

Other non-current liabilities decreased by $61m due to net favourable movements on derivative financial instruments.

Gearing (net debt / (net debt + equity)) was 56.2% as at 30 June 2025, an increase of 4.0ppts reflecting higher borrowings and reduced equity as a result of the on-market share buy-back.

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CASH FLOW SUMMARY

($M)	FY2025	FY2024
Statutory EBITDA (Continuing operations)	**1,533**	**1,624**
Working capital and other movements	(73)	1
Non-cash adjustments — asset impairments	59	1
Net cash inflow from Continuing operations	**1,519**	**1,626**
Interest received	7	8
Income taxes paid	(70)	(26)
Principal elements of lease receipts	5	8
Net cash inflow from operating activities from Continuing operations	**1,461**	**1,616**
Net operating cash flows from Discontinued operations	–	–
Net operating cash flows	**1,461**	**1,616**
Cash flows from investing activities		
Payments for PP&E and intangibles, net of interest paid on qualifying assets	(697)	(825)
Payments for business combinations (net of cash acquired)	(25)	–
Proceeds from sale of PP&E	15	6
Net cash outflow from investing activities from Continuing operations	**(707)**	**(819)**
Net investing cash flows from Discontinued operations	–	125
Net investing cash flows	**(707)**	**(694)**
Cash flows from financing activities		
Net proceeds from / (repayment of) borrowings	236	(258)
Payment of transaction costs related to borrowings	(7)	(12)
Payments for buy-back of ordinary shares and share-based payments	(301)	(4)
Interest paid	(342)	(340)
Dividends paid to Company shareholders	(297)	(326)
Principal elements of lease payments	(28)	(26)
Net cash outflow from financing activities from Continuing operations	**(739)**	**(966)**
Net financing cash flows from Discontinued operations	–	–
Net financing cash flows	**(739)**	**(966)**
Net increase / (decrease) in cash from Continuing operations	**15**	**(169)**
Net increase in cash from Discontinued operations	**–**	**125**
Free Cash Flow (FCF)[5] from Continuing operations	**518**	**661**

Cash Flow Movements

Net cash inflows from operating activities from continuing operations decreased by $155m (10%) to $1,461m largely due to:

- a decrease in EBITDA and unfavourable working capital movements with an increase in inventories and trade and other receivables
- an increase in income taxes paid due to a higher instalment rate compared to the prior year.

Net cash outflows from investing activities from continuing operations decreased by $112m (14%) to $707m due to a reduction in capital expenditure, partly offset by the acquisition of Flinders Logistics Pty Ltd (renamed Aurizon Port Services (SA) Pty Ltd) for $25m.

Net cash outflows from financing activities from continuing operations decreased by $227m (23%) to $739m due to net proceeds from borrowings from new debt issuances including Subordinated Notes and Medium-Term Notes, partly offset by the repayment of EMTN 1 on maturity compared to net repayment of borrowings in the prior period. This was partly offset by the $300m on-market share buy-back completed during FY2025.

5 Free Cash Flow (continuing operations) defined as net cash flow from operating activities, less non-growth capex and less interest paid. It does not include growth capex (FY2025: $107m, FY2024: $204m), payments for acquisitions (FY2025: $25m, FY2024: $nil) and cash flows from significant items (FY2025: $26m, FY2024: $nil).

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Funding

The Group continues to be committed to diversifying its debt investor base and increasing average debt tenor.

Aurizon Holdings funding activity during FY2025:

- Issued an inaugural $500m of subordinated notes in May 2025, with a first call date in August 2030 and final legal maturity in 2055.

Aurizon Network funding activity during FY2025:

- €500m EMTN ($711m equivalent) repaid in September 2024, with funds drawn from existing bank debt facilities
- $100m tap of existing AMTN private placement in November 2024 (previously $20m, subsequently $120m) maturing in December 2034
- $300m AMTN issued in December 2024 for 9-years, maturing in December 2033, with funds used to repay drawn bank debt
- ¥5bn AMTN ($53m equivalent) issued in June for 15-years, maturing in 2040, with funds used to repay drawn bank debt
- $1,090m of bank debt facilities re-financed in December 2024, maturing in December 2027, with an additional $50m of bank debt facilities sourced from existing lenders.

Aurizon Operations funding activity during FY2025:

- $250m reduction in syndicated revolving facility limit (originally $400m) in September 2024 and subsequent cancellation of remaining undrawn facility in June 2025
- $490m of bilateral bank debt re-financed in June 2025, maturing in July 2028 with an additional $180m of capacity added from existing and three new bilateral bank lenders expanding the total bilateral lending group to twelve banks
- Cancellation and repayment of $200m syndicated term loan facility in June 2025.

In respect of FY2025:

- Weighted average senior debt maturity tenor was 4.9 years as at 30 June 2025 (FY2024: 4.6 years); inclusive of Aurizon Holdings' subordinated debt was 7.3 years
- Group interest cost on drawn debt was 6.3% (FY2024: 6.2%)
- Available liquidity (undrawn facilities plus cash) as at 30 June 2025 was $1,679m (FY2024: $2,031m)
- Group gearing (net debt / (net debt + equity)) as at 30 June 2025 was 56.2% (FY2024: 52.2%)
- Aurizon Network's gearing (net debt[6]/ Regulatory Asset Base (excluding Access Facilitation Deeds)) as at 30 June 2025 was 65.6% (FY2024: 64.4%). Aurizon Network's net debt[6] / EBITDA as at 30 June 2025 was 4.1 times (FY2024: 3.9 times)
- Aurizon Operations' gearing (net debt[6]/ (net debt + equity)) as at 30 June 2025 was 22.2% (FY2024: 25.9%). Aurizon Operations' net debt[6] / EBITDA as at 30 June 2025 was 1.7 times (FY2024: 1.8 times)
- Aurizon Operations' and Aurizon Network's credit ratings have each been maintained at BBB+/Baa1.

Dividend

The Board has declared a final dividend for FY2025 of 6.5 cps (fully franked) based on a payout ratio of 80% in respect of underlying NPAT from continuing operations.

The relevant final dividend dates are:

- Ex dividend: 1 September 2025
- Record date: 2 September 2025
- Payment date: 24 September 2025.

Tax

The Group statutory income tax expense for FY2025 was $153m. The Group statutory effective tax rate[7] was 33.6%, which is more than 30% due to the non-deductible goodwill impairment allocated to the Bulk CGU. The Group statutory cash tax rate[8] was 29.0%, which is less than 30% primarily due to accelerated fixed asset related adjustments and the utilisation of capital losses.

The Group underlying income tax expense for FY2025 was $151m. The Group underlying effective tax rate[9] was 30.4% due to the impact of non-deductible expenses. The Group underlying cash tax rate[10] was 25.5% which is less than 30% primarily due to accelerated fixed asset related adjustments and the utilisation of capital losses.

6 Net debt is defined as borrowings (both current and non-current) less cash and cash equivalents and excludes lease liabilities. Net debt is adjusted for funds drawn under the Intra Group Loan Agreement.
7 Statutory effective tax rate = income tax expense / statutory consolidated profit before tax.
8 Statutory cash tax rate = cash tax payable / statutory consolidated profit before tax.
9 Underlying effective tax rate = income tax expense excluding the impact of significant items / underlying consolidated profit before tax.
10 Underlying cash tax rate = cash tax payable excluding the impact of significant items / underlying consolidated profit before tax.

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BUSINESS UNIT REVIEW

NETWORK

Network refers to the business of Aurizon Network Pty Ltd (Network) which operates the 2,670km Central Queensland Coal Network (CQCN). The open access network is the largest coal rail network in Australia, connecting multiple customers from more than 40 mines to five export terminals located at three ports. The CQCN includes four major coal systems (Moura, Blackwater, Goonyella and Newlands) and a connecting link, the Goonyella to Abbot Point Expansion (GAPE).

FINANCIAL SUMMARY

($M)	FY2025	FY2024	VARIANCE
Total revenue and other income			
Track Access	1,375	1,340	3%
Services and other	53	95	(44%)
Total revenue and other income	**1,428**	**1,435**	**–**
Energy and fuel	(138)	(160)	14%
Operating costs	(334)	(345)	3%
EBITDA	**956**	**930**	**3%**
Depreciation and amortisation	(372)	(353)	(5%)
EBIT	**584**	**577**	**1%**
Tonnes (m)	208.0	209.6	(1%)
NTK (b)	50.7	51.0	(1%)
Maintenance / NTK ($/'000 NTK)	3.4	3.0	(13%)
Opex (including D&A) / NTK ($/'000 NTK)	16.7	16.8	1%
Cycle Velocity (km/hr)	22.3	21.9	2%
Usable Capacity %	81.8%	80.3%	1.5ppts

Network Performance Overview

Network EBITDA increased $26m or 3% to $956m in FY2025, driven by a reduction in operating costs (and energy and fuel) against flat revenue. Volumes were 208.0mt, 1.6mt (1%) lower than the prior year.

Track Access revenue increased by $35m (3%):

- Allowable Revenue increased by $75m, driven by the final reset Weighted Average Cost of Capital (WACC) of 8.51% in FY2025 compared to the preliminary reset WACC of 8.18% in FY2024 and a higher maintenance allowance, partly offset by a reduction in Allowable Revenue associated with customer funded infrastructure (historically offset with rebates in Other Access Revenue)
- Volumes were below the regulatory forecast (216.7 million tonnes) resulting in an Allowable Revenue under-recovery of $38m (after Take-or-Pay of $32m), which will be recovered in FY2027, compared to an over-recovery of $19m in FY2024
- Net favourable Revenue Cap (excluding GAPE) movements of $9m in FY2025 relating to FY2022 and FY2023
- Electric Energy Charge (EC) revenue was lower in FY2025 by $25m due to the EC tariff reducing from $1.66 to $1.24 per EGTK'000
- GAPE revenue was higher in FY2025 by $13m primarily due to the reset of the risk-free rate from 1 July 2024
- Other Access Revenue was $20m higher than FY2024 largely due to lower customer funded infrastructure rebates (see above).

Services and other revenue was lower by $42m (44%) in FY2025 primarily due to lower external construction revenue.

Total operating costs decreased by $33m (7%). Energy charges decreased $22m (offset in Access Revenue) due to lower wholesale energy prices, partly offset by higher connection costs. Other operating costs decreased $11m primarily due to lower external construction costs associated with lower revenue partly offset by higher maintenance costs ($21m).

Depreciation increased ($19m) (5%) with increasing ballast investment, light vehicle replacement and an asset life review.

Network's 2024-2025 RAB roll-forward estimate is $6.2bn[11] (including Access Facilitation Deeds of $0.3bn) as at 1 July 2025.

Regulation Update

On 19 June 2025, the Queensland Competition Authority (QCA) published the Independent Expert's (IE) Annual Capacity Assessment Report which identified deliverable capacity exceeds committed capacity (for the assessment period 1 July 2025 to 30 June 2030) in all systems except Newlands/GAPE. The QCA had previously confirmed in September 2024 that it was appropriate for Network to implement the Almoola signals projects with a cost estimate of $2.4m and the trial for the use of the existing Collinsville Passing Loop at $0.9m.

On 8 July 2025, Network and the Rail Working Group of the Queensland Resources Council (RWG) wrote to the QCA to advise a non-binding term sheet has been agreed which will be the basis for drafting a Draft Amending Access Undertaking (DAAU). Since mid-2024 Network and the RWG have been meeting to discuss the option of Network submitting to the QCA a DAAU to apply once the current Access Undertaking (UT5) ends on 30 June 2027. The content of the DAAU is still to be finalised by Network and the RWG over the coming months. The parties are committed to working towards a submission of the DAAU to the QCA during the December 2025 quarter, in line with the agreed term sheet.

11 Includes deferred capital and as approved capital by the QCA on 30 January 2025.

Directors' Report (continued)
OPERATING AND FINANCIAL REVIEW

COAL

Aurizon's Coal business transports coal from mines in the Newlands, Goonyella, Blackwater, Moura and West Moreton systems in Queensland (QLD) and the Hunter Valley and Illawarra coal systems in New South Wales (NSW), to domestic customers and coal export terminals.

FINANCIAL SUMMARY

($M)	FY2025	FY2024	VARIANCE
Total revenue and other income			
Above Rail	1,290	1,266	2%
Track Access	469	460	2%
Other	18	17	6%
Total revenue and other income	**1,777**	**1,743**	**2%**
Track Access costs	(483)	(474)	(2%)
Fuel costs	(96)	(105)	9%
Operating costs (excluding access and fuel)	(671)	(636)	(6%)
EBITDA	**527**	**528**	**-**
Depreciation and amortisation	(209)	(213)	2%
EBIT	**318**	**315**	**1%**
Total tonnes hauled (m)	192.2	189.0	2%
Total NTK (b)	43.6	43.5	-
Above Rail Revenue / NTK ($/'000 NTK)	29.6	29.1	2%
Opex (excluding access and fuel) / NTK ($/'000 NTK)	15.4	14.6	(5%)
Opex (including D&A, excluding access and fuel) / NTK ($/'000 NTK)	20.2	19.5	(4%)
Active locomotives (as at 30 June)	321	323	(1%)
Active wagons (as at 30 June)	8,744	8,618	1%

Coal Performance Overview

Coal EBITDA decreased by $1m to $527m due to higher operating costs partly offset by an increase in revenue due to higher volumes and yield (price indexation and customer mix).

Volumes increased 3.2mt (2%) to 192.2mt:

- CQCN volumes increased by 1.2mt (1%) to 133.7mt with an uplift in Goonyella and Moura offset by declines in Blackwater and Newlands
- NSW and South-East Queensland (SEQ), volumes increased by 2.0mt (3%) to 58.5mt mainly due to increased customer production in SEQ.

Total Coal revenue increased by $34m (2%) to $1,777m largely due to higher volumes and track access revenue (largely pass through in higher access costs) and improved revenue yield. Net revenue yield improved due to price indexation partly offset by customer mix and lower fuel revenue from lower prices.

Total operating costs increased by $35m (3%) to $1,250m largely due to the following:

- track access costs increased by $9m (2%) due to higher CQCN access tariffs
- fuel costs decreased by $9m (9%) with lower fuel prices
- other operating costs increased $35m (6%) to $671m due to higher traincrew and maintenance costs associated with volume growth, along with the escalation of labour and materials and higher doubtful debt provisions.

Operating costs (excluding access costs and fuel) per NTK increased by 5%.

Depreciation decreased by $4m (2%), resulting in an underlying EBIT of $318m, a 1% increase compared to the prior year.

The current FY2026 forecast contract position is 229mt (FY2025: 233mt).

TrainGuard, the final Goonyella and Blackwater Branch line deployment phase is complete, with the first branch line operational service deployed in the fourth quarter of FY2025.

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BULK

Aurizon's Bulk business provides integrated supply chain services, including rail and road transportation, port services and material handling for a range of mining, metal, industrial and agricultural customers throughout Australia. Aurizon's Bulk business also manages the Tarcoola-to-Darwin rail infrastructure, the intrastate rail freight network in South Australia and containerised freight services between Adelaide and Darwin.

FINANCIAL SUMMARY

($M)	FY2025	FY2024	VARIANCE
Total revenue and other income			
Freight Transport	1,100	1,060	4%
Other	22	36	(39%)
Total revenue and other income	**1,122**	**1,096**	**2%**
Access costs	(117)	(117)	-
Operating costs (excluding access costs)	(836)	(750)	(11%)
EBITDA	**169**	**229**	**(26%)**
Depreciation and amortisation	(131)	(128)	(2%)
EBIT	**38**	**101**	**(62%)**
Total tonnes hauled (m)	55.3	66.6	(17%)

Bulk Performance Overview

Bulk EBITDA decreased $60m (26%) to $169m driven by the cessation of a rail maintenance contract, lower SA grain volumes and an increase in doubtful debt provisions. This was partly offset by new customer contracts (minerals and iron ore).

Operating costs (excluding access costs) increased by $86m (11%) largely driven by an increase in doubtful debt provisions, higher labour escalation and costs to support customer growth. Excluding doubtful debt provisions, operating costs increased by 3%.

Depreciation $3m (2%) higher with increased capital expenditure to support growth resulting in EBIT decreasing by $63m (62%).

During the period, Bulk executed contracts for an integrated rail, road and port logistics solution with a term of up to 15 years[12] with BHP's Copper South Australia operations, and ten-year contract extensions were signed for rail haulage for Minara (WA) and KML (WA).

OTHER

Other includes Containerised Freight, which is not considered a separate reportable segment, as well as other revenue and central costs not allocated such as the Board, Managing Director & CEO, Company Secretary, strategy and investor relations.

($M)	FY2025	FY2024	VARIANCE
Total revenue and other income	**142**	**76**	**87%**
Operating costs	(218)	(139)	(57%)
EBITDA	**(76)**	**(63)**	**(21%)**
Depreciation and amortisation	(20)	(13)	(54%)
EBIT	**(96)**	**(76)**	**(26%)**

Other Performance Overview

EBITDA decreased by $13m (21%), driven by higher capacity costs in Containerised Freight (full schedule operations from May 2024) partly offset by the settlement of legal matters of which a portion was included in underlying earnings, relating to costs incurred.

12 Haulage and logistics tasks are contracted on a 5 year initial term with 3+2 year extensions subject to Aurizon meeting KPIs.
Terminal and logistics tasks are contracted on a 10 year initial term with 5 year extension subject to Aurizon meeting KPIs.

Directors' Report (continued)
OPERATING AND FINANCIAL REVIEW

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ADDITIONAL INFORMATION

Risk

Aurizon has a commitment to effective risk management as a key element of business success to sustain shareholder value, recognising that risk is characterised by both threat and opportunity. Aurizon fosters a risk-aware culture through a combination of leadership focus, training and the application of high-quality, integrated risk assessments to support informed decision-making and enable effective risk management.

The Board is ultimately responsible for risk management, considering a wide range of risks within strategic planning, approving Aurizon's Enterprise Risk Management Framework and Appetite, and monitoring management's performance against the framework, including whether it operates within the Board's risk appetite (see Principle 7 on Page 47 of this report).

Aurizon's Enterprise Risk Management Framework and Appetite, and supporting Risk Assessment Procedure, are aligned to the international standard for risk management (AS/NZS ISO 31000:2018).

Risk management procedures and templates deployed throughout the business integrate the assessment of safety and non-safety risks, and support a consistent approach to comprehensive, proportionate and effective risk management.

The Enterprise Governance, Risk and Assurance functions are responsible for providing oversight of the risk management framework, enterprise risk reporting to facilitate the early identification and proactive management of risk, as well as assurance on the effectiveness of the management of significant risks, to the Executive Committee and the Board.

Aurizon's Enterprise Risk Profile is actively managed and regularly reported to the Board. It includes those material inherent risks related to the enduring nature of Aurizon's business, those that present an exposure linked to the changing operating landscape or point-in-time external factors, and those risk exposures we encounter driven by our strategy and aspirations to grow.

Key risks have been grouped around three themes of operational, market and strategic risk. The commentary has been provided to describe and summarise each key risk, the nature of the potential impacts to Aurizon, our view on our ability to influence the risk and consequences being realised, and a description of management's response to that risk. This is not intended to be a comprehensive list of all risks that the business is or could be exposed to.

It represents Aurizon's own assessment of these risks at a point in time and, given the complexities and nature of these risks, this information is subjective and may be subject to change. Investors need to form their own assessment and conclusions.

LEGEND

RISK IMPACT ICONS

- **Health & Safety**
- **Strategy & Execution**
- **Financial**
- **Operational**
- **Stakeholder & Reputation**
- **Environment & Climate**

RISK INFLUENCE METER

The risk influence meter is provided to acknowledge that there are internal and external contributions to all of the risks that the business is exposed to. The meter is subjective and reflects only one way to consider further the risks presented.

A risk influence rating here means that Aurizon can significantly influence this risk; for instance, it is largely driven by internal factors or is readily managed.

A risk influence rating here means that Aurizon has limited ability to influence this risk; for instance, it is largely driven by external factors or is complex to manage.

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RISK	RISK DESCRIPTION AND POTENTIAL IMPACTS	IMPACTS AND INFLUENCE	MANAGEMENT RESPONSE
OPERATIONAL RISK			
Major Hazard, Serious Injury or Fatality	Given the nature and scale of Aurizon's operations, there are hazards in the business that, if not managed, have the potential to cause a serious injury or fatality. Aurizon's safety risk exposure is impacted by the diversity and scale of its operations — from train operations, on-track works, port operations, and heavy vehicle haulage. Incidents could include: › Level Crossing collisions — can result in death or significant injury to our people or members of the public. › Exposure to moving rollingstock — can result in death or significant injury to our people. › Road Vehicle Incident — death or injuries to our people from operating road vehicles. › Trespass — safety risks to employees and individuals due to persons illegally entering the rail corridor intentionally (theft or protest) or otherwise. The potential realisation of these risks could have direct safety, operational disruption, and reputational consequences including licence to operate.		Aurizon's commitment is keeping people safe and healthy. Our safety value 'We know safe, we choose safe' promotes leadership and personal accountability for safety. Aurizon's leadership team and Board regularly review safety performance, improvement strategies and activities across the business, aligned to a defined enterprise safety strategy. Refer to Page 25 for further information on safety.
Cyber Security and Technology Reliance	The cyber threat landscape is becoming increasingly sophisticated, and attacks are occurring more frequently, despite increased investment in cyber security by organisations and governments. Recent trends highlight increased coordination and automation by threat actors, leading to larger-scale attacks and greater operational risks. While previously data breaches may have been the main concern, widespread business disruption has steadily been on the rise. Aurizon relies on technology and is exposed to cyber-related risks which can arise through a multitude of vectors including malicious external hackers, insider threats, unintentional human error, obsolete or unsupported systems or through links to third parties. A cyber breach or other technology-related disruption could impact Aurizon's operations and impair its ability to provide services. Such an event could potentially result in financial losses, reputational damage, consequential safety, legal or regulatory action or other adverse consequences. Aurizon is reliant on fit-for-purpose technology to deliver services, maintain assets and transact business. Technology is rapidly evolving and if Aurizon does not effectively leverage advances in technology, it may become less efficient relative to competitors.		Aurizon has implemented cyber security controls to prevent, detect and respond to potential cyber security incidents including business continuity plans and response plans. Aurizon participates in external cross-industry collaboration forums and briefings where threat intelligence is shared, and specialist third-party advisers are used for monitoring and response capabilities. Aurizon continues to implement a multi-year cyber security transformation program to continue to enhance and uplift its ability to protect from, and respond to, cyber security incidents or other technology-related disruptions. Technology roadmaps are refreshed annually and technology upgrades progress through Aurizon's capital approval process including benefit identification.
Severe Weather	Aurizon owns and maintains rail track infrastructure in addition to other assets (rail and non-rail), maintenance facilities, depots and worksites across Australia. Maintaining a large physical footprint exposes Aurizon to risks caused by the increasing severity and prolonged nature of extreme weather events, such as flooding, bushfires, heatwaves and cyclones. These extreme weather events also impact our customers' production, and activities central to their supply chains (e.g. ability to transport goods and services required for their operations, port activities etc). Damage caused by destructive weather events could cause safety, health and environmental risks and operational disruption, increasing operational costs or driving financial losses, in addition to a reduction in demand for our services.		For Aurizon-owned networks, management is responsible for infrastructure asset management, including condition monitoring and maintenance and renewal programs, to identify, prepare and remediate locations at greater risk of severe weather events. Aurizon invests in operational assets and maintains inventories to reduce the impact of weather events. Assessments of operational resilience are undertaken and consideration is made of resilience in engineering design. In addition, climate resilience and risk assessments are being progressively undertaken and updated on key assets. Seasonal planning, forecast and weather monitoring provide early warning of potential severe weather and planning time for safe provision of service. Incident management and business continuity planning, protocols and expertise are essential to manage a safe and effective response to severe weather events alongside periodic testing of readiness.

Directors' Report (continued)
OPERATING AND FINANCIAL REVIEW

RISK	RISK DESCRIPTION AND POTENTIAL IMPACTS	IMPACTS AND INFLUENCE	MANAGEMENT RESPONSE
Supply Chain Reliability	Building resilient supply chains and effective inventory management is critical to optimise levels of supply and minimise costs, and ensure Aurizon's operational assets are appropriately maintained to enable uninterrupted service delivery. Ongoing global and geopolitical events continue to have increased supply chain complexity and challenged reliability, including evolving international trade relations tensions, cyber security risks, labour shortages, constraints on the availability of raw materials and risk of engaging with suppliers who are either directly or indirectly implicated in modern slavery. These risks may increase supply chain costs, lead times and delays in obtaining goods and services, which could result in operational disruption.		Aurizon is addressing these challenges by working closely with key suppliers, assessing and managing supply chain resilience and taking action to diversify supplier bases, including the creation of dual supply where possible. Our key focus remains on demand forecasting, refreshing inventory management approaches and strengthening inventory levels, and monitoring of emerging supply chain risks. In December 2024, Aurizon published its fifth Modern Slavery Statement, which addresses the Company's obligations contained in the *Modern Slavery Act 2018* (Cth).
People and Capability	Aurizon's ability to manage its workforce is central to our strategy, value proposition, and ability to compete. This includes planning, attracting, and retaining individuals with the necessary skills and expertise. Ineffective workforce management can lead to material financial, operational, and reputational impacts.		Our workforce capability planning is integrated into our organisational and business strategy, utilising HR specialists, integrating people, processes and systems, and identifying and taking targeted action on capability hotspots. We also promote our employee value proposition and actively listen to employee feedback. We have implemented talent attraction and retention strategies, including a multi-media brand campaign, career progression pathways, competitive remuneration, and investment in learning and development programs.
Greenhouse Gas Emissions, Metrics and Targets	Aurizon is an emitter of greenhouse gases (GHG) through consumption of fossil fuels used in delivering services to customers and in the creation, purchase and utilisation of our assets. Under the Safeguard Mechanism reforms which commenced on 1 July 2023, Aurizon is required to maintain its Scope 1 emissions of its National Transport Facility (captured under the Safeguard Mechanism) below an annually declining regulated baseline. Failure to do so exposes Aurizon to direct carbon costs and/or regulatory action. Due to current technology constraints, Aurizon will be required to purchase and retire Australian Carbon Credit Units (ACCUs) to meet its Safeguard compliance obligation. A key challenge is Aurizon's ability to recover increased carbon-related costs from customers against the declining baseline. Should Aurizon not be able to recover this cost directly or indirectly, it may negatively impact financial performance including impairment of assets. These challenges are compounded by evolving Australian and international governments expectations on emissions management and reporting, which may further impact Aurizon. Aurizon has set targets for the reduction of emissions and emission intensity, while also focusing on operational growth. With a large, complex and multi-year decarbonisation program, there are risks relating to: › the ability to reduce those emissions as committed to the market, particularly as operations expand › the availability of technology at scale to meet those ambitions › the availability, efficiency and affordability of renewable energy and/or drop in fuels to power the transition › reliance on third parties, including the implementation of government policy, to facilitate the transition › costs such as decarbonisation technologies, energy sources or ACCUs › the targets, or actions taken in progressing towards those targets, not being considered sufficient to key stakeholders. These risks could result in increasing operational costs, damage to social licence, shareholder action or litigation or other reputational impacts.		Aurizon is taking action to: › design, invest and support the delivery of fleet decarbonisation projects and carbon abatement initiatives › incorporate the assessment of the impact on GHG emissions as part of investment decision-making › explore and engage opportunities via partnership agreements › upskill existing and new staff with appropriate skills › continue engagement with government and regulators regarding policy and advocacy to promote fair and equitable treatment of rail as a low carbon form of land-based freight transportation, and to stimulate the domestic biodiesel production industry › implement and progressively update its ACCU purchasing strategy. Aurizon provides accurate and timely reporting of emissions and provides information about the programs in hand to reduce those emissions. For more information on our approach to climate change, including risks relating to decarbonising and net zero, also refer to our annual Sustainability Report.

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RISK	RISK DESCRIPTION AND POTENTIAL IMPACTS	IMPACTS AND INFLUENCE	MANAGEMENT RESPONSE
Volume Throughput	Aurizon has a key role in national and international supply chains, providing logistics solutions for customers across the country. Aurizon also manages and operates major rail infrastructure assets in Queensland, South Australia, and the Northern Territory, and relies on other network providers to enable operations in other locations. Ensuring efficient transportation of materials is critical for Aurizon and our customers to maximise volume and value. A deterioration in volumes transported could be driven by below rail asset condition, complexity in alignment and planning between key stakeholder interests, inadequate funding, operational performance, or impacts stemming from disruption, including weather related events. This risk could impact railed volumes, revenue, costs, customer sentiment and reputation.		For Aurizon-owned networks, management is responsible for the development and delivery of network infrastructure asset management programs, including condition monitoring and maintenance and renewal programs, alongside structured funding arrangements with independent oversight. Management engages with operators and customers through customer forums, with oversight by regulatory bodies. For all networks which Aurizon operates on, management employs the following tools to drive: › engagement and structured access arrangements with Rail Infrastructure Managers › government lobbying and advocacy through Freight on Rail Group (FORG) › performance monitoring and management initiatives › programs to enhance operational planning and ability to respond flexibly › business continuity and asset resilience programs.
Regulatory Risk of Access Undertaking	Aurizon Network is subject to economic regulation under the *Queensland Competition Authority Act 1997* (Qld), with the Central Queensland Coal Network (CQCN) operating under an approved Access Undertaking. The development and approval of the Access Undertaking for the next regulatory term (commencing 1 July 2027) presents a material regulatory risk to the business. Aurizon Network continues to engage with its customers, industry bodies, and the regulator (the Queensland Competition Authority (QCA)) to secure sustainable and commercially viable regulatory outcomes. Failure to secure appropriate pricing and regulatory settings may adversely impact revenue, constrain capital investment across the CQCN, limit operational performance and impair Aurizon's ability to meet the service performance expectations of its customers.		Aurizon Network remains committed to achieving sustainable and commercially viable regulatory outcomes for the CQCN through active engagement with the QCA, its customers and industry bodies. In accordance with the *Queensland Competition Authority Act 1997* (Qld), Aurizon Network is progressing the development of a Draft Amending Access Undertaking based on the non-binding term sheet agreed with the Rail Working Group (RWG) of the Queensland Resources Council, which amends and extends the term of the existing Access Undertaking through continued structured and collaborative engagement including: › Stakeholder Engagement: Regular and transparent engagement with industry through the Queensland Resources Council, Quarterly Stakeholder Forums, Technical Working Groups, and direct consultations with individual customers and rail operators. › Internal Review and Strategic Planning: Ongoing assessment of regulatory, operational, and commercial priorities to inform the development of a fit-for-purpose access framework. › Economic and Financial Modelling: Development of robust forecasts and financial models to support the determination of Maximum Allowable Revenue (MAR), including the Weighted Average Cost of Capital (WACC) and reference tariffs. › Domestic Regulatory Monitoring: Aurizon Network continues to monitor the regulatory landscape for decisions from other regulators that may impact, influence or justify various positions including the WACC.

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RISK	RISK DESCRIPTION AND POTENTIAL IMPACTS	IMPACTS AND INFLUENCE	MANAGEMENT RESPONSE
Regulation and Compliance	Aurizon's operations and financial performance are subject to legislative and regulatory oversight. Unfavourable regulatory changes may occur with respect to access regimes, rail accreditations, taxation, carbon reduction, environmental and industrial (including occupational health and safety) regulation and government policy and approval processes. Implementation of these changes may have a material adverse impact on project investment, Aurizon's profitability and business in general, as well as Aurizon's customers. Aurizon is also exposed to the risk of material regulatory breaches resulting in the loss of operating licences (e.g. rail accreditations), additional regulatory oversight and financial penalties. In the event of a loss of licence, critical business operations may not be supplied to customers, impacting profitability and reputation.	LIMITED INFLUENCE — SIGNIFICANT INFLUENCE	Aurizon is an active participant in consultation on future legislation (for example through the National Transport Commission), and provides participation and leadership within industry advocacy groups to bring influence on regulatory change as needed. In relevant jurisdictions where Aurizon is the Access Provider, prior to submissions being made to the relevant regulator, engagement with industry groups is sought to reduce the risk of adverse regulatory outcomes. To facilitate business compliance with legislative requirements, we provide comprehensive employee training and education, develop work systems that ensure adherence to our obligations — including the Employee Code of Conduct — and maintain rigorous internal quality assurance processes, checks, and controls. Aurizon's rail accreditation is actively managed through proactive engagement with the Office of the National Rail Safety Regulator. Dedicated resources are responsible for the active management of our licence.
MARKET RISK			
Competition	Aurizon may face competition from parties willing to compete at reduced margins, with lower returns or greater risk positions than Aurizon would accept. Market factors and changes in customer expectations may compel Aurizon to take on more risk or reduce rates to retain customers or win new work. Increased competition may come from new entrants or existing competitors and could include customers in-sourcing services, impacting Aurizon's competitiveness and posing a risk to future financial performance.	LIMITED INFLUENCE — SIGNIFICANT INFLUENCE	To reduce our exposure to competition risk, management is focused on adopting a disciplined, data-driven approach to customer offers including balanced competitive pricing. We continue to be focused on delivering consistent, high-quality services that strengthen customer value and reduce price sensitivity. In addition, strategic targeting of suitable growth and new work winning opportunities is in place across all business units supported by a central strategy team.
Counterparty	Macroeconomic drivers may degrade overall counterparty quality and creditworthiness. A move from some to divest coal assets and new customer profiles are changing Aurizon's counterparty exposures. Deterioration of counterparty quality could stem from volatile commodity demand, access to funding, operational practices, production rates and commodity price, which increase the risk of a counterparty default, challenges of operator solvency, stranded asset risk or financial losses.	LIMITED INFLUENCE — SIGNIFICANT INFLUENCE	The Aurizon Market Intelligence, Strategy and Business Unit teams work together to assess long-term demand planning and mine viability or customer commodity analysis, and support the strategic targeting of suitable growth opportunities. Counterparty credit quality is assessed and monitored by Treasury and Business Unit leadership teams, with appropriate steps taken to implement additional controls as needed.
Evolving Commodity Demand	Aurizon is leveraged to global demand for Australian bulk commodities driven by infrastructure development, energy generation (and storage), food consumption and containerised freight. Key commodities hauled include steel-making coal, thermal coal, iron ore, alumina and bauxite, grain, and containerised freight. A quicker transition to clean energy technologies could impact Aurizon's customer volumes, exacerbate key market dependencies and commodity mix. A failure to recognise this transition could also lead to suboptimal investment decisions and missed opportunities for all Business Units.	LIMITED INFLUENCE — SIGNIFICANT INFLUENCE	The Bulk Growth and Containerised Freight Strategies have been developed to set out a proactive approach to the evolution of commodity demand, resulting in diversification of markets and revenue streams and include fleet cascade opportunities from the Coal fleet to support growth in the Bulk and Containerised Freight growth. As part of the Strategy in Uncertainty framework (across coal, bulk and containerised freight markets), we undertake scenario analysis to enable the business to evaluate capital, fleet and haulage opportunities, and sustainability elements in the context of climate change risks.

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RISK	RISK DESCRIPTION AND POTENTIAL IMPACTS	IMPACTS AND INFLUENCE	MANAGEMENT RESPONSE
Sustainability and Funding	Investor and shareholder expectations will continue to focus increasingly on Sustainability, and in particular on Environmental, Social and Governance (ESG) related issues and associated enterprise performance. As the transition to a lower carbon global economy continues to gain momentum, the availability and cost of debt or insurance may become more challenging for the mining and logistics sectors. Where these risks are unmitigated, they could impact the financial viability of our customers, restrict future mining investments, lead to increasing costs of finance and insurance, reduction in credit rating or, where investor expectations are unmet, damage to reputation and social licence to operate.		In addition to the activities noted above, diversification of funding sources and early renegotiation of maturing debt helps to ensure capacity of funding and reduce impacts of increasing costs of funding. For the details of the maturity profile of existing financing arrangements, please refer to Note 18 of the Financial Report. Ongoing engagement with insurers and brokers allows closer understanding of market developments to allow policy design and renewal programs to be designed accordingly. For more information on our approach to climate change, including risks relating to financing and insurance, refer to our Climate Strategy and Action Plan and our annual Sustainability Report.
Geopolitical	Aurizon's customer base is exposed to global demand for Australian bulk commodities. Therefore, instability in global markets and trade relations could result in changes to customer profitability or viability, or disrupt global supply chains, which in turn affect Aurizon's financial performance.		The Bulk Growth and Containerised Freight Strategies have been developed to set out a proactive approach to the evolution of commodity demand, resulting in diversification of markets and revenue streams. As part of the Strategy in Uncertainty (SIU) framework, considerations are made to opportunities and risks that emerge over the medium to long term, where the timing and magnitude is less certain. In addition to the fundamental drivers of Australian coal and bulk commodities, we also review more subjective factors, such as government policy and trade considerations. Active situation monitoring of political and international trade performance allows for the identification of impacts and appropriate planning.
Macroeconomic	Aurizon is exposed to changes in the macroeconomic environment. This includes economic growth driving or restricting demand for commodities hauled, as well as exposure to increasing costs in the delivery of services, in servicing debt obligations and through an exposure to the financial viability of key customers and suppliers.		Aurizon sources funding from both bank and debt capital markets (AMTN, EMTN, USPP) providing access to a diversified investor base. The ability to raise capital in a variety of markets allows Aurizon flexibility in its approach to refinancing activities and future capital raisings. Hedging strategies are employed to manage some financial exposures, including interest rate and foreign exchange risk. Aurizon employs a duration-based hedging strategy which is annually refreshed and presented to the Board. Escalation clauses in haulage contracts provide some protection against increasing costs through inflation recovery, and counterparty credit monitoring and supply chain resilience reviews consider financial viability to manage credit risk. Please refer to Note 18 of the Financial Report which sets out Aurizon's approach to Financial Risk Management.

Directors' Report (continued)
OPERATING AND FINANCIAL REVIEW

RISK	RISK DESCRIPTION AND POTENTIAL IMPACTS	IMPACTS AND INFLUENCE	MANAGEMENT RESPONSE
STRATEGIC RISK			
Delivering Bulk Growth	Aurizon aspires to materially increase earnings from the Bulk business unit and therefore faces the risk of failing to achieve this growth. This could occur due to an inability to retain and extend existing contracts and identify and execute suitable growth opportunities, growth opportunities not materialising, or a lack of available resources and funding or other associated factors. Materialisation of these risks could result in financial losses, stranded assets, negative investor sentiment, reputational damage and failure to achieve strategic objectives.	LIMITED INFLUENCE — SIGNIFICANT INFLUENCE	A clear strategy has been developed to achieve this aspiration by diversifying our Bulk portfolio and expanding our supply chain services. To support the delivery of our Bulk Growth strategy, allocation has been made of appropriate resources, funding and expertise, along with the identification and targeting of multiple success pathways for organic and inorganic growth, to support delivery of this strategic objective.
Expansion of Containerised Freight	Aurizon is establishing a nationally significant containerised freight supply chain, leveraging its existing national footprint and operational expertise. Currently, Aurizon is heavily reliant on one major customer and therefore is exposed to the performance to that counterparty, including to changes in demand from their customers, changes in their customer base, and to their overall financial performance. As this service offering expands, Aurizon will further be exposed to increased volume risk and is reliant on securing and delivering suitable growth opportunities — such as land-bridging and additional interstate freight forwarders — to capitalise on the investment. Aurizon may not be successful in executing this strategy as a result of lower than expected demand, ineffective planning, insufficient talent, resources and assets. Materialisation of these risks could result in financial losses, stranded assets, negative investor sentiment, reputational damage and failure to achieve strategic objectives.	LIMITED INFLUENCE — SIGNIFICANT INFLUENCE	Aurizon has formulated a strategy to facilitate the expansion of our Containerised Freight service offering. This strategy includes a prioritised plan for attracting customer demand in key corridors and to support the Landbridge concept. From an operational execution perspective, there are strategies for accessing and developing key terminals and pathing, procuring and managing the required rollingstock and other assets, and implementing suitable IT systems. It also includes leveraging existing containerised freight expertise and operations, and recruiting additional personnel with the necessary expertise and skill sets.
Fleet Strategy	Aurizon's ability to effectively serve its customers is significantly impacted by its ability to make optimal use of its long-life operational assets, including rollingstock fleet (locomotives and wagons). Suboptimal management of the Aurizon fleet could result in degraded operational performance, leading to financial losses attributable to performance penalties, foregone demand, or failure to deliver on key strategic objectives, such as growing non-Coal earnings. Lack of alignment or suboptimal development or execution of the near-and longer-term fleet strategy could also lead to erosion of customer and investor confidence as well as safety risks for employees and the broader public. As Aurizon prepares to decarbonise our fleet, new technology will need to be developed, validated and, where economical to do so, scaled. A range of technical, operational, supply-chain, and regulatory risks associated with the adoption of new technologies could lead to financial losses and/or delays in meeting our climate commitments.	LIMITED INFLUENCE — SIGNIFICANT INFLUENCE	Aurizon regularly reviews both fleet allocation and performance to optimise service delivery. Track-based condition monitoring equipment and on-train telemetry systems provide real-time data to support efficient maintenance practices and asset performance management. Aurizon's Fleet Strategy combines Operational, Financial and Market Intelligence data to understand the value implications of fleet positions (e.g., long/ short; surplus/deficit) and prioritise specific interventions. For example, it is being applied to: › inform fleet allocation decisions › calibrate the optimal spend on assets › support for growth objectives › plan for potential decarbonisation pathways. Ultimately the strategy applies an enterprise lens to fleet decision-making that seeks to point assets to the right value-creating opportunities and time horizons so that Aurizon can sustainably achieve both its Free Cash Flow resilience objectives and Decarbonisation ambitions.

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Sustainability

Aurizon keeps stakeholders informed of our corporate governance and financial performance via announcements to the Australian Securities Exchange (ASX) and our website. In addition, we take a direct approach to reporting environmental, social and governance (ESG) disclosures to our stakeholders with the publication of our annual Sustainability Report.

We recognise that our climate change disclosures are one of the key interests to stakeholders. Since 2017, we have incorporated recommendations from the Financial Stability Board's Final Report: Recommendation of the Task Force on Climate-related Financial Disclosures (TCFD) in our annual Sustainability Report.

In FY2021, we published our Climate Strategy and Action Plan (CSAP). The strategy builds on our existing work in reducing our carbon footprint. We recognise that we all have a responsibility to act on climate change — government, business, and the general community — so we can achieve an effective transition to a low-carbon future.

Aurizon is committed to managing its operational activities and services in a sustainable manner, and has continued to monitor performance against key sustainability targets and objectives, which include:

- a net-zero operational emissions (Scope 1 and 2) by 2050 target
- an additional emissions intensity reduction target of 10% by 2030 to maintain an emphasis on improving existing capabilities and assets in the near term
- two primary safety metrics to measure safety outcomes across the enterprise: Serious Injury and Fatality Frequency Rate (SIFRa+p) and Total Recordable Injury Frequency Rate (TRIFR)
- gender representation on the Board
- representation of women in senior executive roles
- representation of women in the workforce
- representation of Aboriginal and Torres Strait Islander men and women in the workforce.

Details on our progress against the targets and objectives, together with the steps that are taken by the Board to ensure there is effective governance and oversight, are published in Aurizon's Sustainability Report.

Safety

At Aurizon, we are committed to protecting our people and the communities in which we operate.

During FY2025, our Safety Strategy has continued to prioritise building and implementing simple systems and processes, understanding and controlling safety risks, and building leadership and capability with a strong in-field presence. In FY2025, we continued to progress safety initiatives including the deployment of External Precise GPS (EPG) technology to enhance real-time tracking of rail safety workers in addition to transitioning to an improved fatigue risk management framework aimed at better identifying and controlling fatigue risks.

In late FY2024, Aurizon launched a national campaign — *Respect the sign. Lives are on the line*, highlighting real stories from train crews and first responders. Throughout FY2025, Aurizon delivered level crossing engagement sessions in communities across the country, using campaign resources to support a multi-faceted approach to addressing this key safety risk. A key audience was young people, which Aurizon reached through direct engagement in primary and high schools and through local community groups. Since the launch, Aurizon has presented to more than 10,000 students across Australia.

Aurizon uses two primary safety metrics to measure safety performance across the enterprise: SIFR(a+p) and TRIFR. FY2025 SIFR(a+p) was 1.64 incidents per million hours worked compared to 1.63 for FY2024. FY2025 TRIFR was 8.29 incidents per million hours worked compared to 7.36 for FY2024.

Environment

Aurizon is committed to managing its operational activities and services in an environmentally-responsible manner to meet legal, social and moral obligations. To deliver on this commitment, Aurizon seeks to comply with all applicable laws and regulations that have a planning, environmental or cultural heritage focus.

In FY2025, statutory approvals obtained and land use planning enabling non-coal growth and expansion included:

- construction of the Pimba terminal's interim stage in regional South Australia, a critical asset to the operation of the copper concentrate and cathode transport between Port Adelaide and BHP's mining and refinery/smelter operations at Olympic Dam, Prominent Hill and Carrapateena mines
- expanded operations on the Malcolm terminal, in the West Australian goldfields further supporting the 10-year iron ore haulage for Gold Valley
- the shed extension at Aurizon Port Services (APS) Newcastle, almost doubling its storage capacity (now 130,000t) that was achieved through obtaining a Complying Development Certificate and approval to intensity activities under the *Environment Planning and Assessment Act 1979*.

In addition, as part of the acquisition of Aurizon Port Services (SA) Pty Ltd (formerly Flinders Logistics Pty Ltd) existing Environment Protection Licences (EPLs), enabling port operations, were successfully transferred to Aurizon's control.

The National Greenhouse and Energy Reporting Act 2007 (NGER) (Cth) requires the Group to report its annual greenhouse gas emissions and energy use. The Group has implemented systems and processes for the collection and calculation of the data required and is registered under the NGER Act. In August 2024, Aurizon Operations submitted its Safeguard Emissions-Intensity Determination (EID) for its National Transport Facility (NTF) to the Clean Energy Regulator (CER). The EID informs Aurizon's liability under the Safeguard mechanism's declining baseline. The EID was approved by the CER in October 2024, with the associated liability for FY2024 subsequently confirmed to be 22,649 tCO2-e. Aurizon surrendered an equivalent number of Australian Carbon Credit Units (ACCUs) in February 2025, meeting its Safeguard compliance obligation.

Aurizon continues to engage with the Federal Government regarding the emissions benefits associated with shifting freight from road to rail, which supports the Government's transport sector decarbonisation roadmap.

Directors' Report (continued)
OPERATING AND FINANCIAL REVIEW

Aurizon maintained compliance with stringent noise requirements related to locomotive engines and wheel/rail interface outlined in both NSW and South Australia EPA rollingstock licencing. Aurizon also complied with obligations applicable to locomotive engine noise in all other jurisdictions across its operational footprint.

Aurizon works collaboratively with supply chain partners to minimise coal dust emissions associated with Aurizon's coal haulage operations. Data from the CQCN opacity monitoring stations indicated FY2025 yielded historically low rates of coal dust loss from tops of wagons. On the South-West System (QLD), the results of air quality monitoring undertaken by the Queensland Government continues to demonstrate rail transport (including coal haulage) complies with air quality criteria. In the Hunter Valley (NSW), Aurizon has maintained focus on compliance with its Environment Protection Licence for rollingstock operation on licensed rail networks that requires minimisation of dust generation.

Environmental and Cultural Heritage prosecutions compliance reporting in FY2025:

- Aurizon has not incurred any fines or sanctions for non-compliance related to environmental harm or cultural heritage regulations
- Aurizon has had three notifiable environmental incidents. Remedial actions were implemented as required and no ongoing material environmental impacts are anticipated.

People

At Aurizon, our people are our greatest asset. We have approximately 6,000 employees living and working across our national footprint of operations. Our Aurizon values (Safety, People, Integrity, Customer and Excellence) guide our people's work in delivering bulk commodities to the world, and are underpinned by a workplace culture of connection to enable great outcomes.

Through our commitment to safe and efficient delivery for our customers, we are building our workforce for the future. Strong leadership, culture and values-aligned people practices lay the foundation to achieve this. During the year we progressed key initiatives, including:

- Leadership programs, such as *Leading for Results and Leading for Safety*, ensure leaders at all levels have the skills to support their teams to perform at their best. Additional development programs include *Careers in Action*, supporting recent graduates and those transitioning to the rail industry, and *Rail 101*, designed to identify how respective roles contribute to the success of Aurizon. During the year the Bullying, Harassment and Discrimination policy was refreshed and included the introduction of *Creating Respectful Workplaces* program.
- Our employees' access to *myLearning* which is the online platform for training and certification and now includes greater flexibility with new mobile functionality. *myAcademy* is an online learning platform which offers online education courses, enabling employees to build capabilities aligned to their current role or career aspirations.
- Building upon existing investments in virtual reality-based training, a trial is taking place using train simulators at our Jilalan Depot in Mackay, QLD. The simulators are used by trainee drivers and replicate diesel and electric locomotives on different terrains. The success of the trial will inform how the simulators can be integrated into the curriculum across Aurizon.

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Directors' Report (continued)
REMUNERATION REPORT

Dear Shareholders

On behalf of the Board, we are pleased to present Aurizon's Financial Year (FY) 2025 Remuneration Report.

Acknowledging the Aurizon management team delivered solid progress against key initiatives during the past financial year, the year also presented challenging trading conditions for the company, resulting in lower volumes and earnings. This has been a key factor in the determination of remuneration outcomes.

The Short Term Incentive (STI) Award continues to be based on the three annual performance measures of Underlying Earnings Before Interest, Tax Depreciation and Amortisation (EBITDA), Safety and Individual Key Deliverables. A Business Unit Underlying EBITDA measure is used for the Bulk and Coal Business Units.

In relation to FY2025 financial performance, the outcome for Group Underlying EBITDA was $1,576 million, representing a 3% decrease compared to the prior year. As a result, the Group Underlying EBITDA outcome was below Threshold in the STI Award scorecard.

The Coal business achieved an above Target STI scorecard result, recording Underlying EBITDA of $527 million with higher volumes and contract rate indexation being offset by the normalisation of customer mix (lower yield) and higher operating costs.

The Bulk business Underlying EBITDA of $169 million was a decrease on the prior year driven by lower volumes, the cessation of a rail maintenance contract, a derailment in Western Australia in addition to an increase in doubtful debt provisions. This was partly offset by growth volumes from new customer contracts in minerals and iron ore. This resulted in a below Threshold STI outcome for Bulk.

In relation to Safety, Aurizon continued to use two primary metrics in the remuneration framework: Total Recordable Injury Frequency Rate (TRIFR) and Serious Injury and Fatality Frequency Rate including actual and potential events (SIFR(a+p)). Performance against both measures deteriorated during the year, resulting in a below Threshold outcome.

The STI Award also considers performance against individual objectives which vary for Key Management Personnel (KMP). These performance measures make up 30% of the STI Award scorecard and focus on delivering against our key strategic levers of accelerating cost competitiveness (optimise), achieving competitive advantage (excel) and positioning for growth (extend).

The progress of management on key strategic initiatives includes a review of the non-operational cost base delivering significant cost and process efficiencies and the signing of a non-binding term sheet with Network customers that will be the basis for drafting UT6, which will apply from 1 July 2027. The growth of our Containerised Freight business was also progressed during the year with national interstate volumes continuing to build and the commencement of land-bridging through the Port of Darwin.

Individual Key Deliverables continued to measure progress against our Climate Strategy and Action Plan, with steady progress made during the year.

Specific outcomes against Individual Key Deliverables varied between below Threshold and between Target and Stretch for Executive KMP.

Performance against the STI scorecard is reflected directly in the STIA payments for our Executive KMP, which range from nil% to 70% of target, noting that despite being eligible, the MD & CEO has elected not to receive any STI payment.

During FY2025, the 2021 Long Term Incentive (LTI) Award was subject to testing. It included relative Total Shareholder Return (TSR), Return On Invested Capital (ROIC) and Strategic Transformation measures. No portion of the TSR or ROIC components vested, and these rights will lapse. Strategic Transformation achieved an outcome at the maximum vesting point, resulting in 25% of the total award vesting.

The Board considers that these overall remuneration outcomes reach an appropriate balance between business performance, shareholder outcomes and recognition of the contribution of the Leadership Team. We would like to thank the Leadership team for their efforts in a challenging year.

Yours faithfully

Tim Poole
Chairman

Samantha Tough
Chair, People and Remuneration Committee

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Directors' Report (continued)
REMUNERATION REPORT

1. Remuneration Report Introduction

Aurizon's remuneration practices are aligned with the Company's strategy of providing rewards that drive and reflect the creation of shareholder value while attracting and retaining Directors and Executives with the right capability to achieve results.

The contents of the Remuneration Report for the year ended 30 June 2025 is set out as per Table 1. The information in this Report has been audited.

TABLE 1 — TABLE OF CONTENTS

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2. Directors and Executives

The Key Management Personnel (KMP) of the Group include the Non-Executive Directors and those Executives who have the authority and responsibility for planning, directing and controlling the activities of Aurizon.

The Non-Executive Directors and Executives that formed part of the KMP for FY2025 are identified in Table 2.

TABLE 2 — KEY MANAGEMENT PERSONNEL

NAME	POSITION
NON-EXECUTIVE DIRECTORS	
T Poole	Chairman, Independent Non-Executive Director
M Bastos	Independent Non-Executive Director
R Caplan	Independent Non-Executive Director
T Longstaff	Independent Non-Executive Director
S Ryan	Independent Non-Executive Director
L Strambi	Independent Non-Executive Director
S Tough	Independent Non-Executive Director
EXECUTIVE KMP	
A Harding	Managing Director & Chief Executive Officer (MD & CEO)
P Bains[1]	Group Executive Network
A Dartnell[2]	Group Executive Bulk
G Lippiatt[3]	Chief Financial Officer & Group Executive Strategy
E McKeiver	Group Executive Coal

1 P Bains ceased in role on 1 August 2025 and will cease with the Company on 26 September 2025. C Peppler was appointed Group Executive Network from 4 August 2025.

2 A Dartnell ceased in role on 30 June 2025 and will cease with the Company on 29 August 2025.

3 G Lippiatt ceased in role on 30 June 2025 and was appointed to Group Executive Bulk and Containerised Freight from 1 July 2025. G Long was appointed acting Chief Financial Officer & Group Executive Strategy from 1 July 2025.

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3. Remuneration Framework Components

Total potential remuneration

Aurizon's Remuneration Framework for each Executive comprises three components:

- **Fixed remuneration** (not 'at risk') that comprises salary and other benefits, including superannuation
- **Short Term Incentive Award (STIA)** ('at risk' component, awarded on the achievement of performance conditions over a 12-month period) that comprises both a cash component and a component deferred for 12 months into equity which is subject to a service condition and claw-back for financial misstatements and misconduct
- **Long Term Incentive Award (LTIA)** ('at risk' component, awarded on the achievement of performance and service conditions over a four-year period) that comprises only an equity component.

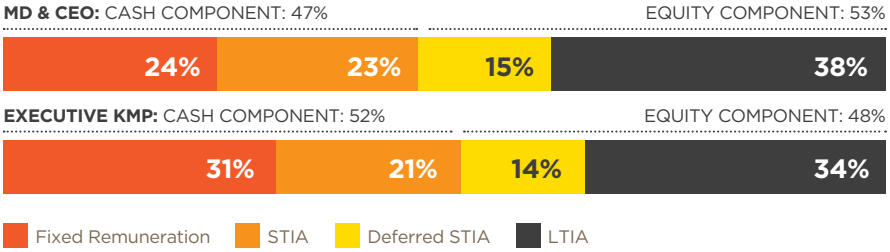
The structure is intended to provide an appropriate mix of fixed and variable remuneration, and provide a combination of incentives intended to drive performance against the Company's short and longer-term business objectives.

The mix of potential remuneration components for FY2025 for the MD & CEO and Executive KMP is set out in Figure 1: Total potential remuneration. The remuneration mix for MD & CEO and remaining Executive KMP remains unchanged from prior year.

Executive remuneration governance

Figure 2 represents Aurizon's remuneration governance framework. Details on the composition of the People and Remuneration Committee (Committee) are set out on Page 8 of this report. The Committee's Charter is available in the Governance section of the Company's website at **www.aurizon.com.au**

FIGURE 1 — TOTAL POTENTIAL REMUNERATION[1]



1 Assumes achievement of the stretch performance outcomes for STIA, full vesting of the Deferred STIA and LTIA at a value equal to the maximum opportunity of the original award i.e. assuming no share price appreciation.

FIGURE 2 — REMUNERATION GOVERNANCE FRAMEWORK

BOARD

The Board:

- approves the overall remuneration policy and ensures it is competitive, fair and aligned with the long-term interests of the Company
- approves the remuneration for Non-Executive Directors, MD & CEO, Executive KMP and the remaining Group Executives
- assesses the performance of, and determines the STIA outcome for, the MD & CEO giving due weight to objective performance measures while retaining discretion to determine final outcomes
- considers and determines the STIA outcomes of the Executive KMP and remaining Group Executives based on the recommendations of the MD & CEO.

CONSULTATION WITH SHAREHOLDERS AND OTHER STAKEHOLDERS

PEOPLE AND REMUNERATION COMMITTEE

The People and Remuneration Committee is delegated responsibility by the Board to review and make recommendations on:

- the remuneration policies and framework for the Company
- Non-Executive Director remuneration
- remuneration for MD & CEO, Executive KMP and the remaining Group Executives
- Executive incentive arrangements.

REMUNERATION CONSULTANTS AND OTHER EXTERNAL ADVISORS

In performing duties and making recommendations to the Board, the People and Remuneration Committee may from time to time appoint and engage independent advisors directly in relation to Executive remuneration matters.

These advisors:

- review and provide recommendations on the appropriateness of the MD & CEO and Executive remuneration
- provide independent advice, information and recommendations relevant to remuneration decisions.

Any recommendations and advice provided by external advisors are used to assist the Board — they do not substitute for the Board and People and Remuneration Committee processes.

MANAGEMENT

- Provides information relevant to remuneration decisions and makes recommendations to the People and Remuneration Committee
- Obtains remuneration information from external advisors to assist the People and Remuneration Committee (i.e. market data, legal advice, accounting advice, tax advice).

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Remuneration Framework and Objectives

The Board continues to review Aurizon's Remuneration Framework annually. Summarised in Figure 3 are the changes being implemented in FY2026 with no changes made in FY2025. For the purposes of the *Corporations Act 2001* no remuneration recommendations were made by remuneration consultants in relation to KMP.

FIGURE 3 — REMUNERATION FRAMEWORK AND OBJECTIVES

	PERFORMANCE MEASURE	STRATEGIC OBJECTIVES AND LINK TO PERFORMANCE	FY2025 AND FY2026 FRAMEWORK
FIXED REMUNERATION	**Considerations:** › Experience and qualifications › Role and responsibility › Retain key capability › Reference to remuneration paid by similar sized companies in similar industry sectors › Internal and external relativities.	› To attract and retain Executives with the right capability to achieve results.	› The Board reviews Executive remuneration annually but increases are not guaranteed. › Effective 1 July 2024, fixed remuneration increases between 3% and 5% were provided to some Executive KMP to ensure alignment with external peer group. The MD & CEO and Group Executive Network did not receive an increase.
SHORT TERM INCENTIVE AWARD	› Underlying EBITDA (Enterprise and, if applicable, Business Unit) (60%) › Safety Improvement (10%) TRIFR and SIFR(a+p) equally weighted 5% › Individual (30%) Measured over a one-year performance period. Participants can earn up to a maximum of 150% of 'at-target' percentage. In assessing outcomes, the Board considers relevant health and safety events and retains discretion to adjust STIA outcomes accordingly. **STIA at Risk:** **MD & CEO:** Target 100% of Fixed Remuneration and maximum 150% of Fixed Remuneration **Other Executive KMP:** Target 75% of Fixed Remuneration and maximum 112.5% of Fixed Remuneration.	The financial and non-financial performance measures were chosen because: › **Underlying EBITDA** delivers direct financial benefits to shareholders › **Safety** drives a continuous safety improvement culture and embeds safe, efficient and effective processes across all aspects of a heavy industry business › **Individual** aligns employee contribution to the achievement of Aurizon's strategy. At the start of the performance year the Board determines the MD & CEO's individual deliverables. Relevant measures are cascaded to the Executive Committee and throughout the organisation.	› No changes were made to the FY2025 STIA. › From FY2026 the Bulk Underlying EBITDA measure will be replaced by the Bulk and Containerised Freight Underlying EBITDA measure to reflect the management of Bulk and Containerised Freight under a single Group Executive.
LONG TERM INCENTIVE AWARD	› Relative Total Shareholder Return (TSR) (25%) › Strategic Transformation (25%) › Return on Invested Capital (ROIC) (50%) Measured over a four-year performance period. **LTIA at Risk (Maximum):** **MD & CEO:** 150% of Fixed Remuneration **Other Executive KMP**: 112.5% of Fixed Remuneration.	› **Relative TSR** is a measure of the return generated for Aurizon's shareholders over the performance period relative to a peer group of companies (from the ASX100 Index). › **Strategic Transformation** reflects the growing aspirations of the Bulk business and other non-coal investments. › **ROIC** reflects the fact that Aurizon operates a capital-intensive business and our focus should be on maximising the level of return generated on the capital we invest. Note: Minimum shareholding requirements for Executive KMP and the remaining Group Executive encourages retention of shares and alignment with shareholder interests.	› No changes to the 2025 Award.

TOTAL REMUNERATION

Overall, Executive remuneration is designed to support the delivery of superior shareholder returns by placing a significant proportion of an Executive's total potential remuneration at risk and awarding a significant portion of at risk pay in equity.

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4. Company Performance for Financial Year 2025

Aurizon reported Group Underlying EBITDA of $1,576 million for continuing operations for year ended 30 June 2025, an outcome below expectations.

The past 12 months has presented varied and challenging trading conditions, resulting in lower volumes and earnings. In response, significant work was undertaken to reduce our cost base, streamline management structures and re-position under-performing segments to support future profitability and growth.

Table 3 shows historical Company performance across a range of key measures. Performance across earnings and individual measures is reflected directly in STIA payments. Detail related to performance against the FY2025 STIA performance measures is provided in Table 5 (Page 34). Table 7 (Page 35) provides additional information related to the LTIA performance outcomes.

TABLE 3 — HISTORICAL COMPANY PERFORMANCE AGAINST KEY MEASURES

KEY PERFORMANCE MEASURES	DESCRIPTION	FY2025	FY2024	FY2023	FY2022	FY2021
Group Underlying EBITDA[1]	$m	1,576	1,624	1,428	1,467	1,482
Bulk Underlying EBITDA[1]	$m	169	229	214	135	140
Coal Underlying EBITDA[1]	$m	527	528	455	541	533
Network Underlying EBITDA[1]	$m	956	930	813	801	849
Return on Invested Capital (ROIC)	%	8.1	8.9	7.5	10.3	10.7
Total Recordable Injury Frequency Rate (TRIFR)	per million work hours	8.29	7.36	8.36	8.51	10.21
SIFR(a+p)[2]	per million work hours	1.64	1.63	1.92	–	–
4-year TSR	%	(2.2)	(2.3)	(14.9)	13.8	(11.1)
Share Buy Back	$m	300	–	–	–	300
Share price at beginning of year[3]	$	3.65	3.98	3.83	3.73	4.80
Share price at end of year[3]	$	3.03	3.65	3.92	3.80	3.72
Dividends per share[4]	cps	15.7	17.0	15.0	21.4	28.8
Dividends[5]	$m	227	313	275	395	533

1 Continuing operations.
2 From FY2023 the safety metric Serious Injury and Fatality Frequency Rate, including both actual and potential events (SIFR(a+p)) replaced Rail Process Safety (RPS) in the Short Term Incentive Award scorecard.
3 Share price at close of day.
4 Dividends per share for each Financial Year (the final dividend is paid in the following financial year).
5 Dividends for each Financial Year (the final dividend is paid in the following financial year).

5. Take Home Pay

Table 4 identifies the actual remuneration earned during FY2025 for Executive KMP.

The table has not been prepared in accordance with accounting standards but has been provided to ensure shareholders are able to clearly understand the remuneration outcomes for Executive KMP. Remuneration outcomes, which are prepared in accordance with the accounting standards, are provided in Section 10 (Page 39).

Fixed remuneration is reviewed annually but no increases are guaranteed. In reviewing fixed remuneration consideration is made to overall individual and business performance, as well as positioning against market peers. Effective 1 July 2024, fixed remuneration increases were provided to Executive KMP between 3% and 5% excluding the MD & CEO and Group Executive Network who did not receive an increase.

The remuneration outcomes identified in Table 4 are directly linked to the Company performance described in Section 6 (Page 33) and Section 7 (Page 35).

The actual STIA is dependent on Aurizon, Business Unit and individual performance as described in Section 6.

Performance across our key measures is also reflected directly in the STIA payments for our Executive KMP, which range from nil to 47% of their potential maximum.

The actual vesting of the LTIA is dependent on Aurizon's performance and the outcomes are further described in Section 7.

During FY2025, the 2021 LTI Award was subject to testing. No portion of the TSR or ROIC components of the award vested and these rights have lapsed. Performance against the Strategic Transformation measure resulted in maximum vesting outcome and therefore 25% of the Award has vested.

Movement in the Aurizon share price over the various performance periods is reflected in the remuneration outcomes for Executive KMP, aligning Executive KMP outcomes with the shareholder experience.

TABLE 4 — REMUNERATION EARNED IN FINANCIAL YEAR 2025

NAME	FIXED REMUNERATION[1] $'000	NON-MONETARY BENEFITS[2] $'000	STIA CASH[3] $'000	STIA DEFERRED FROM PRIOR YEAR[4] $'000	LTIA VESTING[5] $'000	SHARE PRICE APPRECIATION[6] $'000	ACTUAL FY2025 REMUNERATION OUTCOMES $'000
EXECUTIVE KMP							
A Harding[7]	1,836	10	–	662	656	(239)	2,925
P Bains	857	–	159	220	225	(81)	1,380
A Dartnell	704	–	–	129	61	(30)	864
G Lippiatt	857	–	58	225	211	(78)	1,273
E McKeiver	783	–	246	232	200	(77)	1,384

1 Reflects 26 pay periods in FY2025.
2 Non-monetary benefits represent the value of Reportable Fringe Benefits for the respective FBT year ending 31 March.
3 The amount relates to the cash component (60%) of the FY2025 STIA which will be paid in September 2025.
4 The amount relates to the deferred component (40%) of the FY2024 STIA which was awarded in performance rights and will become unrestricted in September 2025 (calculation assumes a share price of $3.44 at date of issue).
5 The 2021 Award was subject to testing in FY2025, resulting in partial vesting of the award.
6 The amount is the number of rights which vest multiplied by the increase or decrease in the Aurizon share price over the period ended 30 June 2025 (calculation assumes share price depreciation of $0.41 for Deferred STIA and depreciation of $0.98 for LTIA).
7 A Harding has elected not to receive any payment for the FY2025 STIA.

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6. Short Term Incentive Award

What is the STIA and who participates?

The STIA is 'at risk' remuneration subject to the achievement of pre-defined Company, Business Unit and individual performance measures which are set annually by the Board at the beginning of the performance period.

For each component of the STIA, three performance levels are set:

- *Threshold*, below which no STIA is paid for that component
- *Target*, which typically aligns to relevant corporate plans and budgets, a business improvement targeted outcome or reflects an improvement on historical achievement
- *Stretch*, outcomes which are materially better than Target.

The STIA applies in a similar manner to other eligible employees. For the MD & CEO, Executive KMP and the remaining Group Executives a portion (40%) will be deferred into equity for a period of 12 months, which is subject to a service condition and claw-back for financial misstatements or misconduct. The number of performance rights issued under the deferred STIA is calculated by dividing the deferred STIA portion by the five-day Volume Weighted Average Price (VWAP) of Aurizon shares at the time of their award. Each performance right is a right to receive one share in Aurizon upon vesting. Upon vesting the resulting shares are transferred to the Executive at no cost to the Executive.

What are the Company performance measures?

The performance measures which generally apply to participants are Underlying EBITDA, Safety and individual performance.

Business Unit measures are included in the scorecard for Bulk and Coal.

Each measure has a defined level of performance. The measures drive a continuous safety improvement culture, and strengthen and grow our current business while continuing to transform the Enterprise. This is achieved through a focus on people and asset efficiencies whist at the same time, delivering benefits to shareholders.

In assessing outcomes, the Board considers relevant health and safety events and retains discretion to adjust STIA outcomes accordingly.

Individual performance measures relate to each specific role and measure an individual's contribution against a range of operational and strategic performance measures. At the start of the performance year the Board determines the MD & CEO's individual deliverables. Relevant deliverables are cascaded to the Executive Committee and throughout the organisation as reflected in Figure 4.

What is the amount that participants can earn through an STIA?

The employment agreements specify a target STIA, expressed as a percentage of Fixed Remuneration (100% for the MD & CEO and 75% for the remaining Executive KMP). Each participant can earn between 0% up to a maximum of 150% of this target percentage, depending on performance and subject to Board discretion.

Depending on performance assessed at year end, participants may earn for each enterprise measure: 0% for performance below Threshold, 50% at Threshold (for measures other than Underlying EBITDA, for which *Threshold* earnings are 30%) with a linear scale up to 100% at Target performance; and a further linear scale to 200% at Stretch performance.

STIA outcomes are determined by calculating the performance outcome against the relevant weighted performance measure. Figure 5 provides an example of an at-target performance outcome based on the FY2025 scorecard.

What are the outcomes for FY2025?

Table 5 identifies the performance measures, relevant weightings, and outcomes for FY2025. The overall FY2025 outcomes for Executive KMP are identified within Table 6.

Enterprise measures

Group Underlying EBITDA performance resulted in an outcome below Threshold and both TRIFR and SIFR(a+p) resulted in a below Threshold outcome.

Business Unit measures

Underlying EBITDA performance resulted in an above Target outcome for Coal and a below Threshold outcome for Bulk.

Individual deliverable measures

The STIA also considers performance against individual deliverables which vary for Executives and are aligned to delivering against our key strategic levers of accelerating cost competitiveness (Optimise), achieving competitive advantage (Excel) and positioning for growth (Extend).

Management delivered solid progress against key strategic initiatives including a review of the non-operational cost base delivering significant cost and process efficiencies. The growth of our Containerised Freight business was also progressed during the year with national interstate volumes continuing to build and the commencement of land-bridging through the Port of Darwin.

In addition, Individual Key Deliverables continued to measure progress against our Climate Strategy and Action Plan, with steady progress made during the year.

Outcomes varied between below Threshold and between Target and Stretch for Executive KMP against the Individual Deliverables.

FIGURE 4 — STRATEGIC MEASURES CASCADING PROCESS

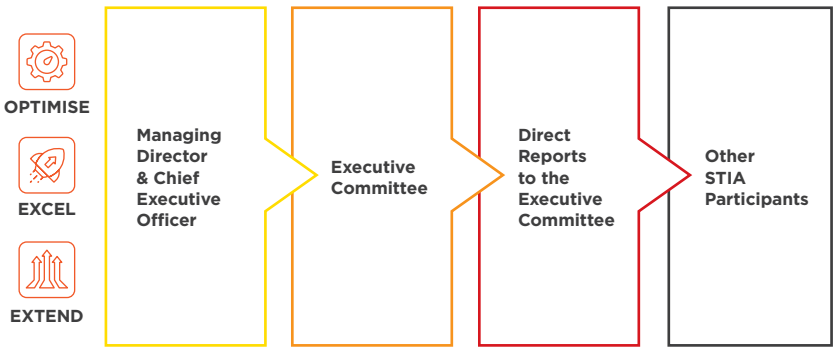

FIGURE 5 — STIA TARGET PERFORMANCE OUTCOME CALCULATION

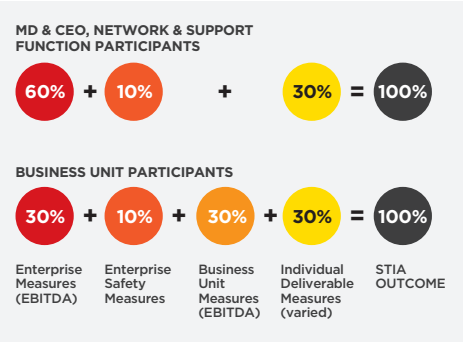

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TABLE 5 — SHORT TERM INCENTIVE AWARD FINANCIAL YEAR 2025 OBJECTIVES[1]

PERFORMANCE MEASURE	WEIGHTING: MD & CEO, CFO & NETWORK	WEIGHTING: COAL & BULK	TARGET	FY2025 PERFORMANCE OUTCOME
ENTERPRISE				
Group Underlying EBITDA: Underlying EBITDA delivers financial benefit to shareholders through the achievement of underlying operating earnings.	60%	30%	$1,700m	$1,576m ●
Group Safety: The measures drive a commitment to delivering a continuous safety improvement culture across all of the Company measured through equally weighted parameters which include:				
› Total Recordable Injury Frequency Rate (TRIFR)	5%	5%	6.62	8.29 ●
› Serious Injury and Fatality Frequency Rate, including both actual and potential events (SIFR(a+p)).	5%	5%	1.47	1.64 ●
BUSINESS UNIT				
Coal Underlying EBITDA	–	30%	$522m	$527m ●
Bulk Underlying EBITDA			$244m	$169m ●
INDIVIDUAL: At the start of the performance year the Board determines the MD & CEO individual deliverables. These individual deliverables are based on the Aurizon strategy of continuing to optimise, excel and extend the business. Relevant measures are subsequently cascaded to the Group Executives and the organisation. During FY2025 key deliverables included:	30%	30%	Individual performance targets vary for each specific role	Individual outcomes for MD & CEO and Executive KMP ranged from below Threshold to between Target and Stretch
› Deliver efficiency through continued transformation and advancement of people and safety plans				
› Continued education and awareness campaign (*Respect the sign. Lives are on the line*) to improve level crossing safety				
› Targeted capital investment and portfolio changes that support decarbonisation trajectory and optimise fleet composition				
› Ongoing execution of Aurizon's Climate Strategy and Action Plan				
› Progress growth initiatives in Bulk, Containerised Freight and other non-coal growth execution.				
TOTAL OUTCOME	100%	100%		

1 Company performance hurdles relate to continuing operations.

● Stretch ● Between Target & Stretch ● Target ● Between Threshold & Target ● Threshold ● Below Threshold

TABLE 6 — SHORT TERM INCENTIVE AWARDED IN FINANCIAL YEAR 2025

NAME	TARGET STIA $'000	MAXIMUM POTENTIAL STIA $'000	AWARDED FY2025 $'000: STIA CASH COMPONENT	AWARDED FY2025 $'000: STIA DEFERRED SHARE COMPONENT[1]	AWARDED FY2025 $'000: TOTAL STIA PAYMENT	% OF TARGET STIA	% OF MAXIMUM STIA	% OF MAXIMUM STIA FORFEITED
EXECUTIVE KMP								
A Harding[2]	1,836	2,754	–	–	–	–	–	100
P Bains	643	964	159	106	265	41	27	73
A Dartnell	528	792	–	–	–	–	–	100
G Lippiatt	643	964	58	38	96	15	10	90
E McKeiver	587	881	246	164	410	70	47	53

1 A portion (40%) of the STIA awarded in the form of rights to shares, which vest on the first anniversary of payment of the cash component subject to Board's ability to 'claw-back' and a service condition.

2 A Harding has elected not to receive any payment for the FY2025 STIA.

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7. Long Term Incentive Award

What is the LTIA and who participates?

The LTIA is the component of Total Potential Remuneration linked to providing long-term incentives for selected Executives whom the Board has identified as being able to contribute directly to the generation of long-term shareholder returns. This includes the MD & CEO, Executive KMP, the remaining Group Executives and a number of other management employees.

What is the amount that Executives can earn through an LTIA?

The maximum potential remuneration (expressed as a percentage of Fixed Remuneration) available through the LTIA is 150% in the case of the MD & CEO and 112.5% for the remaining Executive KMP.

What is the performance period?

The company hurdles for the LTIA are measured over a four-year period. Retesting does not form part of any award.

What are the performance hurdles?

There are three performance hurdles: Relative Total Shareholder Return, Average Return on Invested Capital and Strategic Transformation as outlined in Table 8.

How is the LTIA determined?

The number of performance rights issued under the LTIA to each Executive is calculated by dividing their respective LTIA potential remuneration (expressed as a percentage of Fixed Remuneration) by the five-day Volume Weighted Average Price (VWAP) of Aurizon shares at the time of their award.

Each performance right is a right to receive one share in Aurizon upon vesting. The number of performance rights that vest is determined by performance outcomes compared against predetermined company hurdles as described in Table 7 and Table 8.

What happens when performance rights vest?

Performance rights awarded under the LTIA vest subject to the satisfaction of company hurdles. Rights vest and the resulting shares are transferred to the Executive at no cost to the Executive. Value of the award will be subject to movements in the Aurizon share price over the performance period, aligning Executive outcomes and shareholder experience.

Company performance and vesting outcomes for the 2021 LTIA is identified in Table 7. Aurizon's performance resulted in partial vesting of the Award.

TABLE 7 — COMPANY PERFORMANCE AGAINST LONG TERM INCENTIVE AWARDS SUBJECT TO TESTING IN FINANCIAL YEAR 2025

COMPANY HURDLE AND PERFORMANCE MEASUREMENT PERIOD		WEIGHTING	RESULT	VESTED	LAPSED
2021 AWARD: 1 JULY 2021 – 30 JUNE 2025					
Relative TSR: against peer group within ASX100 Index	30% of rights vest at the 50th percentile, 75% at the 62.5th percentile up to 100% at the 75th percentile	25%	Below 50th Percentile ●	0%	100%
ROIC: average annual ROIC FY2022 – FY2025	50% of rights vest with an average ROIC of 9.5%, up to 100% at 10.5%	50%	8.7% ●	0%	100%
Strategic Transformation: non-coal gross revenue growth over the performance period	50% of rights vest with non-coal gross revenue growth of 29%, up to 100% at 43%	25%	73% ●	100%	0%

● Maximum ● Between Minimum and Maximum ● Minimum ● Below Minimum

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TABLE 8 — LONG TERM INCENTIVE AWARD PERFORMANCE OVERVIEW AND HURDLES FOR FUTURE AWARDS

DEFINITION	VESTING THRESHOLDS

RELATIVE TOTAL SHAREHOLDER RETURN

Measures the growth in share price plus cash distributions notionally reinvested in shares and is:

- conditional on Aurizon's TSR performance relative to a peer group of companies in the ASX 100 index that are broadly comparable to Aurizon (i.e. with which Aurizon competes for capital and/or capability, specifically companies in the industrials, energy, materials, real estate and utilities Industry Sectors (approximately 50))
- determined by reference to a VWAP over a period to smooth any short-term 'peaks' or 'troughs'
- verified by an independent expert.

Vesting Thresholds are consistent across all outstanding Awards

	WEIGHTING	MINIMUM VESTING		MAXIMUM VESTING
Outstanding 2022 Award 2023 Award 2024 Award **Future** 2025 Award	25%	30% of Rights vest at the 50th percentile	75% of Rights vest at the 62.5th percentile	100% of Rights vest at the 75th percentile

All rights will vest pro-rata on a straight-line basis between the minimum and maximum vesting points

RETURN ON INVESTED CAPITAL

For the purposes of LTIA, ROIC is underlying EBIT divided by Invested Capital and will be calculated on the same basis as published ROIC with the following exceptions:

- adjusted, for Invested Capital, to exclude major (infrastructure investments with an approved budget capital expenditure over $250m) assets under construction until these investments are planned to generate income, subject to Board discretion (for example, in the case of a delay judged to be outside the control of management and not able to be foreseen or mitigated)
- adjusted (add-back depreciation charge and invested capital) to reflect asset impairments which occur during the performance period, excluding asset impairments driven by continued efficiency and productivity improvements.

Vesting Thresholds are consistent across all outstanding Awards

	WEIGHTING	MINIMUM VESTING	MAXIMUM VESTING
Outstanding 2022 Award 2023 Award 2024 Award **Future** 2025 Award	50%	50% of Rights vest with an average ROIC of 9.5%	100% of Rights vest with an average ROIC of 10.5%

All rights will vest pro-rata on a straight-line basis between the minimum and maximum vesting points

STRATEGIC TRANSFORMATION

Measures the growth aspirations of the Bulk business and other non-Coal investments.

Aligns with the long-term strategic direction to more than double the size of the Bulk and Containerised Freight business by FY2030 by expanding across the bulk commodities supply chain.

- For the 2022 Award, determined by reference to Non-Coal Underlying EBITDA growth over the performance period. The 2022 Award baseline reflects combined Underlying EBITDA for Bulk and One Rail Australia (excluding East Coast Rail).
- From the 2023 Award, determined by reference to Non-Coal Underlying EBITDA growth over the performance period. The baseline reflects Total Underlying Group EBITDA less Network and Coal EBITDA.

Vesting Thresholds vary across outstanding Awards

	WEIGHTING	MINIMUM VESTING	MAXIMUM VESTING
Outstanding			
2022 Award	25%	50% of Rights vest with Non-Coal Underlying EBITDA growth of 45%	100% of Rights vest with Non-Coal Underlying EBITDA growth of 60%
2023 Award	25%	50% of Rights vest with Non-Coal Underlying EBITDA growth of 121%	100% of Rights vest with Non-Coal Underlying EBITDA growth of 146%
2024 Award	25%	50% of Rights vest with Non-Coal Underlying EBITDA growth of 131%	100% of Rights vest with Non-Coal Underlying EBITDA growth of 157%
Future			
2025 Award	25%	50% of Rights vest with Non-Coal Underlying EBITDA growth of 283%	100% of Rights vest with Non-Coal Underlying EBITDA growth of 326%

All rights will vest pro-rata on a straight-line basis between the minimum and maximum vesting points

How does Aurizon utilise retention awards?

In some circumstances, as approved by the Board, Management may recommend using retention awards where the services of an individual are considered critical to Aurizon over the short-to-medium term and the existing remuneration arrangements are thought to be insufficient to retain those services. Retention awards may be time-based or project-based and are governed by stringent performance conditions and may be cash-based or equity-based. During FY2025, no retention awards were issued to Executive KMP and 60,168 performance rights were issued across a number of other employees. Further information is available in Note 26 of the Financial Report (Page 96).

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8. Executive Employment Agreements

Remuneration and other terms of employment for the MD & CEO and Executive KMP are formalised in an Employment Agreement as summarised in Table 9.

Minimum shareholding and retention policy

To align KMP and Group Executives with shareholders, the Company requires:

- Non-Executive Directors to accumulate and maintain one year's Total Directors' fees (consisting of Directors' fee plus applicable Committee fee/s) of shares in the Company
- the MD & CEO to accumulate and maintain one year's Fixed Remuneration of shares in the Company
- the remaining Executive KMP and Group Executives to accumulate and maintain 50% of one year's Fixed Remuneration of shares in the Company.

This is to be achieved within six years of the date of their appointment. This will be calculated with reference to the Total Directors' fees and Executives' Fixed Remuneration during the period divided by the number of years.

Table 10 shows the shareholdings and movements in shares held by KMP during the year.

On 16 May 2025, Tim Poole purchased 10 Subordinated Notes, valued at $10,000 per Subordinated Note, for total consideration of $100,000 with no equity conversion features, issued by Aurizon Holdings Limited.

Hedging and margin lending policies

Aurizon has in place a policy that prohibits Executives from hedging economic exposure to unvested rights that have been issued pursuant to a Company employee share plan. The policy also prohibits margin loan arrangements for the purpose of purchasing Aurizon shares. Adherence to this policy is monitored regularly and involves each Executive signing an annual declaration of compliance with the policy.

TABLE 9 — EMPLOYMENT AGREEMENTS

NAME	DURATION OF EMPLOYMENT AGREEMENT	FIXED REMUNERATION AT END OF FINANCIAL YEAR 2025[1]	NOTICE PERIOD[2]	
			BY EXECUTIVE	BY COMPANY[3]
EXECUTIVE KMP				
A Harding	Ongoing	1,836,000	6 months	12 months
P Bains[4]		857,000	3 months	6 months
A Dartnell[5]		704,000	3 months	6 months
G Lippiatt	Ongoing	857,000	3 months	6 months
E McKeiver	Ongoing	783,000	3 months	6 months

1 Fixed remuneration includes a superannuation component and reflects 26 pay periods in FY2025.
2 Post employment restraints in any competitor business in Australia are aligned to the notice period.
3 Any termination payment will be subject to compliance with the Corporations Act 2001.
4 P Bains ceased in role on 1 August 2025 and will cease with the Company on 26 September 2025.
5 A Dartnell ceased in role on 30 June 2025.

TABLE 10 — KMP SHAREHOLDINGS AS AT 30 JUNE 2025

NAME	NUMBER OF SHARES				MINIMUM SHAREHOLDING REQUIREMENT ACHIEVED[3]	DATE MINIMUM SHAREHOLDING REQUIRED
	BALANCE AT THE START OF THE YEAR	RECEIVED DURING THE YEAR ON VESTING	OTHER CHANGES DURING THE YEAR	BALANCE AT THE END OF THE YEAR		
NON-EXECUTIVE DIRECTORS						
T Poole	250,500	–	–	250,500	Yes	
M Bastos	65,947	–	–	65,947	Yes	
R Caplan	82,132	–	–	82,132	Yes	
T Longstaff	27,500	–	30,000	57,500		1 June 2029
S Ryan	63,000	–	5,000	68,000		1 December 2025
L Strambi	62,362	–	9,030	71,392		1 December 2025
S Tough	–	–	31,586	31,586		1 September 2029
EXECUTIVE KMP						
A Harding	2,513,926	105,794	–	2,619,720	Yes	
P Bains[1]	439,346	67,343	–	506,689	N/A	N/A
A Dartnell[2]	38,618	4,031	–	42,649	N/A	N/A
G Lippiatt	259,041	33,760	–	292,801		1 July 2026
E McKeiver	115,484	27,653	–	143,137	Yes	

1 P Bains ceased in role on 1 August 2025 and will cease with the Company on 26 September 2025.
2 A Dartnell ceased in role on 30 June 2025.
3 Share price for the purposes of calculating the minimum shareholding requirement is the share price as at 30 June 2025 ($3.03).

Directors' Report (continued)
REMUNERATION REPORT

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9. Non-Executive Director Remuneration

Fees for Non-Executive Directors are set at a level to attract and retain Directors with the necessary skills and experience to allow the Board to have a proper understanding of, and competence to deal with, current and emerging issues for Aurizon.

Remuneration for Non-Executive Directors is reviewed by the Committee and set by the Board, taking into account external benchmarking. Fees and payments to Non-Executive Directors are reviewed annually by the Board and reflect the demands which are made on, and the responsibilities of, the Directors.

The Chairman's fees are determined independently to the fees of Non-Executive Directors, based on comparative roles in the external market.

The Chairman does not participate in any discussions relating to the determination of his own remuneration.

Fee structure

The current annual base fees for the Non-Executive Directors are set out in Table 11.

The Chairman's fee is inclusive of fees for Committee memberships.

In addition, to the base Directors' fee, the other Non-Executive Directors receive the applicable fee component for chairperson and/or membership responsibilities. These Committee fees are set out in Table 12.

The base Directors' fee and Committee fees include both cash and any contributions to a fund for the purposes of superannuation benefits.

There are no other retirement benefits in place for Non-Executive Directors. Non-Executive Directors do not receive a performance pay.

The actual remuneration outcomes for the Non-Executive Directors of the Company are summarised in Table 13. Details of the Non-Executive Director membership is disclosed on Page 8.

What are the aggregate fees approved by shareholders?

The aggregate fees are $2.5 million. The cap does not include remuneration for performing additional or special duties for Aurizon at the request of the Board or reasonable travelling, accommodation and other expenses of Director in attending meetings and carrying out their duties.

TABLE 11 — DIRECTORS' FEES

DIRECTORS	TERM	FEES
Chairman	Directors' fees (inclusive of all responsibilities and superannuation)	$490,000
Other Non-Executive Directors	Directors' fees (inclusive of superannuation)	$170,000

TABLE 12 — COMMITTEE FEES

	NETWORK BOARD	AUDIT, GOVERNANCE & RISK MANAGEMENT COMMITTEE	PEOPLE AND REMUNERATION COMMITTEE	SAFETY, HEALTH & ENVIRONMENT COMMITTEE
Chairperson	$40,000	$40,000	$35,000	$35,000
Member	$20,000	$20,000	$17,500	$17,500

TABLE 13 — NON-EXECUTIVE DIRECTORS' REMUNERATION

		SHORT-TERM EMPLOYEE BENEFITS		POST-EMPLOYMENT BENEFITS	
NAME	YEAR	SALARY AND FEES[1] $'000	NON-MONETARY BENEFITS[2] $'000	SUPERANNUATION $'000	TOTAL REMUNERATION $'000
NON-EXECUTIVE DIRECTORS					
T Poole	**2025**	**460**	**–**	**30**	**490**
	2024	463	–	27	490
M Bastos	**2025**	**202**	**–**	**23**	**225**
	2024	203	–	22	225
R Caplan	**2025**	**186**	**–**	**22**	**208**
	2024	187	–	21	208
T Longstaff	**2025**	**217**	**–**	**13**	**230**
	2024	213	–	11	224
S Ryan	**2025**	**186**	**–**	**22**	**208**
	2024	208	–	–	208
L Strambi	**2025**	**204**	**–**	**24**	**228**
	2024	205	–	23	228
S Tough[3]	**2025**	**184**	**–**	**21**	**205**
	2024	146	–	16	162
FORMER NON-EXECUTIVE DIRECTORS					
S Lewis[4]	**2025**	**–**	**–**	**–**	**–**
	2024	66	7	8	81
Total	**2025**	**1,639**	**–**	**155**	**1,794**
	2024	1,691	7	128	1,826

1 Salary and fees include any salary sacrificed benefits and reflects 26 pay periods in FY2025.
2 Non-monetary benefits represent the value of Reportable Fringe Benefits for the respective FBT year ending 31 March.
3 S Tough commenced 1 September 2023.
4 S Lewis retired on 12 October 2023.

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10. Executive Remuneration for Financial Year 2025

The table below details the number and value of movements in equity awards during FY2025[1].

TABLE 14 — RIGHTS GRANTED AS COMPENSATION

INCENTIVE PLAN[2]	BALANCE AT BEGINNING OF YEAR	RIGHTS GRANTED[3]	RIGHTS VESTED		RIGHTS FORFEITED		BALANCE AT END OF YEAR	WEIGHTED FAIR VALUE PER RIGHT AT GRANT DATE	GRANT DATE	VEST DATE	ISSUE DATE
	NO.	NO.	NO.	%	NO.	%	NO.	$			
EXECUTIVE KMP											
A Harding											
2020 LTIA[4]	556,263	–	–	-	(556,263)	100%	-	2.51	Oct-20	Jun-24	Oct-24
2021 LTIA[5]	654,613	–	(163,653)	25%	(490,960)	75%	-	2.72	Oct-21	Jun-25	Oct-25
2022 LTIA	694,087	–	–	-	-	-	694,087	2.43	Oct-22	Jun-26	Oct-26
2023 DSTIA[6]	105,794	–	(105,794)	100%	-	-	-	3.59	Sep-23	Sep-24	Sep-24
2023 LTIA	750,409	–	–	-	-	-	750,409	2.54	Oct-23	Jun-27	Oct-27
2024 DSTIA[7]	–	192,567	–	-	-	-	192,567	3.44	Sep-24	Sep-25	Sep-25
2024 LTIA	–	822,090	–	-	-	-	822,090	2.37	Oct-24	Jun-28	Oct-28
P Bains											
2020 LTIA[4]	191,469	–	–	–	(191,469)	100%	–	2.51	Oct-20	Jun-24	Oct-24
2021 LTIA[5]	224,439	–	(56,110)	25%	(168,329)	75%	–	2.72	Oct-21	Jun-25	Oct-25
2022 LTIA	238,303	–	–	–	–	–	238,303	2.43	Oct-22	Jun-26	Oct-26
2023 DSTIA[6]	67,343	–	(67,343)	100%	–	–	–	3.59	Sep-23	Sep-24	Sep-24
2023 LTIA	262,704	–	–	–	–	–	262,704	2.54	Oct-23	Jun-27	Oct-27
2024 DSTIA[7]	–	64,051	–	–	–	–	64,051	3.44	Sep-24	Sep-25	Sep-25
2024 LTIA	–	287,799	–	–	–	–	287,799	2.53	Oct-24	Jun-28	Oct-28
2025 DSTIA[8]	–	35,334	–	–	–	–	35,334	3.01	Sep-25	Sep-26	Sep-26
A Dartnell											
2020 LTIA[4]	51,404	–	–	–	(51,404)	100%	–	2.51	Oct-20	Jun-24	Oct-24
2021 LTIA[5]	61,097	–	(15,274)	25%	(45,823)	75%	–	2.72	Oct-21	Jun-25	Oct-25
2022 LTIA	65,799	–	–	–	–	–	65,799	2.43	Oct-22	Jun-26	Oct-26
2023 DSTIA[6]	4,031	–	(4,031)	100%	–	–	–	3.59	Sep-23	Sep-24	Sep-24
2023 LTIA	205,381	–	–	–	–	–	205,381	2.54	Oct-23	Jun-27	Oct-27
2024 DSTIA[7]	–	37,454	–	–	–	–	37,454	3.44	Sep-24	Sep-25	Sep-25
2024 LTIA	–	236,418	–	–	–	–	236,418	2.53	Oct-24	Jun-28	Oct-28
G Lippiatt											
2020 LTIA[4]	170,086	–	–	–	(170,086)	100%	–	2.51	Oct-20	Jun-24	Oct-24
2021 LTIA[5]	210,411	–	(52,603)	25%	(157,808)	75%	–	2.72	Oct-21	Jun-25	Oct-25
2022 LTIA	231,362	–	–	–	–	–	231,362	2.43	Oct-22	Jun-26	Oct-26
2023 DSTIA[6]	33,760	–	(33,760)	100%	–	–	–	3.59	Sep-23	Sep-24	Sep-24
2023 LTIA	255,041	–	–	–	–	–	255,041	2.54	Oct-23	Jun-27	Oct-27
2024 DSTIA[7]	–	65,447	–	–	–	–	65,447	3.44	Sep-24	Sep-25	Sep-25
2024 LTIA	–	287,799	–	–	–	–	287,799	2.53	Oct-24	Jun-28	Oct-28
2025 DSTIA[8]	–	12,833	–	–	–	–	12,833	3.01	Sep-25	Sep-26	Sep-26
E McKeiver											
2020 LTIA[4]	165,956	–	–	–	(165,956)	100%	–	2.51	Oct-20	Jun-24	Oct-24
2021 LTIA[5]	199,190	–	(49,797)	25%	(149,393)	75%	–	2.72	Oct-21	Jun-25	Oct-25
2022 LTIA	211,494	–	–	–	–	–	211,494	2.43	Oct-22	Jun-26	Oct-26
2023 DSTIA[6]	27,653	–	(27,653)	100%	–	–	–	3.59	Sep-23	Sep-24	Sep-24
2023 LTIA	233,154	–	–	–	–	–	233,154	2.53	Oct-23	Jun-27	Oct-27
2024 DSTIA[7]	–	67,592	–	–	–	–	67,592	3.44	Sep-24	Sep-25	Sep-25
2024 LTIA	–	262,948	–	–	–	–	262,948	2.54	Oct-24	Jun-28	Oct-28
2025 DSTIA[8]	–	54,639	–	–	–	–	54,639	3.01	Sep-25	Sep-26	Sep-26

1 Each equity instrument granted, vested or exercised (as applicable) were issued by Aurizon and resulted or will result in a right to receive one ordinary share in Aurizon being provided.

2 Rights issued expire at 31 December in the year of the vest date.

3 The number of performance rights awarded, as described in Section 7, is a function of the market price (5-day VWAP) at the time of the award, that is, 'face value'. For remuneration purposes, Aurizon does not use fair value to determine LTI Awards.

4 Details of the vesting outcomes are described in Table 8 in the FY2024 Remuneration Report.

5 Details of vesting outcomes are described in Table 7.

6 Deferred STIA component as described in Section 3 and Section 6 of this report and Table 7 in the FY2023 Remuneration Report.

7 Deferred STIA component as described in Section 3 and Section 6 of this report and Table 7 in the FY2024 Remuneration Report.

8 An estimate for the number of rights to be awarded under the FY2025 deferred STIA scheme is included using the VWAP share price of $3.01 per share at 30 June 2025. The FY2025 deferred STIA will be awarded in performance rights in September 2025 and become unrestricted in September 2026 pending vesting conditions.

Directors' Report (continued)
REMUNERATION REPORT

Details of the remuneration paid to Executives are set out below and has been prepared in accordance with the accounting standards.

TABLE 15 — EXECUTIVE REMUNERATION

		SHORT-TERM EMPLOYEE BENEFITS				POST-EMPLOYMENT BENEFITS	LONG-TERM BENEFITS	EQUITY-SETTLED SHARE-BASED PAYMENTS				
NAME	YEAR	CASH SALARY AND FEES[1] $'000	CASH BONUS[2] $'000	ANNUAL LEAVE[3] $'000	NON-MONETARY BENEFITS[4] $'000	SUPER-ANNUATION[5] $'000	LONG-SERVICE LEAVE $'000	RIGHTS[6] $'000	TERMINATION PAYMENTS $'000	TOTAL $'000	PROPORTION OF COMPENSATION PERFORMANCE RELATED[7] %	REMUNERATION CONSISTING OF RIGHTS FOR THIS YEAR %
EXECUTIVE KMP		**A**	**B**	**C**	**D**	**E**	**F**	**G**	**H**	**I**	**J**	**K**
A Harding	**2025**	**1,806**	**–**	**(43)**	**10**	**30**	**41**	**1,540**	**–**	**3,384**	**46%**	**46%**
	2024	1,809	994	30	–	27	80	1,306	–	4,246	54%	31%
P Bains[8]	**2025**	**827**	**159**	**(44)**	**–**	**30**	**21**	**603**	**–**	**1,596**	**48%**	**38%**
	2024	829	331	3	–	29	32	538	–	1,762	49%	31%
A Dartnell[9]	**2025**	**674**	**–**	**(4)**	**–**	**30**	**27**	**380**	**786**	**1,893**	**20%**	**20%**
	2024	643	193	(5)	–	27	20	174	–	1,052	35%	17%
G Lippiatt	**2025**	**827**	**58**	**(1)**	**–**	**30**	**25**	**550**	**–**	**1,489**	**41%**	**37%**
	2024	805	338	(70)	–	27	25	440	–	1,565	50%	28%
E McKeiver	**2025**	**753**	**246**	**(8)**	**–**	**30**	**(37)**	**576**	**–**	**1,560**	**53%**	**37%**
	2024	734	349	22	–	27	(19)	390	–	1,503	49%	26%
Total Executive KMP compensation (group)	**2025**	**4,887**	**463**	**(100)**	**10**	**150**	**77**	**3,649**	**786**	**9,922**	**41%**	**37%**
	2024	4,820	2,205	(20))	–	137	138	2,848	–	10,128	50%	28%

1 Cash salary and fees include any salary sacrifice benefits and reflects 26 pay periods.
2 This amount relates to the cash component (60%) of the FY2025 STIA which will be paid in September 2025.
3 Annual leave represents annual leave accrued or utilised during the financial year and excludes periods of unpaid annual leave. Negative amounts represent the utilisation of annual leave.
4 Non-monetary benefits represent the value of Reportable Fringe Benefits for the respective FBT year ending 31 March.
5 Superannuation amounts represent employers' contribution to superannuation and reflects 26 pay periods.
6 The accounting expense recognised in relation to rights granted in the year is the fair value independently calculated at grant date using an expected outcome model. This was consistent with the Monte-Carlo simulation conducted in the prior year and resulted in similar outcomes. This amount is progressively expensed over the vesting period. Refer to Note 26 for further details regarding the fair value of Rights. These values may not represent the future value that the Executive will receive, as the vesting of the Rights is subject to the achievement of performance conditions. This includes the cost of deferred short-term incentives and long-term incentives.
7 The short-term incentives (cash bonus), deferred short-term incentives and long-term incentives (equity settled share-based payments) represent the at-risk performance related remuneration.
8 P Bains ceased in role on 1 August 2025 and will cease with the Company on 26 September 2025.
9 A Dartnell ceased in role on 30 June 2025 and will cease with the Company on 29 August 2025.

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Deloitte.

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18 August 2025

Board of Directors
Aurizon Holdings Limited
900 Ann Street
Fortitude Valley QLD 4006
Australia

Dear Board Members

Auditor's Independence Declaration to Aurizon Holdings Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Board of Directors of Aurizon Holdings Limited.

As lead audit partner for the audit of the financial report of Aurizon Holdings Limited for the financial year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Matthew Donaldson
Partner
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte organisation.

Corporate Governance Statement

Aurizon Holdings Limited and the entities it controls (**Aurizon** or **Company**) believe corporate governance is a critical pillar on which business objectives and, in turn, shareholder value must be built.

The Board has adopted a suite of charters and key corporate governance documents that articulate the policies and procedures followed by Aurizon. These documents are available in the Corporate Governance section of the Company's website **aurizon.com.au**. These documents are reviewed periodically to address any changes in governance practices and the law.

This Statement explains how Aurizon complies with the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations — 4th Edition* (ASX Principles and Recommendations), and all the practices outlined in this Statement unless otherwise stated, have been in place for the full reporting period.

This Statement was adopted by the Board on 15 August 2025.

Principle 1: Lay solid foundations for management and oversight

RECOMMENDATION	AURIZON'S COMPLIANCE WITH RECOMMENDATIONS	
1.1 Role of Board and management which is set out in a Board Charter	The Board has established a clear distinction between the functions and responsibilities reserved for the Board and those delegated to management, which are set out in the Aurizon Board Charter (Charter). The Charter also provides an overview of the roles of the Chairman, individual Directors, the Managing Director & CEO and the Company Secretary. A copy of the Charter is available in the Corporate Governance section of the Company's website aurizon.com.au.	✓
1.2 Information regarding election and re-election of Director candidates and appropriate checks are undertaken on Director and senior executive appointments	Aurizon carefully considers the character, experience, education, skill set as well as interests and associations of potential candidates for appointment to the Board and conducts appropriate checks to verify the suitability of each candidate prior to their appointment. Aurizon has appropriate procedures in place to ensure material information relevant to a decision to elect or re-elect a Director is disclosed in the Notice of Meeting provided to shareholders. Aurizon also conducts checks in relation to character, experience, education, criminal records and bankruptcy history of each candidate before appointing a new Director or a senior executive (e.g. the Managing Director & CEO and their direct reports).	✓
1.3 Written agreements setting out terms of appointment	In addition to being set out in the Charter, the roles and responsibilities of Directors are also formalised in a letter of appointment entered into with each Director on their appointment. The letters of appointment specify the term of appointment, time commitment envisaged, expectations in relation to committee work and any other special duties attached to the position (if any), reporting lines, remuneration arrangements, disclosure obligations in relation to personal interests, confidentiality obligations, insurance and indemnity entitlements and details of the Company's key governance policies, such as the Securities Dealing Policy. A copy of the Company's key governance policies can be found on the Company's website aurizon.com.au. Each senior executive enters into a service contract which sets out the material terms of employment, including a description of the senior executive's position and duties, reporting lines, remuneration arrangements, termination rights and entitlements. The details and experience of each senior executive (known as the Executive Committee) are listed in the Leadership section of the Company's website aurizon.com.au. The material terms of the appointment of those senior executives who are Key Management Personnel can be found on Page 37 of the Annual Report.	✓
1.4 Company Secretary	Each Company Secretary is directly accountable to the Board, through the Chairman, for facilitating and advising on the Company's corporate governance processes and on all matters to do with the proper functioning of the Board. Each Director is entitled to access the advice and services of each Company Secretary. The Charter also sets out the responsibilities of the Company Secretary. In accordance with the Company's Constitution and Charter, the appointment or removal of a Company Secretary is a matter for the Board as a whole. Details of each Company Secretary's experience and qualifications are set out on Page 6 of the Annual Report.	✓

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Principle 1: Lay solid foundations for management and oversight (continued)

RECOMMENDATION	AURIZON'S COMPLIANCE WITH RECOMMENDATIONS	
1.5 Diversity	Aurizon has had a Diversity and Inclusion Policy since 2011 which is reviewed periodically, and which sets out its objectives including its stated values and reporting practices with respect to inclusion and diversity. It is available in the Corporate Governance section of the Company's website aurizon.com.au. The Board and management remain committed to increasing female representation at all levels within the Company. The measurable objectives and outcomes for diversity, agreed by the Board for FY2025, are set out below:	✓

ENTERPRISE MEASURES	FY2025 TARGET	FY2025 ACTUAL
Gender representation on the Board	Minimum 30% (each gender)	25% women/75% men
Representation of women in senior executive roles (being the Group Executives)	30%	50%
Representation of women in the workforce	24%	23%
Representation of Aboriginal and Torres Strait Islander people in Aurizon	7%	7%

Note: This reflects the position at 30 June 2025.

In compliance with the *Workplace Gender Equality Act 2012*, Aurizon submitted its annual compliance reports to the Workplace Gender Equality Agency. Aurizon's most recent Gender Equality Indicators (as defined in the *Workplace Gender Equality Act 2012*) are available on the Workplace Gender Equality Agency website **www.wgea.gov.au**.

1.6 Board reviews	A performance review is undertaken annually in relation to the Board and the Board Committees. Periodically the Board reviews the individual performance of the Directors (including the Chairman) and engages a professional independent consultant experienced in Board reviews to conduct a review of the Board and its Committees, and the effectiveness of the Board as a whole. The last external review took place in FY2024. In relation to FY2025, the annual review was conducted internally. The process included the Chair and Directors meeting to discuss Board, Committee and individual performance.	✓
1.7 Management reviews	Each year the Board sets financial, operational, management and individual targets for the Managing Director & CEO. The Managing Director & CEO (in consultation with the Board) in turn sets targets for senior executives. Performance against these targets is assessed periodically throughout the year and a formal performance evaluation for senior executives is completed for the year-end. The Company's People and Remuneration Committee reviews the remuneration and performance management frameworks during the year. In addition, the Managing Director & CEO and each senior executive presents to the Board on the status of, progress made towards and their performance against their set key deliverables. A performance evaluation as described was undertaken for all senior executives in FY2025. In respect of the Managing Director & CEO, the evaluation was led by the Chairman and discussed with the People and Remuneration Committee.	✓

Corporate Governance Statement (continued)

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Principle 2: Structure the Board to be effective and add value

RECOMMENDATION	AURIZON'S COMPLIANCE WITH RECOMMENDATIONS	
2.1 Nominations Committee	The Nomination & Succession Committee comprises four members (including the Chairman), all of whom are Independent Non-Executive Directors. Details of the membership of the Nomination & Succession Committee, including the names and qualifications of the Committee members, are set out on Pages 4–5 of the Annual Report. The number of meetings held and attended by each member of the Nomination & Succession Committee during the financial year are set out on Page 8 of the Annual Report. The Nomination & Succession Committee assists the Board by facilitating and making recommendations on matters of Board composition, succession planning, the appointment and recruitment of Directors, together with the ongoing implementation of professional development programs as well as the Board review processes. During FY2025, the Nomination & Succession Committee assisted the Board in, among other things, engaging an external consultant to commence the search for new Directors. The Charter governing the conduct of the Nomination & Succession Committee is reviewed annually and is available in the Corporate Governance section of the Company's website aurizon.com.au. Aurizon also has in place a policy on the election and appointment of Non-Executive Directors, which is reviewed annually.	✓
2.2 Board skills	During the reporting period, the Board reviewed its Board Skills Matrix which identifies the diverse mix of skills and experience considered optimal for the Board. The Board considers that Directors have an appropriate range of skills, knowledge and experience necessary to direct the Company. Detail regarding the Board Skills Matrix, and the skills and experience of each Director and the Board collectively is included on Pages 4–7 of the Annual Report.	✓
2.3 Disclose independence and length of service	Details regarding which Directors are considered independent and the length of their service are set out on Page 4 of the Annual Report. During FY2025, Mr Caplan has served as a Director of Aurizon for more than 15 years. The Board remains satisfied that the interests of security holders are well served as Mr Caplan continues to bring independent judgement and deep operational understanding of the Company to bear on issues before the Board. During FY2025, Mr Bastos has been a Director of Anglo America PLC, a long-term customer of the Company. The Board remains satisfied that Mr Bastos continues to bring an impartial mind and judgement to his role as Director. Only the Managing Director & CEO is not considered independent, by virtue of the role being an Executive of the Company.	✓
2.4 Majority of Directors independent	In accordance with the Charter, the majority of Directors are considered to be independent and Directors abstain from participating in discussion or voting on matters in which they have a material personal interest. Details regarding which Directors are considered independent and the length of their service are set out on Page 4 of the Annual Report and in response to Recommendation 2.3 above.	✓
2.5 Chair independent	The role of Chairman is performed by Tim Poole, who in an Independent Non-Executive Director. The role of Managing Director & CEO is performed by Andrew Harding, who is an Executive Director. Further details regarding the Directors are set out on Pages 4–5 of the Annual Report.	✓
2.6 Induction and professional development	An induction process including appointment letters and ongoing education exists to promote early, active and relevant involvement of new and existing members of the Board. In addition to peer review, interaction and networking with other Directors and industry leaders, Directors participate, from time to time, in Aurizon leadership forums and actively engage with Aurizon employees by visiting operational sites to gain an understanding of the Company's operating environment. During the year, Directors receive accounting policy updates, especially around the time the Board considers the half-year and full-year financial statements. The Board also receives briefings periodically on relevant matters including legal, accounting, regulatory and technology developments. Directors are encouraged and given the opportunity to broaden their knowledge of the business by visiting offices and sites in different locations. During the financial year, Directors made visits to operational sites across the Bulk, Coal, Containerised Freight and Network businesses in Queensland, New South Wales and Western Australia.	✓

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Principle 3: Instil a culture of acting lawfully, ethically and responsibly

RECOMMENDATION	AURIZON'S COMPLIANCE WITH RECOMMENDATIONS	
3.1 The values of the Company are articulated and disclosed	The Company has a clear set of core values. These core values are Safety, People, Integrity, Customer and Excellence. A description of these values is set out in the Company's Code of Conduct and the Company's Annual Report. The Company's values, their articulation and their acknowledgement are embedded in all meetings of the Board, Board Committees and the Managing Director & CEO's Executive meetings, and form part of the performance and remuneration framework of the Company.	✓
3.2 Code of Conduct	The Board has a Code of Conduct for its Directors, senior executives and employees, a copy of which is available in the Corporate Governance section of the Company's website aurizon.com.au. The Company's Code of Conduct forms part of the induction of Directors as well as new employees. The code is reviewed periodically by the Board. The Board is informed of any material breaches of the code either through the whistleblower reports or the governance reports that are presented from time to time to the Company's Audit, Governance & Risk Management Committee.	✓
3.3 Whistleblower Policy	The Company has a Whistleblower Policy which supports the Company's values and Code of Conduct. The policy outlines how employees, contractors and suppliers can report concerns of improper conduct connected to Aurizon and is available to view in the Corporate Governance section at www.aurizon.com.au. The Head of Risk coordinates or manages the investigation process for any matters reported under the policy. The Board, through the Audit, Governance & Risk Management Committee, receives regular reporting and reviews the progress and outcomes of investigations of all matters reported under the policy.	✓
3.4 Anti-Bribery and Anti-Corruption Policy	The Company has a firm commitment to conducting its business operations lawfully, ethically and fairly and has an Anti-Bribery and Anti-Corruption Policy which supports the Company's values. The policy is available to view in the Corporate Governance section at www.aurizon.com.au. Breaches of the policy are required to be reported to the Head of Risk. The Board, through the Audit, Governance & Risk Management Committee reviews the progress and outcomes of investigations for any matters reported under this policy.	✓

Principle 4: Safeguard the integrity of corporate reports

RECOMMENDATION	AURIZON'S COMPLIANCE WITH RECOMMENDATIONS	
4.1 Audit Committee	The Audit, Governance & Risk Management Committee comprises four members, all of whom are Independent Non-Executive Directors. Details of the membership of the Audit, Governance & Risk Management Committee, including the names and qualifications of the Committee members, are set out on Pages 4–5 of the Annual Report. In addition to the Audit, Governance & Risk Management Committee members, the Managing Director & CEO, CFO, Head of Risk, external auditors and each Company Secretary attend the Audit, Governance & Risk Management Committee meetings. The number of meetings held and attended by each member of the Audit, Governance & Risk Management Committee during the financial year are set out on Page 8 of the Annual Report. The Audit, Governance & Risk Management Committee reviews and makes recommendations to the Board on matters including the Company's financial and governance reporting processes, the governance and risk policies and frameworks of the Company, the internal and external audit functions, risk and control culture and the control environment. The Audit, Governance & Risk Management Committee Charter is reviewed annually and is available on the Company's website aurizon.com.au. Among other things, the Audit, Governance & Risk Management Committee reviews the processes that validate the Directors' Report and the Annual Report. The Board, as a whole, has oversight of other corporate reporting, such as investor presentations prepared for full-year and half-year results briefings or at other times.	✓
4.2 CEO and CFO certification of financial statements	The Board has obtained a written assurance from the Managing Director & CEO and CFO that the declaration provided under Section 295A of the *Corporations Act 2001* (and for the purposes of Recommendation 4.2) is founded on a sound system of risk management and internal control, and that the system is operating effectively in all material respects in relation to financial reporting and material business risks.	✓

Corporate Governance Statement (continued)

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Principle 4: Safeguard the integrity of corporate reports (continued)

RECOMMENDATION	AURIZON'S COMPLIANCE WITH RECOMMENDATIONS	
4.3 Disclose processes to verify the integrity of periodic corporate reports released to the market	The periodic corporate reports, being the half-year and full-year financial statements, including the Company's Annual Report, are underpinned by a certification process whereby each Group Executive and finance partner for each Business Unit responds to set questionnaires and signs a certification. This process provides verification and sign off for the Managing Director & CEO and CFO, followed by a signed representation letter to the external auditors and a signed declaration to the Board that supports that the accounts provide a true and fair view, that there is integrity in the statements, and that the financial statements comply with the *Corporations Act 2001* and relevant Accounting standards. The certification process is reviewed annually with the view that it remains current having regard to any changes in the *Corporations Act 2001*, accounting standards or governance. For other types of periodic corporate reports (including the annual Directors' Report and the Annual Results Presentation), the Company conducts an internal review and verification process to ensure that such reports are materially accurate, balanced and provide investors with appropriate information. Where applicable, the relevant reports will be approved in accordance with the Company's Disclosure and Communication Policy. The annual Sustainability Report draws upon information that is substantiated by respective Business Units through existing verification processes as described above, and undergoes an internal review process. In addition, Aurizon's greenhouse gas emissions data (Scope 1, 2 and 3) provided in the Sustainability Report also undergoes an external, independent assurance process. A statement of limited assurance is provided in the annual Sustainability Report.	✓

Principle 5: Make timely and balanced disclosure

RECOMMENDATION	AURIZON'S COMPLIANCE WITH RECOMMENDATIONS	
5.1 Disclosure and Communications Policy	Aurizon has a Disclosure & Communications Policy which sets out the processes and practices to ensure compliance with the continuous disclosure requirements under the ASX Listing Rules and the *Corporations Act 2001*. Aurizon has guidelines to assist officers and employees of the Company comply with the Company's Disclosure & Communications Policy. A copy of the policy is available on the Company's website aurizon.com.au.	✓
5.2 Material Market Announcements	The Board receives a copy of all announcements under Listing Rule 3.1 immediately prior to those announcements being made to the ASX (noting that the Board may not approve or authorise all announcements made to the ASX).	✓
5.3 New and substantive investor or analyst presentation materials to be released to the ASX ahead of the presentation	Aurizon releases new and substantive presentations to the ASX prior to them being presented. This will typically occur at the half-year and full-year results briefings, prior to the Annual General Meeting and when an investor day is held. Where practicable, shareholders are provided with the opportunity to participate in such presentations, for example by providing dial-in details.	✓

Principle 6: Respect the rights of security holders

RECOMMENDATION	AURIZON'S COMPLIANCE WITH RECOMMENDATIONS	
6.1 Information on website	Aurizon keeps investors informed of its corporate governance, financial performance and prospects via announcements to the ASX and the Company's website. Investors can access copies of all announcements to the ASX, notices of meetings, annual reports, investor presentations, webcasts and/or transcripts of those presentations and a key event calendar via the 'Investors' tab. Investors can access general information regarding the Company and the structure of its business under the 'Who we are', 'What we do' and 'Sustainability' tabs.	✓
6.2 Investor relations programs	Aurizon conducts regular market briefings including in relation to its half-year and full-year results announcements, holds investor days and site visits, and attends regional and industry-specific conferences in order to facilitate effective two-way communication with investors and other financial markets participants. Access to senior executives and operational management is provided to investors and analysts at these events, with separate one-on-one or group meetings offered whenever possible. The presentation material provided at these events is sent to the ASX prior to commencement and subsequently posted on the 'Investors' tab on the Company's website, including the webcast and transcript if applicable.	✓
6.3 Facilitate and encourage participation at meetings of security holders	Aurizon uses technology to facilitate the participation of security holders in meetings including webcasting of the Annual General Meeting (AGM). In 2025, the Company will host a hybrid AGM in Brisbane, Queensland giving security holders (or their proxies or representatives) the opportunity to attend, comment and ask questions, and vote either online or in person.	✓
6.4 Resolutions decided by Poll	Shareholders are encouraged to participate and are given an opportunity to ask questions of the Company and its auditor at the AGM. All resolutions put to shareholders at the Company's AGM are determined by Poll.	✓
6.5 Option to receive communications electronically	Aurizon provides shareholders the option to receive communications from, and send communications to, the Company and the share registry electronically.	✓

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Principle 7: Recognise and manage risk

RECOMMENDATION	AURIZON'S COMPLIANCE WITH RECOMMENDATIONS	
7.1 Risk Committee	Aurizon's Audit, Governance & Risk Management Committee oversees the process for identifying and managing material risks faced by the Company in accordance with the Aurizon Enterprise Risk Management Framework and Appetite, and undertakes the functions of a risk committee as set out in the ASX Principles and Recommendations. Further details regarding the Committee, its membership, charter and the number of meetings held during the financial year and attendance at those meetings, are set out in response to Recommendation 4.1 and on Page 8 of the Annual Report.	✓
7.2 Annual risk review	The Board reviews Aurizon's Enterprise Risk Management Framework and Appetite at least annually to approve updates, where required. In FY2025 the Board considered, reviewed and approved minor changes to the Enterprise Risk Management Framework and Appetite. The Audit, Governance & Risk Management Committee also monitors management's performance against the Enterprise Risk Management Framework and Appetite, including whether it is operating within the risk appetite set by the Board. The Executive Committee regularly reviews and updates the enterprise risk profile to satisfy itself that Aurizon is operating with due regard to the risk appetite set by the Board. The Company's Governance, Risk and Internal Assurance Function is responsible for providing oversight of the Enterprise Risk Management Framework and Appetite and assurance on the management of significant risks to the Managing Director & CEO and the Board.	✓
7.3 Internal audit	The Company has an Internal Assurance function that operates under a Board-approved Internal Audit Charter. The Assurance function is independent of management and the external auditor and is overseen by the Audit, Governance & Risk Management Committee. In accordance with the Committee Charter, the Committee's role includes making recommendations to the Board in relation to the appointment or removal of the Head of Risk and Assurance. The Head of Risk and Assurance provides ongoing reports to the Audit, Governance & Risk Management Committee, as well as an annual assessment of the adequacy and effectiveness of the Company's control processes and risk management procedures.	✓
7.4 Sustainability risks	Aurizon discloses material exposures to environmental, social and governance (ESG) risks and associated risk management strategies through our annual Sustainability Report. During FY2025, the Company published its eleventh Sustainability Report. A copy of this report is available in the Sustainability section of the Company's website aurizon.com.au. Aurizon's 2025 Sustainability Report will be published in October 2025. This will be the eighth reporting period in which Aurizon incorporates recommendations from the Financial Stability Board's (FSB) Final Report: Recommendation of the Task Force on Climate-related Financial Disclosures (TCFD), released in June 2017. In FY2021, Aurizon published its inaugural Climate Strategy and Action Plan which consolidated Aurizon's position on climate change underpinned by long-term strategies, actions and targets to mitigate climate risk and leverage emerging opportunities. A copy of the Company's Climate Strategy and Action Plan is available in the Sustainability section of the Company's website. Aurizon commits to supporting and respecting the protection of internationally proclaimed human rights, as set out in the Universal Declaration of Human Rights. As outlined in our Human Rights Policy, Aurizon understands its responsibility to respect human rights and has committed to providing transparency on any risks that exist in the Company's operations and supply chain. In accordance with legislation, the Company publishes an annual Modern Slavery Statement, which describes the modern slavery risks associated with its business activities and actions taken to assess and address those risks. The Company's FY2025 statement will be its sixth statement. A copy of the Modern Slavery Statement is available in the Sustainability section of the Company's website.	✓

Corporate Governance Statement (continued)

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Principle 8: Remunerate fairly and responsibly

RECOMMENDATION	AURIZON'S COMPLIANCE WITH RECOMMENDATIONS	
8.1 Remuneration Committee	Aurizon's remuneration function is performed by the People and Remuneration Committee, comprising three members, all of whom are Independent Non-Executive Directors. Details of the membership of the People and Remuneration Committee, including the names and qualifications of the Committee members, are set out on Pages 4–5 of the Annual Report. The number of meetings held and attended by each member of the People and Remuneration Committee during the financial year are set out on Page 8 of the Annual Report. The People and Remuneration Committee makes recommendations to the Board on the remuneration policies and practices for Board members and senior executives (including the MD & CEO), as well as the Company's remuneration strategy and incentive programs, and the Company's people, diversity and inclusion policies and practices. During FY2025, the People and Remuneration Committee undertook its usual practices and activities in regard to remuneration and performance, and continued to have a focus on broader people-related priorities and initiatives. The Charter governing the conduct of the People and Remuneration Committee is reviewed annually and is available in the Corporate Governance section of the Company's website aurizon.com.au.	✓
8.2 Disclosure of Executive and Non-Executive Director remuneration policy	The Company seeks to attract and retain high-performing Directors and senior executives with appropriate skills, qualifications and experience to add value to the Company and fulfil the roles and responsibilities required. It reviews requirements for additional capabilities at least annually. Executive remuneration is to reflect performance and, accordingly, remuneration is structured with a fixed component and a performance-based component. Non-Executive Directors are paid fixed fees for their services in accordance with the Company's Constitution. The Chairman's fee is inclusive of fees for Committee membership and the other Non-Executive Directors are paid a fixed base fee plus Committee fees, as applicable. Further detail is set out in the Remuneration Report on Page 38. The Company has in place a Share Holding and Retention Policy which applies to Non-Executive Directors, the Managing Director & CEO and the direct reports of the Managing Director & CEO. Further details regarding remuneration and share retention policies, and the remuneration of senior executives and Non-Executive Directors, are set out on Pages 27–40 of the Annual Report. The Company also has in place a Related Party Transaction Policy. The policy and disclosures under that policy are reviewed annually by the Board. During the year, there were no agreements entered for the provision of consulting or similar services by a Director or senior executive, or by a related party of a Director or senior executive.	✓
8.3 Policy on hedging equity incentive schemes	Aurizon's Executives must not enter into any hedge arrangement in relation to any performance rights they may be granted or otherwise entitled to under an incentive scheme or plan, prior to exercising those rights or, once exercised, while the securities are subject to a transfer restriction. For the purposes of this policy, hedging includes the entry into any transaction, arrangement or financial product which operates to limit the economic risk of a security holding in the Company and includes financial instruments such as equity swaps and contracts for differences. The term 'Executive' is broadly defined to include the Managing Director & CEO and the role's direct reports and any other person entitled to participate in an Aurizon performance rights plan. Further details regarding the Company's hedging policy are set out in the Company's Securities Dealing Policy which is available on the Corporate Governance section of the website aurizon.com.au.	✓

Principle 9: Additional recommendations

RECOMMENDATION	AURIZON'S COMPLIANCE WITH RECOMMENDATIONS
9.1–9.3 Additional recommendations	Recommendations 9.1–9.3 of the ASX Principles and Recommendations do not apply to Aurizon, and did not at any stage during FY2025, and are therefore not relevant to the period.

Financial Report
for the year ended 30 June 2025

Financial statements

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Notes to the consolidated financial statements

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Results for the year	Operating assets and liabilities	Capital and financial risk management	Group structure	Other notes	Unrecognised items and events after reporting date
1. Segment information	6. Trade and other receivables	14. Capital risk management	19. Joint ventures	23. Notes to the consolidated statement of cash flows	29. Commitments and contingencies
2. Revenue	7. Inventories	15. Dividends	20. Material subsidiaries	24. Related party transactions	30. Events occurring after the reporting period
3. Expenses	8. Property, plant and equipment	16. Equity	21. Parent entity disclosures	25. Key Management Personnel	
4. Income tax	9. Intangible assets	17. Borrowings	22. Acquisition of businesses	26. Share-based payments	
5. Earnings per share	10. Other assets	18. Financial risk management		27. Auditor's remuneration	
	11. Trade and other payables			28. New and amended standards	
	12. Provisions				
	13. Other liabilities				

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Signed reports

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ASX information

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Consolidated income statement

for the year ended 30 June 2025

	Notes	2025 $m	2024 $m
Revenue from continuing operations	2	**3,934**	3,841
Other income		**55**	3
Total revenue and other income		**3,989**	**3,844**
Employee benefits expense	3	**(1,168)**	(1,086)
Energy and fuel		**(358)**	(391)
Track access		**(164)**	(146)
Consumables		**(617)**	(582)
Depreciation and amortisation	3	**(732)**	(707)
Impairment of non-current assets	3	**(59)**	(1)
Impairment of trade receivables[1]		**(69)**	(6)
Other expenses[1]		**(22)**	(9)
Share of net profit of investments accounted for using the equity method		**1**	1
Operating profit		**801**	917
Finance income		**11**	9
Finance expenses	3	**(356)**	(342)
Net finance costs		**(345)**	(333)
Profit before income tax		**456**	584
Income tax expense	4	**(153)**	(178)
Profit for the year attributable to the owners of Aurizon Holdings Limited		**303**	**406**
		Cents	Cents
Earnings per share for profit attributable to the owners of Aurizon Holdings Limited	5		
Basic earnings per share		**16.9**	22.1
Diluted earnings per share		**16.9**	22.0

1 FY2024 comparatives have been restated to align with current year presentation.

The above consolidated income statement should be read in conjunction with the accompanying notes.

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Consolidated statement of comprehensive income

for the year ended 30 June 2025

	Notes	2025 $m	2024 $m
Profit for the year		**303**	406
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Changes in the fair value of cash flow hedges	16(b)	**(98)**	1
Income tax relating to changes in fair value of cash flow hedges	16(b)	**29**	–
Exchange differences on translation of foreign operations	16(b)	**6**	–
Other comprehensive income for the year, net of tax		**(63)**	1
Total comprehensive income for the year attributable to the owners of Aurizon Holdings Limited		**240**	**407**

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

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Consolidated balance sheet

as at 30 June 2025

	Notes	2025 $m	2024 $m
ASSETS			
Current assets			
Cash and cash equivalents		**64**	49
Trade and other receivables	6	**604**	573
Inventories	7	**282**	250
Derivative financial instruments	18(a)	**104**	87
Current tax receivables		**–**	3
Other assets	10	**31**	29
Total current assets		**1,085**	991
Non-current assets			
Trade and other receivables	6	**–**	8
Inventories	7	**81**	67
Derivative financial instruments	18(a)	**44**	42
Property, plant and equipment	8	**10,165**	10,153
Intangible assets	9	**140**	209
Other assets	10	**64**	69
Investments accounted for using the equity method	19	**63**	57
Total non-current assets		**10,557**	10,605
Total assets		**11,642**	11,596
LIABILITIES			
Current liabilities			
Trade and other payables	11	**416**	416
Borrowings	17	**971**	954
Current tax liabilities		**50**	–
Provisions	12	**291**	295
Other liabilities	13	**58**	61
Total current liabilities		**1,786**	1,726
Non-current liabilities			
Borrowings	17	**4,342**	3,943
Derivative financial instruments	18(a)	**176**	236
Deferred tax liabilities	4(c)	**990**	988
Provisions	12	**49**	47
Other liabilities	13	**213**	218
Total non-current liabilities		**5,770**	5,432
Total liabilities		**7,556**	7,158
Net assets		**4,086**	**4,438**
EQUITY			
Contributed equity	16(a)	**3,374**	3,674
Reserves	16(b)	**(33)**	25
Retained earnings		**745**	739
Total equity		**4,086**	**4,438**

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

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Consolidated statement of changes in equity

for the year ended 30 June 2025

	Notes	Attributable to the owners of Aurizon Holdings Limited			
		Contributed equity $m	Reserves $m	Retained earnings $m	Total equity $m
Balance at 1 July 2024		**3,674**	**25**	**739**	**4,438**
Profit for the year		**–**	**–**	**303**	**303**
Other comprehensive income		**–**	**(63)**	**–**	**(63)**
Total comprehensive income for the year		**–**	**(63)**	**303**	**240**
Transactions with owners in their capacity as owners:					
Buy-back of ordinary shares	16(a)	**(300)**	**–**	**–**	**(300)**
Dividends paid	15	**–**	**–**	**(297)**	**(297)**
Share-based payments	16(b)	**–**	**5**	**–**	**5**
		(300)	**5**	**(297)**	**(592)**
Balance at 30 June 2025		**3,374**	**(33)**	**745**	**4,086**
Balance at 1 July 2023		3,674	20	659	4,353
Profit for the year		–	–	406	406
Other comprehensive income	16(b)	–	1	–	1
Total comprehensive income for the year		–	1	406	407
Transactions with owners in their capacity as owners:					
Dividends paid	15	–	–	(326)	(326)
Share-based payments	16(b)	–	4	–	4
		–	4	(326)	(322)
Balance at 30 June 2024		3,674	25	739	4,438

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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Consolidated statement of cash flows

for the year ended 30 June 2025

	Notes	2025 $m	2024 $m
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**4,289**	4,268
Payments to suppliers and employees (inclusive of GST)		**(2,825)**	(2,642)
Interest received		**7**	8
Income taxes paid		**(70)**	(26)
Principal elements of lease receipts		**5**	8
Other income received		**55**	–
Net cash inflow from operating activities from continuing operations	23	**1,461**	1,616
Net cash inflow from operating activities from discontinued operations		**–**	–
Net cash inflow from operating activities		**1,461**	**1,616**
Cash flows from investing activities			
Payments for business acquisitions (net of cash acquired)	22	**(25)**	–
Payments for property, plant and equipment		**(683)**	(801)
Proceeds from sale of property, plant and equipment		**15**	6
Payments for intangibles		**(13)**	(22)
Interest paid on qualifying assets	3	**(1)**	(2)
Net cash outflow from investing activities from continuing operations		**(707)**	(819)
Net cash inflow from investing activities from discontinued operations		**–**	125
Net cash outflow from investing activities		**(707)**	**(694)**
Cash flows from financing activities			
Proceeds from borrowings		**1,217**	1,437
Repayment of borrowings		**(981)**	(1,695)
Payments of transaction costs related to borrowings		**(7)**	(12)
Principal elements of lease payments		**(28)**	(26)
Interest paid		**(342)**	(340)
Payments for buy-back of ordinary shares		**(300)**	–
Payments for shares acquired for share-based payments		**(1)**	(4)
Dividends paid to Company's shareholders	15	**(297)**	(326)
Net cash outflow from financing activities from continuing operations		**(739)**	(966)
Net cash inflow from financing activities from discontinued operations		**–**	–
Net cash outflow from financing activities		**(739)**	**(966)**
Net increase/(decrease) in cash and cash equivalents from continuing operations		**15**	(169)
Net increase in cash and cash equivalents from discontinued operations		**–**	125
Cash and cash equivalents at the beginning of the financial year		**49**	92
Effects of exchange rate changes on cash and cash equivalents		**–**	1
Cash and cash equivalents at the end of the financial year		**64**	**49**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

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Notes to the consolidated financial statements

30 June 2025

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About this report

Aurizon Holdings Limited (the Company) is a for-profit entity for the purpose of preparing this financial report and is domiciled in Australia. The consolidated financial report comprises the financial statements of the Company and its subsidiaries (collectively referred to as the Group or Aurizon).

The financial report is a general purpose financial report which:

- has been prepared on the going concern basis of accounting;
- has been prepared in accordance with the requirements of the *Corporations Act 2001,* Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and IFRS Accounting Standards issued by the International Accounting Standards Board (IASB);
- has been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative instruments) at fair value;
- is presented in Australian dollars, which is the functional and presentation currency of the Company, with values rounded to the nearest $1,000,000 unless otherwise stated, in accordance with the *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191;*
- presents reclassified comparative information where required for consistency with current year presentation;
- adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the Group and effective for reporting periods beginning on or after 1 July 2024; and
- has applied the Group accounting policies consistently to all periods presented.

The general purpose financial report for the Group for the year ended 30 June 2025 (FY2025) has been authorised for issue in accordance with a resolution of the Directors on 18 August 2025.

Significant judgements and estimates

The preparation of the financial statements requires management to exercise judgement in applying the Group's accounting policies. It also requires the use of estimates and assumptions of assets, liabilities, income and expense.

The areas involving a higher degree of judgement or complexity are set out below and in more detail in the related notes:

	Note
Useful life of Network infrastructure assets	8
Useful lives of rollingstock	8
Recoverable amount of property, plant and equipment — Containerised Freight CGU	8
Recoverable amount of property, plant and equipment — Coal NSW CGU	8
Impairment tests for goodwill — Bulk CGU	9

Other material accounting policies

Other material accounting policies that summarise the measurement basis used, and are relevant to an understanding of the financial statements, are provided throughout the notes to the financial statements.

The notes to the financial statements

The following notes include information which is material and relevant to the operations, financial position and performance of the Group. Information is considered material and relevant due to its size and nature or if the information:

- is important for understanding the Group's current period results;
- provides an explanation of significant changes in the Group's business — for example acquisitions or divestments; or
- relates to an aspect of the Group's operations that are important to its future performance.

Key events and transactions for the reporting period

(a) Debt financing

Subordinated Notes

On 16 May 2025, Aurizon Holdings Limited (the Company) issued $500 million of subordinated notes maturing on 16 May 2055 (30-year term) with a first call date of 16 August 2030 (5.25-years) exercisable by the Company. The subordinated notes include $250 million fixed rate tranche and $250 million floating rate tranche. Fixed-to-floating interest rate swaps have been executed to convert the fixed rate tranche to floating until the first call date. The subordinated notes are guaranteed by Aurizon Network Pty Ltd (Network) with the proceeds intended for general corporate purposes.

Senior Capital Markets Debt

Network repaid a Euro (€) denominated Medium-Term Note (EMTN) with a face value of $711 million (€500 million) utilising existing bank debt facility capacity in September 2024.

Network issued Medium Term Notes (AMTN) during the period including an increase in capacity of $100 million maturing December 2034, and $300 million maturing December 2033 under the Network AMTN programme. Interest rate swaps have been executed to convert fixed rate debt to floating rate debt.

Network issued a ¥5 billion ($53 million AUD equivalent) Private Placement on 26 June 2025 under the AMTN programme maturing in June 2040. To convert the ¥5 billion fixed rate debt issued to AUD floating rate debt, cross-currency interest rate swaps were executed.

Senior Bank Debt Facilities

The Network Bilateral Facilities maturing January 2026, January 2027 and January 2028 were refinanced into new consolidated facilities maturing December 2027 with a total limit of $1,140 million, an increase of $50 million on existing capacity. The total capacity of the Network Bilateral Facilities, including the facilities maturing October 2028, October 2029 and October 2030 is $1,290 million. At balance date, $435 million was drawn under the Network Bilateral Facilities.

Aurizon Operations Limited (via a wholly-owned subsidiary Aurizon Finance Pty Ltd (Finance)) reduced the capacity of the Syndicated Revolver Facility of $400 million to $150 million on 9 September 2024. The remaining facility limit was cancelled on 26 June 2025. The Finance Syndicated Term Loan Facility of $200 million maturing July 2027 was repaid and terminated effective 30 June 2025.

The existing Finance Bilateral Facilities maturing November 2025 and July 2026 of $540 million was refinanced (noting $65 million is effective from 3 July 2025), with the exception of $50 million to be refinanced during FY2026. The facilities incorporate a $180 million increase in capacity. After refinancing, the total Finance Bilateral Facilities are $720 million with $155 million drawn at balance date.

Key events and transactions for the reporting period (continued)

(b) Business acquisition of Flinders Logistics Pty Ltd

On 6 December 2024, the Group acquired 100% of the issued shares in Flinders Logistics Pty Ltd for consideration of $26 million. Flinders Logistics Pty Ltd supplies stevedoring, logistics and warehousing services to importers and exporters of bulk commodities at Berths 18–20 and Berth 29 at Port Adelaide and Port Pirie (South Australia) and cargo handling services at Port Pirie (South Australia) through its wholly-owned subsidiary, Pirie Bulk Pty Ltd. Following the acquisition, the companies have been renamed Aurizon Port Services (SA) Pty Ltd and Aurizon Pirie Logistics Pty Ltd respectively. Refer to Note 22 for further information.

(c) Goodwill impairment — Bulk

The Group has recognised an impairment loss of $57 million related to the goodwill allocated to the Bulk CGU. Refer to Note 9 for further information.

(d) On-market share buy-back scheme

The Group completed an on-market share buy-back program. The Group acquired 90 million shares for total consideration of $300 million.

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Results for the year

In this section

Results for the year provides segment information and a breakdown of individual line items in the consolidated income statement that the Directors consider most relevant, including a summary of the accounting policies, judgements and estimates relevant to understanding these line items.

1.	Segment information	Page 58
2.	Revenue	Page 61
3.	Expenses	Page 63
4.	Income tax	Page 63
5.	Earnings per share	Page 66

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1. Segment information

The Group determines and presents operating segments on a business unit structure basis, as this is how the results are reported internally and how the business is managed. The Managing Director & CEO and the Executive Committee (the chief operating decision-makers) assess the performance of the Group based on underlying earnings before net interest, tax, depreciation and amortisation (EBITDA).

(a) Description of reportable segments

The following summary describes the operations of each reportable segment:

Network

This segment manages the provision of access to the Central Queensland Coal Network (CQCN) rail infrastructure and operation and maintenance of the network.

Coal

This segment provides transport of metallurgical and thermal coal from mines in Queensland and New South Wales to domestic customers and coal export terminals.

Bulk

This segment provides integrated supply chain services, including rail and road transportation, port services, and material handling for a range of mining, metal, industrial and agricultural customers throughout Australia. This segment also manages the Tarcoola-to-Darwin rail infrastructure, the intrastate rail freight network in South Australia, and containerised freight services between Adelaide and Darwin.

Other

This segment includes Containerised Freight, which is not considered a separate reportable segment, as well as other revenue and central costs not allocated such as Board, Managing Director & CEO, Company Secretary, strategy and investor relations.

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1. Segment information (continued)

(b) Segment information

The results of the reportable segments, as set out below, are measured on the same basis as the accounting policies described in the consolidated financial statements.

	Network $m	Coal $m	Bulk $m	Other $m	Total Continuing Operations $m
30 June 2025					
External revenue					
Revenue from external customers					
Services revenue					
Track access	894	469	–	–	1,363
Freight transport	–	1,290	1,084	114	2,488
Other services	12	–	6	–	18
Other revenue	30	18	7	10	65
Total revenue from external customers	936	1,777	1,097	124	3,934
Internal revenue					
Services revenue					
Track access	481	–	3	–	484
Freight transport	–	–	16	–	16
Other services	11	–	6	–	17
Total internal revenue	492	–	25	–	517
Total external and internal revenue	1,428	1,777	1,122	124	4,451
Other income	–	–	–	18	18
Total revenue and other income	1,428	1,777	1,122	142	4,469
Internal revenue elimination					(517)
Consolidated revenue and other income (Underlying)					3,952
Significant items (Note c)					37
Consolidated revenue and other income					3,989
Continuing EBITDA (Underlying)	956	527	169	(76)	1,576
Depreciation and amortisation	(372)	(209)	(131)	(20)	(732)
Continuing EBIT (Underlying)	584	318	38	(96)	844
Significant items (Note c)					(43)
EBIT					801
Net finance costs					(345)
Profit before income tax from continuing operations					456

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1. Segment information (continued)

(b) Segment information (continued)

	Network $m	Coal $m	Bulk $m	Other $m	Total Continuing Operations $m
30 June 2024					
External revenue					
Revenue from external customers					
Services revenue					
Track access	867	460	–	–	1,327
Freight transport	–	1,266	1,044	61	2,371
Other services	52	–	6	–	58
Other revenue	33	17	21	14	85
Total revenue from external customers	952	1,743	1,071	75	3,841
Internal revenue					
Services revenue					
Track access	473	–	–	–	473
Freight transport	–	–	16	–	16
Other services	10	–	7	–	17
Total internal revenue	483	–	23	–	506
Total external and internal revenue	1,435	1,743	1,094	75	4,347
Other income	–	–	2	1	3
Total revenue and other income	1,435	1,743	1,096	76	4,350
Internal revenue elimination					(506)
Consolidated revenue and other income					3,844
Continuing EBITDA (Underlying)	930	528	229	(63)	1,624
Depreciation and amortisation	(353)	(213)	(128)	(13)	(707)
Continuing EBIT (Underlying)	577	315	101	(76)	917
EBIT					917
Net finance costs					(333)
Profit before income tax from continuing operations					584

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1. Segment information (continued)

(c) Significant items

The Group's underlying results differ from the statutory results. The exclusion of certain items permits a more relevant analysis of the Group's underlying performance on a comparative basis.

	2025 $m	2024 $m
Proceeds from settlement of legal matters (i)	**37**	–
Transformation costs (ii)	**(23)**	–
Goodwill impairment — Bulk (iii)	**(57)**	–
Total significant items	**(43)**	–

(i) Proceeds from settlement of legal matters

Other income includes proceeds from the settlement of legal matters. $37 million, representing the majority of the proceeds, has been classified as a significant item being the amount net of legal costs incurred by the Group in relation to the matters.

(ii) Transformation costs

Aurizon has undertaken a review of its non-operating cost base during FY2025. Total costs of $23 million include $18 million of redundancies recognised as employee benefits expense.

(iii) Goodwill impairment — Bulk

The Group has recognised an impairment loss of $57 million related to the goodwill allocated to the Bulk CGU. Refer to Note 9 for further information.

(d) Customer disclosure

The nature of the Group's business is that it enters into long-term contracts with key customers. Two customers each contribute more than 10% of the Group's total revenue as detailed below, and relate to the Coal and Network reportable segments. The reduction in FY2025 represents divestment of mines by customers.

	2025 $m	2024 $m	2025 Credit Rating	2024 Credit Rating
Customer 1	**517**	536	**BBB+**	BBB+
Customer 2	**366**	500	**A-**	A-
Total	**883**	1,036		

2. Revenue

The Group recognises revenue primarily from the provision of freight haulage services across Australia and the provision of access to the CQCN, and the rail infrastructure in South Australia and the Northern Territory.

The Group derives the following types of revenue from the provision of services over time:

	2025 $m	2024 $m
Services revenue		
Track access[1]	**1,363**	1,327
Freight transport	**2,488**	2,371
Other services	**18**	58
Other revenue[2]	**65**	85
Total revenue from continuing operations	**3,934**	3,841

1 Track access includes Take-or-Pay revenue of $12 million (2024: $4 million), which is adjusted for Take-or-Pay revenue invoiced to Coal and eliminated on consolidation.

2 Other revenue includes revenue from customer-funded infrastructure and property leases.

(a) Disaggregation of revenue from contracts with customers

Revenue is disaggregated by the Group's reportable segments, refer to Note 1(b).

(b) Contract assets and liabilities

(i) Contract assets

The Group has recognised the following revenue-related contract assets:

	2025 $m	2024 $m
Current		
Contract assets for freight transport	**15**	12
Non-current		
Contract assets for freight transport	**48**	52

Contract assets primarily represent amounts paid to customers to secure new, or extensions to, existing customer contracts. These amounts are capitalised and amortised against revenue as the performance obligations are satisfied over time. No impairment of contract assets has been recognised (2024: $nil) as these are recovered through the consideration received over the contract term.

	2025 $m	2024 $m
Within one year	**15**	12
Later than one year but not later than five years	**38**	37
Later than five years	**10**	15
	63	64

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(b) Contract assets and liabilities

(ii) Contract liabilities

The Group has recognised the following revenue-related contract liabilities:

	2025 $m	2024 $m
Current		
Advances for freight transport	**16**	9
Advances for other services	**15**	25
	31	34
Non-current		
Advances for freight transport	**6**	8
Advances for other services	**43**	47
	49	55

Contract liabilities primarily represent amounts received from customers as advances for external design and construction works and the provision of services under agreements for mine-specific infrastructure. These amounts are recognised in revenue either as volumes are delivered or on a straight line basis over the contract term, as performance obligations are satisfied over time.

	2025 $m	2024 $m
Within one year	**31**	34
Later than one year but not later than five years	**37**	44
Later than five years	**12**	11
	80	89

The decrease in contract liabilities represents revenue recognised for the provision of services under agreements for mine-specific infrastructure.

(iii) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

	2025 $m	2024 $m
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Advances for freight transport	**9**	9
Advances for other services	**25**	55
	34	64

(iv) Unsatisfied performance obligations

The Group has a number of long-term contracts to provide services to customers in future periods. Revenue in most contracts is recognised on an as-invoice basis because the right to consideration corresponds directly to the Group's performance obligations completed to date. As a result the Group applies the practical expedient in AASB 15 *Revenue from Contracts with Customers* (AASB 15), paragraph 121 and does not disclose information in respect of future contracted revenues for these contracts.

For the other contracts, future contract revenues relating to track access, freight transport and other services at 30 June 2025 are approximately $1,635 million (2024: $1,604 million), of which $399 million is expected to be recognised in FY2026. Amounts have been determined in FY2025 dollars and exclude variable revenue. As such, the future contract revenues described represent only part of the Group's forecast revenues for FY2026 and beyond.

(c) Accounting policies

The Group recognises revenue as performance obligations are satisfied. Revenue includes the provision of track access and freight transport services as described below.

(i) Track access

Track access revenue is generated from the provision of access to, and operation of, the CQCN under an approved Access Undertaking. Track access revenue is recognised over time as access to the rail network is provided and is measured on a number of operating parameters including volumes hauled applied to regulator approved tariffs. The tariffs charged are determined with reference to the total allowable revenue, applied to the regulatory approved annual volume forecast for each rail system.

Where annual volumes railed are less than the regulatory forecast, Take-or-Pay may trigger. Take-or-Pay clauses in the contracts with customers enable Network to recover part of this shortfall where contractual railings were not achieved as a result of above rail operator cause, mine cancellations or port cancellations, rather than below rail cause. Take-or-Pay revenue recognised is adjusted for Take-or-Pay revenue invoiced to Coal which is eliminated on consolidation. Take-or-Pay revenue is recorded as a receivable and collected in the first half of the next reporting period.

Regulated access revenue is subject to a revenue cap mechanism that serves to ensure the rail network recovers its Allowable Revenue over the regulatory period. A revenue adjustment event results in the under or over recovery of regulatory access revenue (net of Take-or-Pay revenue) for a financial year being recognised in the accounting revenues of the second financial year following the financial year in which the event occurred as per the Access Undertaking.

Access revenue for the financial year has been recognised based on the 2017 Access Undertaking applying a WACC rate of 8.51% (2024: 8.18%).

(ii) Freight transport

Freight transport revenue is recognised as the relevant performance obligations are satisfied over time, being the provision of freight transport services. Freight transport revenue in Bulk, which relates to the integrated bulk rail haulage and general freight assets in South Australia and the Northern Territory, includes track access which is not separately invoiced to customers.

Freight transport revenue is billed monthly in arrears and recognised at rates specified in each contractual agreement, and adjusted for the amortisation of customer contract assets or contract liabilities. At each reporting date, freight transport revenue includes an amount of revenue for which performance obligations have been met under the respective contract, but have not yet settled. These amounts are recognised as trade receivables.

A contract modification is a separate contract if the scope of services is increased by distinct additional services and the total price increases by the market rate for those services over the remaining contract period. Where the additional distinct services are not at market rates and therefore the contract modification is not a separate contract, the weighted-average contract rates related to the remaining performance obligations are applied to recognise revenue. This may result in the recognition of a contract asset or liability that amortises over the term of the individual contract. Modifications to existing agreements where there is also a new agreement put in place are assessed based on the facts and substance of the individual contractual arrangements, and are accounted for as either combined or separate contracts.

A contract liability is recorded for revenue received in advance of satisfying a performance obligation and is recognised over the term of the contract.

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3. Expenses

Profit before income tax from continuing operations includes the following specific expenses:

	2025 $m	2024 $m
Employee benefits expense		
Salaries, wages and allowances including on-costs	**1,038**	983
Defined contribution superannuation expense	**108**	98
Redundancies	**22**	5
	1,168	1,086
Depreciation and amortisation		
Depreciation of property, plant and equipment	**701**	679
Amortisation of intangibles	**31**	28
	732	707
Impairment of non-current assets		
Impairment of property, plant and equipment	**2**	1
Impairment of intangibles	**57**	–
	59	1
Finance expenses		
Interest and finance charges paid/payable	**335**	329
Interest paid on lease liability	**11**	10
Amortisation of capitalised borrowing costs	**8**	8
Hedge ineffectiveness[1]	**2**	(2)
Other	**1**	(1)
	357	344
Capitalised interest paid on qualifying assets	**(1)**	(2)
	356	342

1 Refer to the accounting policy in Note 18.

4. Income tax

Income tax comprises current and deferred tax recognised in profit or loss or directly in equity or other comprehensive income.

(a) Income tax expense

	2025 $m	2024 $m
Current tax	**132**	127
Deferred tax	**21**	52
Current tax relating to prior periods	**(9)**	1
Deferred tax relating to prior periods	**9**	(2)
	153	178
Deferred income tax expense included in income tax expense comprises:		
Increase in deferred tax assets	**(16)**	(8)
Increase in deferred tax liabilities	**46**	58
	30	50

(b) Numerical reconciliation of income tax expense to prima facie tax payable

	2025 $m	2024 $m
Profit before income tax expense	**456**	584
Tax at the Australian tax rate of 30% (2024: 30%)	**137**	175
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Goodwill impairment	**17**	–
Non-deductible expenses	**5**	–
Impact of differences in offshore tax rates	**2**	–
Unrecognised prior period capital tax losses	**(8)**	–
Other	**–**	4
Adjustments for tax of prior periods	**–**	(1)
	153	178

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4. Income tax (continued)

(c) Deferred tax balances

The table below outlines the items which comprise the deferred tax balances:

	Opening balance $m	Charged to income $m	Charged to equity $m	Acquisition of subsidiary $m	Closing balance $m
2025					
Deferred tax assets					
Provisions and accruals	**111**	**18**	**–**	**1**	**130**
Contract liabilities	**4**	**(1)**	**–**	**–**	**3**
Financial instruments	**34**	**7**	**29**	**–**	**70**
Lease liabilities	**56**	**(4)**	**–**	**5**	**57**
Other items	**16**	**(4)**	**(1)**	**–**	**11**
Total deferred tax assets	**221**	**16**	**28**	**6**	**271**
Deferred tax liabilities					
Inventories	**(8)**	**(1)**	**–**	**–**	**(9)**
Property, plant and equipment	**(1,097)**	**(40)**	**–**	**(6)**	**(1,143)**
Intangible assets	**(33)**	**5**	**–**	**–**	**(28)**
Financial instruments	**(52)**	**(6)**	**–**	**–**	**(58)**
Other items	**(19)**	**(4)**	**–**	**–**	**(23)**
Total deferred tax liabilities	**(1,209)**	**(46)**	**–**	**(6)**	**(1,261)**
Net deferred tax liabilities	**(988)**	**(30)**	**28**	**–**	**(990)**
2024					
Deferred tax assets					
Provisions and accruals	109	2	–	–	111
Contract liabilities	13	(9)	–	–	4
Financial instruments	34	–	–	–	34
Lease liabilities	40	16	–	–	56
Other items	15	(1)	2	–	16
Total deferred tax assets	211	8	2	–	221
Deferred tax liabilities					
Inventories	(6)	(2)	–	–	(8)
Property, plant and equipment	(1,024)	(73)	–	–	(1,097)
Intangible assets	(32)	(1)	–	–	(33)
Financial instruments	(50)	(2)	–	–	(52)
Other items	(39)	20	–	–	(19)
Total deferred tax liabilities	(1,151)	(58)	–	–	(1,209)
Net deferred tax liabilities	(940)	(50)	2	–	(988)

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4. Income tax (continued)

(d) Accounting policies

The tax position is calculated based on the tax rates and laws enacted or substantively enacted at the reporting date, in the relevant operating jurisdiction. The tax laws and accounting standards have different rules in respect of timing and recognition of income and expense, resulting in temporary differences (which reverse over time) and non-temporary differences (which do not reverse over time or are temporary differences that do not meet the recognition criteria under the accounting standards).

Income tax expense is calculated as the profit or loss before tax, multiplied by the applicable tax rate, and adjusted for non-temporary differences. Income tax expense includes a current tax and deferred tax component and is recognised in the profit or loss, except to the extent that it relates to items recognised in equity or in other comprehensive income.

(i) Current tax

Current tax is the expected tax payable for the period, and any adjustment to tax payable in respect of prior periods. Current tax includes both temporary differences and non-temporary differences.

The positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation are periodically evaluated and provisions are provided where appropriate based on amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(ii) Deferred tax

Deferred tax represents taxes to be paid or deductions available in future income years and any adjustment to deferred tax amounts in respect of prior periods. Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities, and their carrying amounts in the consolidated financial statements, except:

- when arising on the initial recognition of goodwill;
- when arising from the initial recognition of assets or liabilities in a transaction that is not a business combination, that affects neither accounting or taxable profit and at the time of the transaction does not give rise to equal taxable and deductible differences; or
- where it is not probable that future amounts will be available to utilise those temporary differences or carried-forward tax losses.

(iii) Offsetting deferred tax balances

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset and when the deferred tax balances relate to taxes levied by the same tax authority.

(iv) Tax consolidation legislation

The Company and its wholly-owned Australian entities elected to form a tax consolidated group, and are taxed as a single entity. The head entity of the tax consolidated group is Aurizon Holdings Limited.

The Company and the entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer.

In addition to its own current and deferred tax amounts, the Company also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from entities in the tax consolidated group.

The entities have entered into tax sharing and tax funding agreements. The tax funding agreement sets out the funding obligations of members of the tax consolidated group in respect of income tax amounts and requires payments to the Company equal to the current tax liability assumed by the Company. The Company is required to make payments equal to the current tax asset or deferred tax asset arising from unused tax losses and tax credits assumed from a subsidiary member. The tax funding arrangement results in the Company recognising a current inter-entity receivable or payable equal to the tax liability or tax asset assumed.

The tax sharing agreement limits the joint and several liability of the wholly-owned entities in the case of a default by the Company.

(v) Pillar Two income taxes

The Group has applied the temporary exception to recognising and disclosing information about Pillar Two related deferred tax assets and liabilities under AASB 112 *Income Taxes*. Tax laws implementing Pillar Two rules were in effect in both the United Kingdom and Australia for the Group from 1 July 2024. No Pillar Two taxes are payable by the Group in respect of FY2025, as the Group satisfied transitional safe harbour requirements.

5. Earnings per share

Earnings per share (EPS) is the amount of post-tax profit attributable to each share. Basic EPS is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of ordinary shares outstanding. Diluted EPS is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

	2025 Cents	2024 Cents
Basic earnings per share		
Statutory continuing operations	**16.9**	22.1
Underlying continuing operations[1]	**19.5**	22.1
Diluted earnings per share		
Statutory continuing operations	**16.9**	22.0
Underlying continuing operations[1]	**19.5**	22.0

1 Underlying basic and diluted earnings per share have been calculated using profit from continuing operations after tax of $303 million (2024: $406 million) plus significant items, net of tax of $45 million (2024: $nil).

	2025 Number '000	2024 Number '000
Weighted average number of ordinary shares for basic earnings per share	**1,788,594**	1,840,704
Dilution due to rights issued pursuant to performance rights plans	**2,439**	2,408
Weighted average number of ordinary shares for diluted earnings per share	**1,791,033**	1,843,112

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Operating assets and liabilities

In this section

Operating assets and liabilities provides information about the working capital of the Group and major balance sheet items, including the accounting policies, judgements and estimates relevant to understanding these items.

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6. Trade and other receivables

	2025 $m	2024 $m
Current		
Trade receivables	**538**	477
Provision for impairment	**(74)**	(7)
Net trade receivables	**464**	470
Other receivables[1]	**140**	103
	604	573
Non-current		
Other receivables	**–**	8
	–	8

1 Other receivables includes revenue for services performed but not yet invoiced under contracts including Take-or-Pay of $12 million (2024:$4 million) and GAPE fees of $6 million (2024: $nil).

At 30 June, the aging analysis of trade receivables by reference to due dates were as follows:

	2025 $m	2024 $m
Current	**458**	461
More than 30 days past due	**4**	9
More than 60 days past due	**5**	–
More than 90 days past due	**71**	7
Provision for impairment	**(74)**	(7)
	464	470

The increase in the provision for impairment of trade and other receivables includes amounts owed by Bulk customers Centrex Limited, OneSteel Manufacturing Pty Ltd (part of the GFG Group) and Northern Iron Pty Ltd.

(a) Accounting policies

(i) Trade receivables

Trade receivables are initially recognised at fair value and subsequently at amortised cost using the effective interest rate method. Trade receivables are generally due for settlement within 30 days and therefore are presented as current unless collection is not expected for more than 12 months after the reporting date.

(ii) Provision for impairment

The collectability of trade and other receivables is reviewed on an ongoing basis. Individual debts which are known to be uncollectable are written off when identified.

The Group recognises a provision for impairment based on expected lifetime losses of trade and other receivables. The provision for impairment is determined by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtor, general economic conditions of the industry in which the debtor operates and an assessment of both the current and forecast conditions at reporting date.

(b) Credit risks related to receivables

In assessing an appropriate provision for impairment of trade and other receivables, consideration is given to historical experience of bad debts, the aging of receivables, knowledge of debtor insolvency and individual account assessment.

Customer credit risk is managed in accordance with the procedures and controls set out in the Group's credit risk management policy. Credit limits are established for all customers based on external and internal credit rating criteria. For some trade receivables, the Group may also obtain security in the form of guarantees, deeds of undertaking or letter of credit, which can be called upon if the counterparty is in default under the terms of the agreement.

7. Inventories

	2025 $m	2024 $m
Current		
Raw materials and stores — at cost	**291**	259
Provision for inventory obsolescence	**(12)**	(11)
Other inventories	**3**	2
	282	250
Non-current		
Raw materials and stores — at cost	**89**	82
Provision for inventory obsolescence	**(15)**	(15)
Other inventories	**7**	–
	81	67

(a) Accounting policies

Inventories include infrastructure and rollingstock items held in centralised stores, workshops and depots. Items expected to be consumed after more than 12 months are classified as non-current.

Inventories are valued at the lower of cost and net realisable value. The cost of individual items of inventory are determined using weighted average cost.

The Group recognises a provision for inventory obsolescence based on an assessment of damaged stock, slow-moving stock and stock that has become obsolete. The amount of the provision for inventory obsolescence is recognised in profit or loss in other expenses.

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8. Property, plant and equipment

	Assets under construction $m	Land $m	Buildings $m	Plant and equipment $m	Rollingstock $m	Infrastructure $m	Other leased assets $m	Total $m
2025								
Opening net book amount	**348**	**230**	**222**	**423**	**2,446**	**6,328**	**156**	**10,153**
Additions	**686**	**–**	**–**	**–**	**–**	**–**	**15**	**701**
Acquisitions through business combinations (Note 22)	**–**	**–**	**–**	**15**	**3**	**–**	**16**	**34**
Transfers between asset classes	**(761)**	**–**	**17**	**72**	**248**	**424**	**–**	**–**
Adjustments to leased assets	**–**	**–**	**–**	**–**	**–**	**–**	**(10)**	**(10)**
Disposals	**–**	**–**	**–**	**(5)**	**(1)**	**(4)**	**–**	**(10)**
Depreciation[1]	**–**	**(3)**	**(13)**	**(65)**	**(210)**	**(381)**	**(29)**	**(701)**
Impairment	**–**	**–**	**–**	**–**	**(1)**	**(1)**	**–**	**(2)**
Closing net book amount	**273**	**227**	**226**	**440**	**2,485**	**6,366**	**148**	**10,165**
At 30 June 2025								
Cost	**273**	**235**	**507**	**986**	**6,452**	**10,553**	**225**	**19,231**
Accumulated depreciation and impairment	**–**	**(8)**	**(281)**	**(546)**	**(3,967)**	**(4,187)**	**(77)**	**(9,066)**
Net book amount	**273**	**227**	**226**	**440**	**2,485**	**6,366**	**148**	**10,165**
2024								
Opening net book amount	297	232	219	351	2,442	6,303	101	9,945
Additions	828	–	–	–	–	–	86	914
Transfers between asset classes	(777)	1	15	136	230	395	–	–
Adjustments to leased assets	–	–	–	–	–	–	(6)	(6)
Disposals	–	–	–	(3)	(10)	(6)	(1)	(20)
Depreciation	–	(3)	(12)	(61)	(215)	(364)	(24)	(679)
Impairment	–	–	–	–	(1)	–	–	(1)
Closing net book amount	348	230	222	423	2,446	6,328	156	10,153
At 30 June 2024								
Cost	348	235	490	929	6,196	10,174	223	18,595
Accumulated depreciation and impairment	–	(5)	(268)	(506)	(3,750)	(3,846)	(67)	(8,442)
Net book amount	348	230	222	423	2,446	6,328	156	10,153

1 During the year, the estimated useful lives of certain components of rollingstock (locomotives and wagons) used to transport commodities for customers were extended to 40 years and certain Network infrastructure (civil works) was reduced to 25 years. The net effect of changes in the current financial year was a decrease in depreciation expense of $9 million.

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8. Property, plant and equipment (continued)

Significant judgements and estimates

Useful life of Network infrastructure assets

The Group is the below rail operator and economic owner of the 2,670km CQCN through a long-term lease. Network is responsible for the provision of access to, and operation of the regulated infrastructure assets which connect over 40 coal mines to five export terminals, as well as to domestic customers. The useful life of infrastructure assets is determined based on the expected engineering life, capped at the remaining term of the infrastructure lease. In adopting this basis, the Group assumes the CQCN will remain economically viable throughout the lease term to 2109 which, as explained further below, is dependent on the ongoing future supply and demand for Australian coal.

Around 70% of volume hauled across the CQCN is metallurgical coal which is primarily used to produce steel. Thermal coal, which is used as a heat source in energy generation, accounts for the remaining 30% of volume hauled. Metallurgical coal is expected to be in demand for longer than thermal coal. The useful life of Network infrastructure assets will be primarily impacted by the future supply and demand for Australian metallurgical coal rather than thermal coal.

As part of the Group's Strategy in Uncertainty Framework, scenario analysis is used to test market drivers and evaluate capital, fleet and haulage opportunities, and sustainability in the context of climate change risks. A key component of this analysis is understanding the drivers of supply and demand for commodities transported over the short term as well as risks that emerge over the medium to long term. This analysis is extended over the lease term to 2109 where the timing and magnitude is less certain.

The future supply of Australian metallurgical coal is dependent on, amongst other things, government policies and the ability of customers to gain regulatory approvals and raise funding to support the development of their resource base. Demand for Australian metallurgical coal is dependent on seaborne-traded markets which are increasingly concentrated in Asia and linked to Asian steel production. Future demand is dependent on economic development in Asia including steel intensive growth, alternatives to steel and current steel production methods, technology advancements, competing supply of metallurgical coal, and changes in government policies including preference for domestic or imported coal and net-zero emission targets. Major import nations of Australian metallurgical coal with net-zero emissions targets include India (2070), Japan (2050), South Korea (2050) and China (2060).

Regulatory framework considerations

As the CQCN is a regulated asset, Network earns a Return on and of Capital as part of Allowable Revenue for each coal system under the QCA approved Access Undertaking. The Return of Capital compensates Network for depreciation of the Regulatory Asset Base (RAB) over QCA endorsed regulatory lives for individual asset classes which differ to the expected engineering life used for statutory reporting purposes. The QCA has also approved an accelerated depreciation profile for additions to the RAB from FY2010 onwards. As a result, at the commencement of each regulatory period, where an asset class has a remaining regulatory useful life:

- higher than 20 years, RAB depreciation is based on a 20-year rolling life, which resets to 20 years each regulatory period
- lower than 20 years, depreciation is calculated on a straight-line basis.

The accelerated depreciation profile adopted by the QCA increases the rate at which Network recovers the Return of Capital and increases Allowable Revenue in the near term.

The QCA approved economic life of the CQCN can be re-assessed at the commencement of each regulatory period and therefore the QCA approved economic life of the CQCN RAB is not an indicator that useful lives adopted for statutory reporting purposes should be revised.

The Group assumes the regulatory framework continues throughout the lease term.

Indicators

The key drivers for the future supply and demand for Australian metallurgical coal over the short term as well as risks that emerge over the medium to long term where the timing and magnitude is less certain are reviewed annually to assess the appropriateness of useful lives assigned to Network infrastructure assets. Indicators monitored include the following:

- Australian Government policies and the ability of customers to gain regulatory approvals and raise funding to support the development of metallurgical coal reserves in the CQCN
- the average remaining life of metallurgical coal mines in the CQCN
- global crude steel production and the share of Australian metallurgical coal used in the process
- the viability of new and alternative technologies that are developed to reduce emissions targets such as carbon capture, utilisation and storage (CCUS), and hydrogen-based steel making, that may positively or negatively impact future metallurgical coal demand
- the average age of steel plants for end markets of Australian metallurgical coal
- global supply competitiveness and Australia's share of seaborne metallurgical coal supply
- climate policy targets and how they are intended to be met at both a country and corporate level, including net-zero emissions targets set by major import nations of Australian coal.

Sensitivity

The indicators monitored are extended over the lease term where the timing and magnitude is less certain. Consequently, a change in indicators reviewed may result in a revision of useful lives assigned to the Network infrastructure assets in the future, resulting in a change in depreciation on a prospective basis. The graph below summarises the annual depreciation profile of the current written down value of Network infrastructure assets of $4,965 million (leased assets of $4,472 million and owned assets of $493 million) over the useful life applied for each class of assets described in Note 8(b)(i) and excludes future capital investments.

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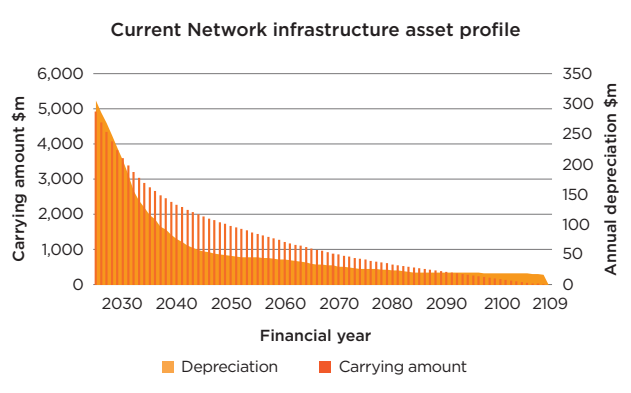
8. Property, plant and equipment (continued)

Figure 1 — Network infrastructure assets depreciation profile



The Network infrastructure assets have a maximum remaining useful life of 84 years (ending FY2109). As an indication of sensitivity, the table below summarises the increase in annual depreciation if the maximum useful life of current Network infrastructure assets are reduced by 10, 20, 30 or 40 years.

Reduction in maximum useful life (years):	Increase in annual depreciation ($m p.a):
10	3
20	6
30	12
40	21

Useful lives of rollingstock

The Group has approximately 600 active locomotives and 14,000 active wagons, including a mix of electric narrow gauge locomotives and standard and narrow gauge diesel locomotives and wagons. The useful life of rollingstock is determined based on the expected engineering life.

In adopting the expected engineering life of rollingstock, the Group monitors a range of indicators including:

- the flexibility of fleet capacity
- the risk of obsolescence as alternative technologies such as battery and hydrogen are developed
- continuous improvement in fleet investment strategies such as those predicated on condition-based and preventative maintenance approaches, as well as advancements in component change-out models
- the renewal of customer contracts or customers that cease operations before the end-of-mine life
- competitors fleet mix and their associated investment profile over time.

There is a risk that the indicators monitored could positively or negatively impact the expected engineering life of rollingstock resulting in a change in depreciation on a prospective basis.

Recoverable amount of property, plant and equipment — Containerised Freight CGU

The Containerised Freight CGU, which is part of the Other operating segment, provides rail line haul services for customers as part of the National interstate services with all services operational to support east-west (Brisbane, Sydney, Melbourne and Adelaide to Perth) and north-south (Melbourne and Sydney to Brisbane) containerised freight market. In line with the Group's long-term strategy for land-bridging, which is in its development phase, the Group commenced volumes with freight railed from Port of Darwin. The Containerised Freight CGU has a carrying amount of $354 million (2024: $318 million) and primarily includes rollingstock, right-of-use assets (i.e. leased assets) and working capital.

The recoverable amount of the Containerised Freight CGU has been estimated on a fair value less cost of disposal (FVLCD) basis. The estimate uses a 10-year cash flow projection based on a pipeline of opportunities for national interstate services and future development and growth of land-bridging customers and logistic solutions and the following key assumptions:

- 10-year twenty-foot equivalent unit (TEU) (and equivalent TEU) CAGR of 15.3% (2024: 22.2%[1]);
- a long-term terminal growth rate of 2.5% (2024: 2.5%);
- a post-tax discount rate of 8.4% (2024: 8.4%); and
- an estimated cost of carbon for an Australian Carbon Credit Unit (ACCU).

The recoverable amount represents 156.2% (2024: 140.3%) of the carrying amount. The recoverable amount is sensitive to changes in assumptions, such as delays in future growth opportunities, including land-bridging, or underperformance in forecast volume growth, which may result in a future impairment. The recoverable amount would equal its carrying amount if the key assumptions, in isolation while all other assumptions held constant, were to change as follows:

	2025	2024
Decrease in 10-year CAGR% — TEUs (and equivalent TEU)	**2.0ppt**	2.6ppt
Break-even discount rate (%)	**10.0%**	9.8%

Based on the results of impairment testing, the recoverable amount of the CGU supports the carrying amount, therefore no impairment has been recognised.

1 The volumes for FY2024 were in ramp up as full schedule operations commenced from May 2024.

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8. Property, plant and equipment (continued)

Significant judgements and estimates (continued)

Recoverable amount of property, plant and equipment — Coal NSW CGU

The Coal NSW CGU provides transport of predominately thermal coal from mines in the Hunter Valley and Illawarra corridors to domestic customers and coal export terminals. The Group performed an impairment review following indicators of potential impairment as a result of the loss of a customer contract.

The carrying amount of the CGU is $671 million and primarily includes rollingstock, buildings and infrastructure and other property, plant and equipment. The recoverable amount, which represents 101.1% of the carrying amount, has been determined based on a FVLCD calculation. The calculation uses discounted cash flow projections based on management's four-year Corporate Plan adjusted for known developments and changes in information since the plan was formulated, extended over the long-term to align with existing and new customer mine life projections, with no terminal value, incorporating:

- contracted and forecast volumes for existing and new customers;
- pricing aligned with current contracts and expected market outlook; and
- the Group's ability to align the cost base with volumes, and redeploy assets in the long-term to other areas of the business.

The future cash flows are discounted using a post-tax discount rate of 8.38%. The break-even discount rate is 8.53%.

The recoverable amount calculation supports the carrying amount at 30 June 2025, however is sensitive to changes in key assumptions including a downward revision in coal volumes based on revised customer production plans, customers cease operating before the expected end-of-mine life, adverse regulatory developments impacting future extensions or expansions of mine life or lower renewal pricing assumptions and the ability to align the cost base with volumes.

Based on the impairment assessment, while the recoverable amount calculation supports the carrying amount, any reasonable change in key assumptions may lead to a material impairment of the CGU.

(a) Leases

Network and Bulk leased assets

The Group is the below rail operator and economic owner of more than 5,100km of rail infrastructure including the 2,670km CQCN and the 2,245km Tarcoola-to-Darwin railway line through long-term leases. The infrastructure and land leases include corridor land and buildings. The assets associated with the leases are classified in infrastructure, land, buildings and plant and equipment.

The following table summarises the infrastructure and land leases:

Leases	Lessee	Lessor	Term	Expiry	Rental amount	Extension option
Network leased assets						
CQCN	Aurizon Network Pty Ltd	State of Queensland (land) and Queensland Treasury Holdings (infrastructure)	99 years	30 June 2109	$1 if demanded	99 years[1]
Part of the North Coast Line	Aurizon Network Pty Ltd	State of Queensland (land) and Queensland Rail (infrastructure)	99 years	30 June 2109	$1 if demanded	99 years[1]
Bulk leased assets						
Tarcoola-to-Darwin	Aurizon Bulk Central Network Pty Ltd	The AustralAsia Railway Corporation, The Northern Territory of Australia and the State of South Australia	32 years[3]	14 January 2054	$1 if demanded	None
Intrastate rail freight network in South Australia	Aurizon Bulk Central Pty Ltd	State of South Australia	25 years[3]	7 November 2047	$1 per annum (rail corridor land) and commercial rent (balance of land)	15 years[2]

1 The State of Queensland and Queensland Rail have an option to extend the leases by a further 99 years. The extension option is on the same terms as the initial lease period. Notice must be provided at least 20 years prior to the expiry of the existing term. The extension option under the corridor land leases are dependent on the infrastructure lease extension being exercised and granted.

2 The Group has an option to extend the lease by a further 15 years. The extension option is on the same terms as the initial lease period. Notice must be provided at any time after the expiry of 40 years and before the expiry of 45 years after the commencement date of 7 November 1997. The extension option is dependent on the Group providing and undertaking to carry out a Renewal Investment Plan.

3 Remaining lease term from 29 July 2022, being the date of acquisition of the lessee company.

Other leased assets

The Group primarily leases buildings with terms mostly ranging from one to 30 years. The leases generally provide the Group with the right to renewal at which time the lease terms are renegotiated. The Group applies the following practical expedients permitted by the standard:

- payments for short-term leases of less than 12 months are recognised as an expense in profit or loss as incurred; and
- payments for leases for which the underlying asset is of a low value are recognised as an expense in profit or loss as incurred.

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8. Property, plant and equipment (continued)

(a) Leases (continued)

(i) Amounts recognised in the consolidated balance sheet

Property, plant and equipment includes the following amounts relating to leased assets:

	2025 $m	2024 $m
Network leased assets		
Network infrastructure	**4,472**	4,406
Corridor land	**28**	28
Buildings	**1**	1
	4,501	4,435
Bulk leased assets		
Bulk infrastructure	**969**	997
Land	**61**	64
Buildings	**2**	2
Plant and equipment	**2**	2
	1,034	1,065
Other leased assets		
Land	**5**	5
Buildings	**121**	124
Plant and equipment	**7**	8
Rollingstock	**15**	19
	148	156
Total leased assets	**5,683**	5,656

The lease liabilities are significantly smaller than the value of leased assets as the majority of the leased assets were prepaid.

Other liabilities includes the following amounts relating to lease liabilities:

	2025 $m	2024 $m
Lease liabilities		
Current	**26**	25
Non-current	**162**	161
Total lease liabilities	**188**	186

(ii) Amounts recognised in the consolidated income statement

The consolidated income statement includes the following amounts relating to leased assets:

	2025 $m	2024 $m
Depreciation of Network and Bulk leased assets		
Network leased assets	**294**	279
Bulk leased assets	**40**	39
	334	318
Depreciation of other leased assets		
Buildings	**16**	15
Plant and equipment	**2**	1
Rollingstock	**11**	8
	29	24
Total leased assets depreciation	**363**	342
Interest expense	**11**	10
Expenses relating to short-term leases	**–**	1
Expenses relating to variable lease payments not included in lease liabilities	**11**	7

The total cash outflow for leases during the financial year was $52 million (2024: $44 million).

(b) Accounting policies

(i) Property, plant and equipment

Carrying amount

Property, plant and equipment (including leased infrastructure, corridor land and buildings) is stated at historical cost, less any accumulated depreciation and impairment. Costs include expenditure that is directly attributable to the acquisition of the items and borrowing costs that are related to the acquisition or construction of an asset. Costs may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset only when it is probable that future economic benefits associated with the item will flow to the Group. All repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation

Depreciation is calculated on a straight-line basis, except for motor vehicles included in plant and equipment for which depreciation is calculated on a diminishing value method. Straight-line allocates the cost of an item of property, plant and equipment net of residual values over the expected useful life of each asset. Estimates of remaining useful life and residual values are reviewed and adjusted, if appropriate, on an annual basis.

The useful lives applied for each class of assets are:

	Range of useful lives (years)
Infrastructure, including:	
Tracks	7–50
Track turnouts	20–25
Ballast	8–20
Civil works[1]	20–99
Bridges	30–99
Electrification	20–50
Field signals	15–40
Buildings	10–40
Rollingstock, including:	
Locomotives[1]	25–40
Locomotives componentisation	8–12
Wagons[1]	25–40
Wagons componentisation	10–17
Plant and equipment	3–20

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

1 During the year, the estimated useful lives of certain components of rollingstock (locomotives and wagons) used to transport commodities for customers were extended to 40 years and certain Network infrastructure (civil works) was reduced to 25 years.

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8. Property, plant and equipment (continued)

(b) Accounting policies (continued)

(ii) Leases

An asset and a corresponding liability, except for where the lease is prepaid, are recognised at the date at which the asset is available for use by the Group. Where the Group is a sub-lessor and the sub-lease is for the duration of the head lease, the asset recognised from the head lease is derecognised and a lease receivable equal to the present value of future lease payments receivable is recognised.

Assets and liabilities arising from a lease are initially measured on a present-value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the Group's incremental borrowing rate, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Other leased assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received; and
- any initial direct costs.

Other leased assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the asset is depreciated over the underlying asset's useful life.

(iii) Impairment tests for property, plant and equipment

Property, plant and equipment subject to depreciation is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

In testing for impairment, the recoverable amount is estimated for an individual asset or, if it is not possible to estimate the recoverable amount for the individual asset, the recoverable amount for the cash generating unit (CGU) to which the asset belongs. CGUs are the smallest identifiable group of assets that generate cash flows that are largely independent from the cash flows of other assets or group of assets. Each CGU is no larger than a reportable segment.

Assets are impaired if their carrying amount exceeds their recoverable amount. The recoverable amount of an asset or CGU is determined as the higher of its fair value less costs of disposal or value-in-use.

An impairment loss is recognised in profit or loss if the carrying amount of the asset or a CGU exceeds its recoverable amount. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs) and then to reduce the carrying amount of other assets in the CGU (group of CGUs).

Where there is an indicator that previously recognised impairment losses may no longer exist or may have decreased, the asset is tested for impairment. The impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount of the asset and is reversed only to the extent that the carrying amount of the asset does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised.

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9. Intangible assets

	Goodwill $m	Software $m	Software under development $m	Total $m
2025				
Opening net book amount	**50**	**144**	**15**	**209**
Additions	**–**	**–**	**12**	**12**
Transfers between asset classes	**–**	**11**	**(11)**	**–**
Acquisitions through business combinations (Note 22)	**7**	**–**	**–**	**7**
Amortisation	**–**	**(31)**	**–**	**(31)**
Impairment	**(57)**	**–**	**–**	**(57)**
Closing net book amount	**–**	**124**	**16**	**140**
At 30 June 2025				
Cost	**57**	**436**	**16**	**509**
Accumulated amortisation and impairment	**(57)**	**(312)**	**–**	**(369)**
Net book amount	**–**	**124**	**16**	**140**
2024				
Opening net book amount	50	153	17	220
Additions	–	–	17	17
Transfers between asset classes	–	19	(19)	–
Amortisation	–	(28)	–	(28)
Closing net book amount	50	144	15	209
At 30 June 2024				
Cost	50	452	15	517
Accumulated amortisation and impairment	–	(308)	–	(308)
Net book amount	50	144	15	209

(a) Impairment tests for goodwill

Goodwill is allocated to the Group's CGUs identified according to the group of assets at the time of acquisition. The Group tests goodwill for impairment on at least an annual basis.

The recoverable amount of a CGU is determined based on the higher of fair value less costs of disposal or value-in-use calculations which require the use of assumptions. The calculations use cash flow projections extrapolated using the estimated growth rates. The cash flow projections are developed using the Group's own information with benchmarking to external sources and are therefore Level 3 inputs in the fair value hierarchy (unobservable market data).

The following table presents a summary of the goodwill allocation:

	2025 $m	2024 $m
CGU		
Bulk	**–**	50

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9. Intangible assets (continued)

(a) Impairment tests for goodwill (continued)

Significant judgements and estimates

Impairment tests for goodwill — Bulk CGU

The Bulk CGU provides integrated supply chain services, including rail and road transportation, port services and material handling for a range of mining, metal, industrial and agricultural customers throughout Australia. Bulk also manages the Tarcoola-to-Darwin rail infrastructure, the intrastate rail freight network in South Australia, and containerised freight services between Adelaide and Darwin.

The recoverable amount of the Bulk CGU has been determined based on a fair value less costs of disposal calculation (FVLCD). A pre-tax impairment loss of $57m has been recognised against goodwill for the Bulk CGU. This has been driven by an assumed delay to timing and conversion of future growth opportunities.

The recoverable amount was also impacted by an estimated higher cost of carbon for an ACCU and increased emissions intensity, given Bulk's inclusion under the Safeguard Mechanism for the purposes of impairment testing. The recoverable amount of the CGU is sensitive to these factors due to its longer, non-electrified hauls and the Government's current Safeguard Mechanism policies. The total estimated net present carbon cost included in the calculation equals around 8% of the CGU's carrying amount.

The estimate uses a 10-year cash flow projection based on a pipeline of opportunities and estimated volume growth rates. The estimate also includes the following assumptions:

Assumptions	2025	2024
EBITDA CAGR%[1] 10 Years (real)	**2.6%**	4.1%
Long-term terminal growth rate (nominal)	**2.5%**	2.5%
Post-tax discount rate (%)	**8.4%**	8.4%

Following the impairment, the Bulk CGU has a carrying amount of $2,084m (2024: $2,143m) and primarily includes infrastructure, rollingstock, other property, plant and equipment and working capital less lease liabilities.

The recoverable amount of the Bulk CGU is sensitive to changes in discount rate, current contractual arrangements, transformation initiatives and future growth opportunities. Should contracts with customers not be renewed, or customers either cease to operate before the expected end-of-mine life, it may lead to a future impairment of the Bulk CGU. Additionally, if the timing of future growth opportunities is delayed or forecast growth in volumes or transformation initiatives are not achieved, or there is any adverse movement in the Government's Safeguard Mechanism including the year-on-year baseline decline rate, it may lead to a future impairment of the Bulk CGU.

1 EBITDA CAGR has been calculated using a FY2025 EBITDA normalised for the impacts of provision for impairment of trade receivables for the Bulk CGU in FY2025. EBITDA includes an estimated cost of carbon.

(b) Accounting policies

(i) Goodwill

The goodwill recognised by the Group is a result of business combinations and generally represents the future economic benefits that arise from assets that are not capable of being individually identified and separately recognised. Goodwill may also arise as a result of temporary differences recognised in a business combination. Goodwill is initially measured as the amount the Group paid to acquire a business over and above the fair value of net assets acquired. Following initial recognition, goodwill is carried at cost less any accumulated impairment.

(ii) Software

Costs incurred in developing products or systems, and costs incurred in acquiring software and licences that will contribute to future period financial benefits through revenue generation and/or cost reduction, are capitalised to software and systems. Costs capitalised include external direct costs of materials and services, employee costs and an appropriate portion of relevant overheads. Software development costs include only those costs directly attributable to the development phase, and are only recognised following completion of technical feasibility and where the Group has an intention and ability to use the asset.

Software-as-a-Service (SaaS) arrangements are service contracts which provide the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing licence fees, are recognised as an expense in profit or loss. Some of these costs incurred are for the development of software code that enhances or creates additional capability to existing systems and are recognised as an intangible asset when the recognition criteria are met.

Software is stated at historical cost, less any accumulated amortisation or impairment. Amortisation is calculated using the straight-line method over the estimated useful life which varies from three to 15 years.

10. Other assets

	2025 $m	2024 $m
Current		
Contract assets (a)	**15**	12
Lease receivable (b)	**4**	5
Other current assets	**12**	12
	31	29
Non-current		
Contract assets (a)	**48**	52
Lease receivable (b)	**16**	17
	64	69

(a) Contract assets

Refer to Note 2(b) for further information relating to contract assets.

(b) Lease receivable

Lease receivables represent the present value of future lease payments receivable on sub-lease arrangements where the expiry of the term of the sub-lease is the same as the head lease. The collectability of lease receivables is reviewed on an ongoing basis. No provision for impairment of lease receivables has been recognised, refer to the accounting policy in Note 6 (2024: $nil).

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10. Other assets (continued)

(b) Lease receivable (continued)

Minimum lease payments receivable on sub-leases are as follows:

	2025 $m	2024 $m
Within one year	**4**	5
Later than one year but not later than five years	**18**	16
Later than five years	**–**	3
	22	24
Less: Unearned interest income	**(2)**	(2)
Total lease receivables	**20**	22
Interest income relating to sub-lease arrangements	**1**	1
Income relating to variable lease payments received	**8**	10

The total cash inflow for sub-leases in the financial year was $14 million (2024: $19 million).

11. Trade and other payables

	2025 $m	2024 $m
Current		
Trade payables	**344**	350
Other payables	**72**	66
	416	416

(a) Accounting policies

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 45 days or within the terms agreed with the supplier.

12. Provisions

	2025 $m	2024 $m
Current		
Employee benefits (a)	**260**	264
Self-insurance provision	**28**	31
Other provisions	**3**	–
	291	295
Non-current		
Employee benefits (a)	**21**	19
Self-insurance provision	**14**	14
Land rehabilitation	**11**	11
Make good	**3**	3
	49	47
Total provisions	**340**	342

(a) Employee benefits

	2025 $m	2024 $m
Annual leave	**93**	89
Long service leave	**131**	129
Other	**57**	65
	281	283

Long service leave includes all unconditional entitlements where employees have completed the required period of service and a provision for the probability that employees will reach the required period of service. The Group does not expect all employees to take the full amount of employee benefits or require payment within the next 12 months based on past experience. The current provision for employee benefits includes $116 million (2024: $122 million) that is not expected to be taken or paid within the next 12 months.

(b) Accounting policies

A provision is recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are measured at the present value of the best estimate of the expenditure required to settle the present obligation at the reporting date.

(i) Employee benefits

The provision for employee benefits includes accrued annual leave, leave loading, retirement allowances, long service leave, short-term incentive plans and termination benefits.

Liabilities for wages, salaries and accumulating non-monetary benefits expected to be settled within 12 months of the reporting date, are recognised in respect of employees' services up to the end of the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Liabilities for annual leave and long service leave are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting date. Expected future payments that are not expected to be settled within 12 months are discounted using market yield at the reporting date of Australian corporate bond rates and reflects the terms to maturity. Remeasurements as a result of adjustments and changes in actuarial assumptions are recognised in profit or loss.

A liability for short-term incentive plans is recognised based on a formula that takes into consideration the Group and individual key performance indicators. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

A termination benefit is payable when the Group decides to terminate the employment, or when an employee accepts redundancy in exchange for these benefits. A provision is recognised at the earlier of when the Group can no longer withdraw the offer of those benefits or when the Group recognises costs for restructuring and is measured using the present value of the expected amounts to be paid to settle the obligation.

Employee benefits are presented as current liabilities in the balance sheet if the Group does not have any unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

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12. Provisions (continued)

(b) Accounting policies (continued)

(ii) Superannuation

Aurizon Holdings Limited and the following subsidiaries are members of the State Public Sector Superannuation Scheme (QSuper) multi-employer defined benefit superannuation plan and are required to contribute a specific percentage of employee benefits expense to fund the retirement benefits of 378 employees (2024: 418):

- Aurizon Operations Limited
- Aurizon Network Pty Ltd
- Australia Eastern Railroad Pty Ltd
- Australia Western Railroad Pty Ltd
- Aurizon Intermodal Pty Ltd
- Interail Australia Pty Ltd

In accordance with the requirements of AASB 119 *Employee Benefits*, given the lack of sufficient information available, the plan is accounted for as if it were a defined contribution plan. Defined contribution superannuation expense in Note 3 includes $14 million (2024: $8 million) relating to the QSuper defined benefit plan.

(iii) Self-insurance provision

Self-insurance provision represents the estimated liability for general and property claims and workers' compensation. The estimate is based on known claims and an allowance for Incurred But Not Reported claims.

(iv) Land rehabilitation and made good provisions

A provision is recognised for the present value of estimated costs of land rehabilitation and make good where the Group has a legal or constructive obligation to restore a site. The present value of estimated costs is calculated by inflating estimated costs at 2.5% (2024: 2.8%) and discounting at a weighted average discount rate of 4.1% (2024: 4.6%). The unwinding of the discount is recognised in profit or loss in finance costs and the movement in the provision is recognised in profit or loss in other expenses or through property, plant and equipment where these were recognised in the initial cost of the asset.

CQCN

The Group is the below rail operator and economic owner of the 2,670km CQCN under long-term infrastructure and land leases as described in Note 8. The CQCN is required to be managed and maintained in accordance with good operating practice. At expiry of the long-term leases, the Group has the right, but not the obligation, to remove the infrastructure (or parts of it) by agreement with the lessor or to be paid the fair market value of the infrastructure that is not removed. Therefore, no land rehabilitation provision is recognised in respect of the CQCN.

Tarcoola-to-Darwin railway and intrastate rail freight network in South Australia

The Group is the below rail operator and economic owner of the 2,245km Tarcoola-to-Darwin railway line and 215km of intrastate rail freight network in South Australia under long-term infrastructure (the Concession Deed) and land leases as described in Note 8. At expiry of the Concession Deed, the Tarcoola-to-Darwin railway is required to be returned in a condition which is capable of continued operations. The Concession Deed does not require the removal of track infrastructure or other property installed. At expiry of the land lease for the intrastate rail freight network in South Australia, the lessor may elect to acquire all or any part of the track infrastructure for fair market value. For any unacquired track infrastructure, the Group may remove that part of the track infrastructure or return it to the lessor. Therefore, no land rehabilitation provision is recognised in respect of the Tarcoola-to-Darwin railway or the intrastate rail freight network in South Australia.

13. Other liabilities

	2025 $m	2024 $m
Current		
Contract liabilities (a)	**31**	34
Lease liabilities (b)	**26**	25
Other current liabilities	**1**	2
	58	61
Non-current		
Contract liabilities (a)	**49**	55
Lease liabilities (b)	**162**	161
Other non-current liabilities	**2**	2
	213	218

(a) Contract liabilities

Refer to Note 2(b) for further information relating to contract liabilities.

(b) Lease liabilities

Lease liabilities represent the present value of future lease payments.

Minimum lease payments are as follows:

	2025 $m	2024 $m
Within one year	**36**	35
Later than one year but not later than five years	**119**	117
Later than five years	**113**	103
	268	255
Less: Discounted using the Group's incremental borrowing rate	**(80)**	(69)
Total lease liabilities	**188**	186

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Capital and financial risk management

In this section

Capital and financial risk management provides information about the capital management practices of the Group and shareholder returns for the year, and discusses the Group's exposure to various financial risks, explains how these affect the Group's financial position and performance, and what the Group does to manage these risks.

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14. Capital risk management

The Group aims to maintain a strong capital base to support investor, creditor and market confidence, while enabling future development of the business. The Group monitors its capital structure using the gearing ratio, ability to generate free cash flow and credit rating.

Net debt consists of borrowings (both current and non-current) less cash and cash equivalents. Net debt excludes lease liabilities. Net gearing ratio is defined as Net debt divided by Net debt plus Equity. Net debt and Net gearing ratio are measures of the Group's indebtedness and provides an indicator of the balance sheet strength.

	Notes	2025 $m	2024 $m
Total borrowings	17	**5,313**	4,897
Less: cash and cash equivalents		**(64)**	(49)
Net debt		**5,249**	4,848
Total equity		**4,086**	4,438
Total capital		**9,335**	9,286
Net gearing ratio		**56.2%**	52.2%

15. Dividends

	Cents per share	$m
Declared and paid during the period		
For the year ended 30 June 2025		
Final dividend for 2024 (60% franked)	**7.3**	**134**
Interim dividend for 2025 (60% franked)	**9.2**	**163**
		297
For the year ended 30 June 2024		
Final dividend for 2023 (60% franked)	8.0	147
Interim dividend for 2024 (60% franked)	9.7	179
		326
Proposed and unrecognised at period end		
For the year ended 30 June 2025		
Final dividend for 2025 (100% franked)	6.5	114
For the year ended 30 June 2024		
Final dividend for 2024 (60% franked)	7.3	134

Franked dividends

Franking credits are available to shareholders of the Company at the 30% corporate tax rate. The franking credit account balance as at 30 June 2025 was a deficit of $1 million (2024: surplus of $6 million). The balance of franking credits available as at the reporting date, adjusted for franking credit impact that arises from the refund of current tax receivables or the payment of current tax liabilities, is a surplus of $47 million (2024: surplus of $3 million).

16. Equity

(a) Contributed equity

	Number of shares '000	Issued capital $m	Other contributed equity $m	Total $m
At 1 July 2023	1,840,704	207	3,467	3,674
At 30 June 2024	1,840,704	207	3,467	3,674
On-market share buy-back	(90,260)	–	(300)	(300)
At 30 June 2025	**1,750,444**	**207**	**3,167**	**3,374**

(i) Issued capital

Ordinary shares are classified as equity. The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid. Ordinary shares entitle the holder to participate in dividends, as declared from time to time, and are entitled to one vote per share at meetings of the Company.

(ii) Other contributed equity

Prior to the Initial Public Offering in 2010, the Queensland Government (the State) made an equity contribution to the Company. Certain share buy-backs and incremental costs attributable to share buy-backs have been deducted from the initial contribution. The other contributed equity account is treated as share capital for tax purposes.

(iii) Share buy-backs

Where the Company purchases ordinary shares as a result of a share buy-back, the consideration paid, net of any related income tax benefits, is deducted from issued capital or other contributed equity and the ordinary shares are cancelled. During the period, the Company acquired 90 million shares for total consideration of $300 million which has been deducted from other contributed equity and the ordinary shares are cancelled.

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16. Equity (continued)

(b) Reserves

	Notes	Cash flow hedges $m	Share-based payments $m	Foreign currency translation $m	Total $m
Balance at 1 July 2024		**10**	**12**	**3**	**25**
Fair value gains/(losses) taken to equity		**(98)**	**–**	**–**	**(98)**
Fair value (gains)/losses transferred to property, plant and equipment		**1**	**–**	**–**	**1**
Fair value (gains)/losses taken to profit or loss		**(1)**	**–**	**–**	**(1)**
Tax expense/(benefit) relating to items of other comprehensive income		**29**	**–**	**–**	**29**
Other currency translation differences		**–**	**–**	**6**	**6**
Other comprehensive income		**(69)**	**–**	**6**	**(63)**
Transactions with owners in their capacity as owners:					
Share-based payments expense	26	**–**	**7**	**–**	**7**
Purchase of shares for performance rights plans		**–**	**(1)**	**–**	**(1)**
Aggregate deferred tax debited/(credited) to equity		**–**	**(1)**	**–**	**(1)**
Balance at 30 June 2025		**(59)**	**17**	**9**	**(33)**
Balance at 1 July 2023		9	8	3	20
Fair value gains/(losses) taken to equity		(1)	–	–	(1)
Fair value (gains)/losses transferred to property, plant and equipment		2	–	–	2
Other comprehensive income		1	–	–	1
Transactions with owners in their capacity as owners:					
Share-based payments expense		–	6	–	6
Purchase of shares for performance rights plans		–	(4)	–	(4)
Aggregate deferred tax debited/(credited) to equity		–	2	–	2
Balance at 30 June 2024		10	12	3	25

(i) Cash flow hedge reserve

The cash flow hedge reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedge transactions that have not yet occurred.

(ii) Share-based payment reserve

The share-based payment reserve is used to recognise the fair value of rights recognised as an expense. Refer to Note 26 for further details of the Group's performance rights plans.

The fair value of rights granted are recognised as an employee benefits expense in profit or loss, with a corresponding increase in the share-based payment reserve in equity, and is spread over the vesting period during which the employees become unconditionally entitled to the right.

Where the Company purchases ordinary shares to satisfy performance rights plans, the consideration paid is deducted from the share-based payment reserve.

(iii) Foreign currency translation reserve

On consolidation all exchange differences arising from translation of controlled entities with a financial currency that is not Australian dollars are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. When a foreign operation is disposed of, or ceases, the cumulative amount recognised within the reserve relating to that foreign operation is transferred to profit or loss.

17. Borrowings

The Group borrows money through bank debt facilities and the issuance of debt securities in capital markets.

The carrying amount of the Group's borrowings are detailed below. The Group's financing arrangements and exposure to risks arising from borrowings is set out in Note 18(b).

	2025 $m	2024 $m
Current — Unsecured		
Bank debt facilities	**85**	155
EMTNs	**886**	799
	971	954
Non-current — Unsecured		
Bank debt facilities	**975**	910
AMTNs	**1,981**	1,427
EMTNs	**73**	828
US Private Placement Notes	**826**	791
Subordinated notes	**500**	–
Other borrowings	**7**	6
Capitalised borrowing costs	**(20)**	(19)
	4,342	3,943
Total borrowings	**5,313**	4,897

The Group has complied with all required covenants and undertakings under bank debt facilities, AMTNs, EMTNs and USPP notes throughout the reporting period.

At reporting date, the Group has a net current liability position of $701 million due to the classification of the Network Euro denominated Medium-Term Note (Network EMTN) with a notional amount of $778 million maturing June 2026 as a current liability. Pre-existing funding capacity will be used to repay the $778 million Network EMTN 2 maturing June 2026.

(a) Accounting policies

Borrowings are initially recognised at fair value of the consideration received, less directly attributable borrowing costs. Borrowings are subsequently measured at amortised cost using the effective interest rate method. Directly attributable borrowing costs are capitalised and amortised over the expected term of the bank debt facilities, AMTNs, EMTNs and USPP notes.

Borrowings are classified as current liabilities, except for those liabilities where the Group has an unconditional right to defer settlement for at least 12 months after the reporting period which are classified as non-current liabilities.

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18. Financial risk management

Financial risks, including market risk, liquidity and funding risk and credit risk, are managed through policies approved by the Board. The policies outline principles and procedures with respect to risk tolerance, delegated levels of authority on the type and use of derivative financial instruments, and the reporting of these exposures. The policies are subject to periodic review. The Group typically uses derivative financial instruments to hedge underlying exposures arising from operational activities relating to changes in foreign exchange rates and interest rates.

Aurizon Operations Limited (via a wholly-owned subsidiary Aurizon Finance Pty Ltd) uses an annually reviewed duration based hedging strategy to minimise any negative impact to its financial position that may arise as a result of movements in underlying interest rates.

Under the QCA approved regulatory regime, Network receives compensation for its cost of debt through the WACC. The risk-free rate and debt risk premium used to determine WACC are based on observed market data in the 20 business days prior to a WACC reset date. Interest rate risk is managed through the establishment of financial derivatives to fix the underlying interest rate of forecast debt over this period.

The Group's overall financial risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance as set out in the table below:

Risk	Exposure	Mitigation
Market risks		
— Interest rate risk	The Group is exposed to interest rate risk in respect to short and long-term borrowings where interest is charged at variable rates and to fair value interest rate risk on fixed rate borrowings.	The Group mitigates interest rate risk primarily by maintaining an appropriate mix of fixed and floating rate borrowings. Where necessary, the Group hedges interest rates using derivative financial instruments — interest rate swaps to manage cash flows and interest rate exposure.
— Interest rate and foreign exchange risk	The Group is exposed to interest rate and foreign currency exchange risk in respect of the Euro (€) and Japanese Yen (¥) denominated Medium-Term Notes (EMTNs) and US dollar (US$) denominated Private Placement Notes (USPP).	To mitigate the risk of adverse movements in interest rates and foreign exchange in respect of foreign currency denominated borrowings, the Group enters into cross-currency interest rate swaps (CCIRS) to replace foreign currency principal and interest payments with Australian dollar repayments.
— Foreign exchange risk	The Group is exposed to foreign exchange risk in respect of purchases of inventory and property, plant and equipment denominated in a foreign currency.	The Group manages foreign currency risk on contractual commitments by entering into forward exchange and swap contracts.
Liquidity and funding risk	The Group is exposed to liquidity and funding risk from operations and borrowings, where the risk is that the Group may not be able to refinance debt obligations or meet other cash outflow obligations when required.	The Group mitigates liquidity and funding risk by ensuring a sufficient range of funds are available to meet its cash flow obligations when due under both normal and stressed conditions without incurring unacceptable losses or damage to the Group's reputation.
Credit risk	The Group is exposed to credit risk from financial instrument contracts, trade and other receivables, contract assets and lease receivables. The maximum exposure to credit risk at reporting date is the carrying amount, net of any provisions for impairment.	The Group is permitted to enter into financial instrument contracts with high credit quality financial institutions with a minimum long-term credit rating of BBB+ or better by S&P Global Ratings. The Board approved policies set maximum individual counterparty credit limits based on long-term credit ratings. The Group manages counterparty risk through approval, granting and renewal of credit limits, regularly monitoring exposures against credit limits, and assessing overall financial stability and strength of counterparties on an ongoing basis. Refer to Note 6 for credit risk exposures relating to trade and other receivables, contract assets and lease receivables.

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18. Financial risk management (continued)

(a) Market risk

(i) Foreign exchange risk

The Group is exposed to foreign currency risk through foreign denominated borrowings and capital purchases. The exposure is mitigated through hedging 100% of foreign denominated borrowings for both principal and interest for the life of the debt, refer to Note 18(b)(i) for details on the Group's financing arrangements. As at 30 June 2025 and 2024, these foreign currency risk exposures were 100% hedged through cross-currency interest rate swaps. The Group's exposure to foreign currency risk for capital purchases is not considered to have a material impact.

The following sensitivity illustrates how a reasonable possible change in the US dollar, Euro or Japanese Yen would impact the financial results and position of the Group as at 30 June:

- If the Australian dollar had changed by 10% against the US dollar, with all other variables held constant, the impact on equity would have been $14 million (2024: $15 million) and no impact on profit or loss.
- If the Australian dollar had changed by 10% against the Euro, with all other variables held constant, the impact on equity would have been $3 million (2024: $5 million) and no impact on profit or loss.
- If the Australian dollar had changed by 10% against the Japanese Yen, with all other variables held constant, the impact on equity would have been $1 million (2024: $1 million) and no impact on profit or loss.

(ii) Interest rate risk

The Group is exposed to interest rate risk through exposure to movements in the reference rate being Australian Bank Bill Swap (BBSW) on its variable debt and fixed rate debt that has been swapped to variable through interest rates swaps, refer to Note 18(b)(i) for details on the Group's financing arrangements. The table below represents the Group's total variable rate exposure notional amount and the interest rate swaps outstanding at 30 June to convert variable interest payments to fixed:

	Balance $m
2025	
Variable rate exposure	**5,275**
Interest rate swaps (notional amount)	**(4,800)**
Net exposure to interest rate risk	**475**
2024	
Variable rate exposure	5,039
Interest rate swaps (notional amount)	(4,450)
Net exposure to interest rate risk	589

The Group's weighted average interest rate is 6.3% (2024: 6.2%) on its variable rate exposure. The Group hedges 91% (2024: 88%) of the variable rate exposure through interest rate swaps at a weighted average interest rate of 3.8% (2024: 3.8%). The weighted average maturity of interest rate swaps is 2.3 years (2024: 2.9 years).

The following sensitivity illustrates the gain/(loss) impact of a 100 basis points (bps) increase or decrease in interest rates with all other variables held constant:

- Net profit would decrease by $5 million (2024: decrease by $6 million) with a 100-bps increase in interest rate or increase by $5 million (2024: increase by $6 million) with a 100-bps decrease in interest rates; and
- Equity reserves would increase by $110 million (2024: increase by $117 million) with a 100-bps increase in interest rate or decrease by $112 million (2024: decrease by $120 million) with a 100-bps decrease in interest rates.

(iii) Effects of hedge accounting

The table below summarises the hedging instruments used to manage market risk:

	2025 $m	2024 $m
Current assets		
CCIRS	**104**	87
	104	87
Non-current assets		
Interest rate swaps	**28**	42
CCIRS	**16**	–
	44	42
Total derivative financial instrument assets	**148**	129
Non-current liabilities		
Interest rate swaps	**174**	180
CCIRS	**2**	56
Total derivative financial instrument liabilities	**176**	236

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18. Financial risk management (continued)

(a) Market risk (continued)

(iii) Effects of hedge accounting (continued)

The following table summarises the hedging instruments and hedged items designated in hedging relationships.

	Cash flow hedge			Fair value hedge		
	Foreign exchange contracts[1]	Pay Fixed AUD interest rate swaps[2]	CCIRS[4]	Receive Fixed AUD interest rate swaps[3]	CCIRS[4]	
	Capital purchases $m	AUD Floating rate debt $m	EUR, USD & JPY Fixed rate debt $m	AUD Fixed rate debt $m	EUR, USD & JPY Fixed rate debt $m	Total $m
2025						
Notional amount	**54**	**4,800**	**1,497**	**2,418**	**1,497**	**–**
Carrying amount assets/(liabilities) of hedging instruments	**–**	**(72)**	**(16)**	**(74)**	**134**	**(28)**
At 30 June 2025						
Cumulative fair value adjustment on hedged item[5]	**–**	**–**	**–**	**71**	**(126)**	**(55)**
Carrying amount of borrowings subject to fair value hedges	**–**	**–**	**–**	**(2,347)**	**(1,623)**	**(3,970)**
Cumulative balance deferred in cash flow hedge reserve (before tax)[6]	**–**	**73**	**11**	**–**	**–**	**84**
During the year recognised						
Gain/(loss) on change in fair value of the hedging instrument for effectiveness testing	**–**	**(114)**	**16**	**106**	**71**	**79**
Gain/(loss) on change in fair value of the hedged item	**–**	**113**	**(15)**	**(110)**	**(69)**	**(81)**
(Gain)/loss on change in the value of the hedging instrument recognised in other comprehensive income (before tax)	**–**	**(113)**	**15**	**–**	**–**	**(98)**
Hedge ineffectiveness recognised in profit or loss	**–**	**1**	**(1)**	**4**	**(2)**	**2**
Amounts recognised in profit or loss for discontinued hedges	**–**	**1**	**–**	**–**	**–**	**–**

1 Foreign exchange contracts are designated in cash flow hedges that are hedging anticipated purchases of property, plant and equipment. The weighted average exchange rate of outstanding foreign exchange contracts are AUD:USD 0.6454 and AUD:EUR 0.5690.

2 Interest rate swaps are designated in a hedge relationship against a portion of the outstanding debt balances up to the notional amount of the swaps. The interest rate swaps have a weighted average pay fixed leg of 3.81% and a receive floating leg of BBSW.

3 Interest rate swaps are designated to be in a 100% hedge relationship against the identified fixed rate borrowings. The interest rate swaps have a weighted average pay floating leg of BBSW + 2.10% spread and a receive fixed leg of 4.60%.

4 CCIRS are split designated in cash flow hedge and fair value hedge relationships. CCIRS have a weighted average receive fixed EUR rate leg of 3.13% and pay floating AUD leg of BBSW + 3.95% and a weighted average receive fixed USD rate leg of 6.72% and pay floating AUD leg of BBSW + 3.61% spread and a weighted average receive fixed JPY rate leg of 2.39% and pay floating AUD leg of BBSW + 2.11% spread.

5 The cumulative fair value adjustment is included in borrowings.

6 Cash flow hedge reserve includes the cumulative impact of cross-currency basis recognised as cost of hedging of $1 million.

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18. Financial risk management (continued)

(a) Market risk (continued)

(iii) Effects of hedge accounting (continued)

	Cash flow hedge			Fair value hedge		
	Foreign exchange contracts[1]	Pay Fixed AUD interest rate swaps[2]	CCIRS[4]	Receive Fixed AUD interest rate swaps[3]	CCIRS[4]	
	Capital purchases $m	AUD Floating rate debt $m	EUR, USD & JPY Fixed rate debt $m	AUD Fixed rate debt $m	EUR, USD & JPY Fixed rate debt $m	Total $m
2024						
Notional amount	22	4,450	2,155	1,768	2,155	–
Carrying amount assets/(liabilities) of hedging instruments	–	42	(32)	(180)	63	(107)
At 30 June 2024						
Cumulative fair value adjustment on hedged item[5]	–	–	–	181	(57)	124
Carrying amount of borrowings subject to fair value hedges	–	–	–	(1,587)	(2,212)	(3,799)
Cumulative balance deferred in cash flow hedge reserve (before tax)[6]	–	(40)	26	–	–	(14)
During the year recognised						
Gain/(loss) on change in fair value of the hedging instrument for effectiveness testing	(2)	2	1	20	3	24
Gain/(loss) on change in fair value of the hedged item	2	(1)	(3)	(20)	–	(22)
(Gain)/loss on change in the value of the hedging instrument recognised in other comprehensive income (before tax)	(2)	–	3	–	–	1
Hedge ineffectiveness recognised in profit or loss	–	(1)	2	–	(3)	(2)
Amounts recognised in profit or loss for discontinued hedges	–	(1)	–	–	–	(1)

1 Foreign exchange contracts are designated in cash flow hedges that are hedging anticipated purchases of property, plant and equipment. The weighted average exchange rate of outstanding foreign exchange contracts are AUD:USD 0.6740 and AUD:EUR 0.6089.

2 Interest rate swaps are designated in a hedge relationship against a portion of the outstanding debt balances up to the notional amount of the swaps. The interest rate swaps have a weighted average pay fixed leg of 3.83% and a receive floating leg of BBSW.

3 Interest rate swaps are designated to be in a 100% hedge relationship against the identified fixed rate borrowings. The interest rate swaps have a weighted average pay floating leg of BBSW + 2.12% spread and a receive fixed leg of 4.22%.

4 CCIRS are split designated in cash flow hedge and fair value hedge relationships. CCIRS have a weighted average receive fixed EUR rate leg of 2.56% and pay floating AUD leg of BBSW + 2.93% and a weighted average receive fixed USD rate leg of 6.72% and pay floating AUD leg of BBSW + 3.61% spread and a weighted average receive fixed JPY rate leg of 2.00% and pay floating AUD leg of BBSW + 2.05% spread.

5 The cumulative fair value adjustment is included in borrowings.

6 Cash flow hedge reserve includes the cumulative impact of cross-currency basis recognised as cost of hedging of $9 million.

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18. Financial risk management (continued)

(b) Liquidity and funding risk

(i) Financing arrangements

The table below summarises the financing arrangements the Group had access to at the end of the period. The facilities are unsecured. Refer to key events and transactions for the reporting period for further information on the Group's debt financing activities.

		Utilised[1]		Facility limit	
	Maturity	2025 $m	2024 $m	2025 $m	2024 $m
Senior Bank Debt Facilities					
Network working capital facility	Jun-26	**38**	73	**75**	75
Finance working capital facility	Jun-26	**82**	115	**125**	125
Finance revolver loan facility	Jul-25	**–**	–	**–**	400
Finance term loan facility	Jul-27	**–**	200	**–**	200
Finance bilateral facilities	Jul-26–Jul-28	**155**	130	**720**	540
Network bilateral facilities	Dec-27–Oct-30	**435**	195	**1,290**	1,240
Network revolver loan facility	Dec-28	**–**	–	**115**	115
Network term loan facility	Dec-28–Dec-29	**385**	385	**385**	385
		1,095	1,098	**2,710**	3,080
Senior Capital Markets Debt					
AMTN Programme					
- Finance AMTN 1 (AUD)	Mar-28	**500**	500	**500**	500
- Network AMTN 3 (AUD)	Mar-30	**82**	82	**82**	82
- Network AMTN 4 (AUD)	Sep-30	**500**	500	**500**	500
- Network AMTN 8 (AUD)	Sep-31	**350**	350	**350**	350
- Network AMTN 5 (AUD)	Dec-31	**75**	75	**75**	75
- Network AMTN 6 (AUD)	Dec-32	**80**	80	**80**	80
- Network AMTN 9 (AUD)	Dec-33	**300**	–	**300**	–
- Network AMTN 7 (AUD)	Dec-34	**120**	20	**120**	20
- Network AMTN 10 (JPY)	Jun-40	**53**	–	**53**	–
EMTN Programme					
- Network EMTN 1 (Euro)	Sep-24	**–**	711	**–**	711
- Network EMTN 2 (Euro)	Jun-26	**778**	778	**778**	778
- Network EMTN 3 (JPY)	May-34	**68**	68	**68**	68
USPP Programme					
- Finance USPP (USD)	Jul-30	**197**	197	**197**	197
- Network USPP (USD)	Jun-33	**184**	184	**184**	184
- Finance USPP (USD)	Jul-33	**153**	153	**153**	153
- Finance USPP (USD)	Jul-34	**50**	50	**50**	50
- Network USPP (USD)	Jun-35	**122**	122	**122**	122
- Finance USPP (USD)	Jul-35	**103**	103	**103**	103
		3,715	3,973	**3,715**	3,973
Subordinated Notes					
Holdings subordinated notes[2]	May-55	**500**	–	**500**	–
Total Group financing arrangements		**5,310**	5,071	**6,925**	7,053

1 Amount utilised incorporates bank guarantees included in the working capital facility of $35 million (2024: $33 million) and excludes capitalised borrowing costs of $20 million (2024: $19 million), discounts on AMTNs, EMTNs and subordinated notes of $4 million (2024: $4 million) and the accumulated fair value adjustment on fixed debt in a fair value hedge relationship of $55 million (2024: $124 million). The facilities above exclude the Term Loan Facility with The AustralAsia Railway Corporation in connection with the Tarcoola-to-Darwin Concession Deed. The carrying amount (and related fair value) of the Term Loan Facility is $7 million (2024: $6 million).

2 The Aurizon Holdings Limited subordinated notes have a first call date on 16 August 2030 exercisable by the Company.

18. Financial risk management (continued)

(b) Liquidity and funding risk (continued)

(ii) Maturities of financial liabilities

The table below analyses the Group's financial liabilities and derivatives into the maturity groupings based on the period remaining until the contractual maturity date. The amounts disclosed are the contractual undiscounted principal and interest components at the prevailing foreign exchange rates at the reporting date, profiled on the earliest contractual maturity.

	1 year or less $m	1–5 years $m	More than 5 years $m	Total contractual cash flows $m	Carrying amount (assets)/liabilities $m
2025					
Non-derivative financial instruments					
Trade and other payables	**416**	**–**	**–**	**416**	**416**
Borrowings (excluding the effect of CCIRS)[1]	**1,238**	**2,349**	**3,261**	**6,848**	**5,313**
Financial guarantees	**35**	**–**	**–**	**35**	**–**
Total non-derivative financial instruments	**1,689**	**2,349**	**3,261**	**7,299**	**5,729**
Derivatives					
Interest rate swaps	**49**	**95**	**(2)**	**142**	**146**
CCIRS	**(89)**	**16**	**11**	**(62)**	**(118)**
Total derivatives	**(40)**	**111**	**9**	**80**	**28**
2024					
Non-derivative financial instruments					
Trade and other payables	416	–	–	416	416
Borrowings (excluding the effect of CCIRS)	1,112	2,600	2,595	6,307	4,897
Financial guarantees	33	–	–	33	–
Total non-derivative financial instruments	1,561	2,600	2,595	6,756	5,313
Derivatives					
Interest rate swaps	17	101	30	148	138
CCIRS	(47)	46	30	29	(31)
Total derivatives	(30)	147	60	177	107

1 The balance includes Aurizon Holdings Limited subordinated notes which have a first call date on 16 August 2030 exercisable by the Company.

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18. Financial risk management (continued)

(c) Hedging instruments

(i) Accounting policies

Derivative financial instruments are recognised initially at fair value on the date the instrument is entered into and are subsequently remeasured at fair value or 'mark-to-market' at each reporting date. The gain or loss on remeasurement is recognised immediately in profit or loss unless the derivative is designated as a hedging instrument, in which case the remeasurement is recognised in equity.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

At inception of the hedge relationship, the Group formally designated the relationship between hedging instruments and hedged items, as well as its risk management objective for undertaking various hedge transactions. The Group also documents its assessment at hedge inception date and on an ongoing basis as to whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item and a qualitative assessment is performed to assess effectiveness. If changes in circumstances affect the terms of the hedged item, such as the terms no longer match exactly with the critical terms of the hedged instrument, a hypothetical derivative method is used to assess effectiveness.

The main source of hedge ineffectiveness is the effect of the credit risk differential between the Group and its respective counterparties (i.e. credit curves) on the fair value of interest rate swaps and CCIRS, which is not reflected in the fair value of the hedged item. Ineffectiveness may also arise due to differences in the critical terms between the interest rate swaps and loans, in the timing of forecast transactions or any off-market derivatives. Hedge ineffectiveness is recognised against the mark-to-market position of the derivative financial instrument and in profit or loss in finance expense.

Rebalancing

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for at the time of the hedge relationship rebalancing.

For the purpose of hedge accounting, hedges are classified as fair value hedges or cash flow hedges and are accounted for as set out in the table below.

	Fair value hedge	Cash flow hedge
What is it?	A derivative or financial instrument designated as hedging the change in fair value of a recognised asset or liability or firm commitment. A fair value hedge is used to swap fixed interest payments to variable interest payments in order to manage the Group's exposure to interest rate risk.	A derivative or financial instrument hedging the exposure to variability in cash flow attributable to a particular risk associated with an asset, liability or forecasted transaction. A cash flow hedge is used to swap variable interest rate payments to fixed interest rate payments, or to lock in foreign currency rates in order to manage the Group's exposure to interest rate risk and foreign exchange risk.
Movement in fair value	Changes in the fair value of the derivative are recognised in profit or loss, together with the changes in fair value of the hedged asset or liability attributable to the hedged risk. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings are recognised in profit or loss within finance expense, together with the changes in fair value of the hedged fixed rate borrowing attributable to interest rate risk. The gain or loss relating to the ineffective portion is recognised separately to the effective portion in profit or loss within finance expense.	The effective part of any gain or loss on the derivative financial instrument is recognised in other comprehensive income and accumulated in equity in the cash flow hedge reserve. The change in the fair value that is identified as ineffective is recognised immediately in profit or loss within finance income or finance expense. Amounts accumulated in equity are transferred to profit or loss when the hedged item affects profit or loss. When the forecast transaction results in the recognition of a non-financial asset (property, plant and equipment), the gains or losses previously deferred in equity are transferred from equity and included in the measurement of the initial cost or carrying amount of the asset.
Discontinuation of hedge accounting	If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit or loss in finance income over the period to maturity using a recalculated effective interest rate.	When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to profit or loss.

18. Financial risk management (continued)

(d) Fair value measurement

The carrying value of cash and cash equivalents and non-interest bearing financial assets and liabilities approximates the carrying amount. The fair value of borrowings carried at amortised cost is $5,136 million (2024: $4,768 million).

The fair value of borrowings is estimated by discounting future contractual cash flows at the current market interest rates that are available to the Group for similar financial instruments. The market interest rates were determined to be between 3.8% and 7.5% (2024: 4.8% and 8.2%) depending on the type of facility.

The Group measures the fair value of financial instruments using market observable data where possible. Fair values are categorised into three levels with each of these levels indicating the reliability of the inputs used in determining fair value. The levels of the fair value hierarchy are:

Level 1: Quoted prices for an identical asset or liability in an active market

Level 2: Directly or indirectly observable market data

Level 3: Unobservable market data

The fair value of forward foreign exchange contracts is determined as the unrealised gain/(loss) with reference to market rates. The fair value of interest rate swaps is determined as the net present value of contracted cash flows. The existing exposure method, which estimates future cash flows to present value using credit adjusted discount factors after counterparty netting arrangements, has been adopted for both forward foreign exchange contracts and interest rate swaps.

The fair value of CCIRS is determined as the net present value of contract cash flows. The future probable exposure method is applied to the estimated future cash flows to reflect the credit risk of the Group and relevant counterparties.

The Group's derivative financial instruments and fair value of borrowings are classified as Level 2 (2024: Level 2). During the period, there were no transfers between Level 1, Level 2 or Level 3 in the fair value hierarchy (2024: nil).

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Group structure

In this section

Group structure provides information about particular subsidiaries and associates, and how changes have affected the financial position and performance of the Group.

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19. Joint ventures

The Group has an interest in the following joint ventures:

Name	Country of operation	Ownership interest 2025 %	Ownership interest 2024 %	Principal activity
Coal Network Capacity Co Pty Ltd	Australia	**8**	7	Independent expert
Ox Mountain Limited[1]	United Kingdom	**74**	75	Software
ARG Risk Management Limited	Bermuda	**50**	50	Insurance
Integrated Logistics Company Pty Ltd	Australia	**14**	14	Consulting

1 The Group's investment in Ox Mountain Limited continues to be classified as a joint venture due to the Group having joint control and is accounted for using the equity method of accounting.

(a) Accounting policies

Investments in joint ventures are accounted for using the equity method of accounting. Investments are initially recognised at cost and subsequently adjusted for the Group's share of net profit or loss. The carrying amount of an investment is reduced by the value of dividends received from the joint venture.

The carrying amount of investments are tested for impairment in accordance with the policy described in Note 8.

20. Material subsidiaries

The ultimate parent of the Group is Aurizon Holdings Limited. The companies listed below are those whose results, in addition to the parent entity, principally affect the amounts shown in the financial report:

Controlled entities	Country of operation	Ownership interest 2025 %	Ownership interest 2024 %
Aurizon Operations Limited	Australia	**100**	100
Aurizon Network Pty Ltd	Australia	**100**	100
Aurizon Finance Pty Ltd	Australia	**100**	100
Aurizon Property Pty Ltd	Australia	**100**	100
Australia Eastern Railroad Pty Ltd	Australia	**100**	100
Australia Western Railroad Pty Ltd	Australia	**100**	100
Aurizon Port Services Pty Ltd	Australia	**100**	100
Aurizon Port Services NSW Pty Ltd	Australia	**100**	100
Aurizon Port Services (SA) Pty Ltd	Australia	**100**	–
Aurizon Bulk Central Pty Ltd	Australia	**100**	100
Aurizon Bulk Central Network Pty Ltd	Australia	**100**	100
Iron Horse Insurance Company Pte Ltd	Singapore	**100**	100

(a) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Group as at reporting date and the results of all subsidiaries for the financial year.

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and de-consolidated from the date that control ceases.

Inter-company transactions and balances are eliminated on consolidation.

The assets and liabilities of entities within the Group that have a functional currency different from the presentation currency are translated into Australian dollars at the rate of exchange at the balance sheet date and profit or loss are translated at the average exchange rate for the year. The exchange differences arising on the balance sheet translation are taken directly to a separate component in equity in the foreign currency translation reserve.

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21. Parent entity disclosures

The financial information for the parent entity Aurizon Holdings Limited has been prepared on the same basis as the consolidated financial statements, except for investments in subsidiaries which are carried at cost less accumulated impairment losses.

(a) Summary financial information

	2025 $m	2024 $m
Current assets	**229**	63
Non-current assets	**3,720**	3,660
Total assets	**3,949**	3,723
Current liabilities	**78**	56
Non-current liabilities	**495**	1
Total liabilities	**573**	57
Net assets	**3,376**	3,666
Equity		
Contributed equity	**3,374**	3,674
Reserves	**2**	(4)
Retained earnings	**–**	(4)
Total equity	**3,376**	3,666
Profit for the year	**301**	325
Total comprehensive income	**301**	325

All costs associated with employees of the parent entity are borne by a subsidiary and recharged to the parent entity as they are incurred. The parent entity disclosure includes employee benefit provisions and other labour accruals for these employees.

(b) Guarantees entered into by the parent entity

The parent entity did not have any material contingent liabilities or contractual commitments for the acquisition of property, plant and equipment as at 30 June 2025 (2024: $nil).

22. Acquisition of businesses

(a) Summary of acquisitions in 2025

(i) Flinders Logistics Pty Ltd

On 6 December 2024, the Group acquired 100% of the issued shares in Flinders Logistics Pty Ltd for consideration of $26 million. Flinders Logistics Pty Ltd supplies stevedoring, logistics and warehousing services to importers and exporters of bulk commodities at Berths 18–20 and Berth 29 at Port Adelaide and Port Pirie (South Australia) and cargo handling services at Port Pirie (South Australia) through its wholly-owned subsidiary, Pirie Bulk Pty Ltd. Following the acquisition, the companies have been renamed Aurizon Port Services (SA) Pty Ltd and Aurizon Pirie Logistics Pty Ltd respectively.

Details of the purchase consideration, net assets acquired and goodwill are as follows:

	$m
Purchase consideration	26

	Fair value on acquisition date $m
Total assets	38
Total liabilities	(19)
Fair value of net identifiable assets acquired	**19**
Add: Goodwill	7
Fair value of net assets acquired	**26**

The goodwill is attributable to future customer growth and has been allocated to the Bulk CGU. None of the goodwill is expected to be deductible for tax purposes.

Acquisition costs were expensed to profit or loss. The net cash outflow from investing activities for the business acquisition was $25 million, representing cash paid of $26 million net of cash acquired of $1 million.

(b) Accounting policies

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. In accordance with the acquisition method, the Group measures goodwill, at acquisition date, as the fair value of the consideration transferred less the fair value of the identifiable assets and liabilities acquired. The fair value of the consideration transferred comprises the initial cash paid and an estimate for any future contingent or deferred payments the Group may be liable to pay.

The application of the acquisition method requires certain estimates and assumptions to be made particularly around the determination of fair value of any contingent or deferred consideration, the acquired intangible assets, property, plant and equipment, and liabilities assumed. Such estimates are based on information available at acquisition date.

Acquisition-related costs are expensed as incurred.

Other notes

In this section

Other notes provides information on other items which require disclosure to comply with Australian Accounting Standards and other regulatory pronouncements, however are not considered critical in understanding the financial performance or position of the Group.

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23. Notes to the consolidated statement of cash flows

(a) Reconciliation of net cash inflow from operating activities to profit from continuing operations

	2025 $m	2024 $m
Profit from continuing operations	**303**	406
Depreciation and amortisation	**732**	707
Impairment of non-current assets	**59**	1
Finance expenses	**356**	342
Share-based payment expense	**7**	6
Net loss/(gain) on disposal of assets	**9**	3
Share of net profit of investments accounted for using equity method	**(1)**	(1)
Net exchange differences	**–**	(1)
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	**(20)**	31
(Increase)/decrease in inventories	**(46)**	(21)
(Increase)/decrease in other operating assets	**3**	19
Increase/(decrease) in trade and other payables	**(12)**	36
Increase/(decrease) in other liabilities	**(9)**	(65)
Increase/(decrease) in current tax liabilities	**54**	101
Increase/(decrease) in deferred tax liabilities	**30**	50
Increase/(decrease) in provisions	**(4)**	2
Net cash inflow from operating activities from continuing operations	**1,461**	1,616

(b) Reconciliation of liabilities arising from financing activities to financing cash flows

	Current borrowings $m	Non-current borrowings $m	Liabilities held to hedge borrowings[1] $m	Assets held to hedge borrowings[1] $m	Total $m
Balance as at 1 July 2024	**(954)**	**(3,943)**	**(236)**	**129**	**(5,004)**
Reclassification	**(886)**	**886**	**–**	**–**	**–**
Financing cash flows[2]	**781**	**(1,010)**	**–**	**–**	**(229)**
Changes in fair value (including foreign exchange rates)	**88**	**(268)**	**60**	**19**	**(101)**
Other non-cash movements[3]	**–**	**(7)**	**–**	**–**	**(7)**
Balance as at 30 June 2025	**(971)**	**(4,342)**	**(176)**	**148**	**(5,341)**
Balance as at 1 July 2023	(566)	(4,576)	(252)	119	(5,275)
Reclassification	(794)	794	–	–	–
Financing cash flows[2]	409	(139)	–	–	270
Changes in fair value (including foreign exchange rates)	–	(13)	16	10	13
Other non-cash movements[3]	(3)	(9)	–	–	(12)
Balance as at 30 June 2024	(954)	(3,943)	(236)	129	(5,004)

1 Assets and liabilities held to hedge borrowings exclude foreign exchange contracts included in Note 18(a).
2 Financing cash flows includes the net amount of proceeds from borrowings, repayment of borrowings and payments of transaction costs related to borrowings.
3 Other non-cash movements includes the amortisation of capitalised borrowing costs and amortisation of discounts on the face value of the AMTNs and EMTNs issued.

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24. Related party transactions

Related parties include investments and Key Management Personnel (KMP). Other than with KMP, there were no transactions with related parties during the financial year (2024: $nil).

25. Key Management Personnel

KMP include the Non-Executive Directors and those Executives who have the authority and responsibility for planning, directing and controlling the activities of the Group. Detailed remuneration disclosures are provided in the Remuneration Report section of the Directors' Report.

	2025 $'000	2024 $'000
Short-term employee benefits	**6,899**	8,703
Long-term employee benefits	**77**	138
Post-employment benefits	**305**	265
Termination payments	**786**	–
Share-based payment expense	**3,649**	2,848
	11,716	11,954

During the period, a Non-Executive Director purchased on market 10 Subordinated Notes issued by the Company for consideration of $100,000.

Apart from the information disclosed in this note, no Director has entered into a material contract with the Group in the financial year and there were no material contracts involving Directors' interests existing at year end (2024: nil).

26. Share-based payments

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payment incentives. The performance rights plans were established by the Board to motivate and incentivise employees to develop and successfully execute against short and long-term strategies that grow the business and generate shareholder returns. The schemes under the plan include a Short Term Incentive Award (STIA), a Long Term Incentive Award (LTIA) and a Retention award. The schemes have various terms and performance measures.

This note should be read in conjunction with the Remuneration Report, as set out in the Directors' Report, which contains detailed information regarding the setting of remuneration for KMP.

The table below summarises the total movements in the performance rights issued by the Group:

	Balance at start of the year Number '000	Granted during the year Number '000	Exercised during the year Number '000	Forfeited during the year Number '000	Balance at end of the year[1] Number '000
2025					
STIA	**278**	**518**	**(278)**	**–**	**518**
LTIA	**12,321**	**4,987**	**–**	**(3,204)**	**14,104**
Retention	**277**	**61**	**(186)**	**(52)**	**100**
Total	**12,876**	**5,566**	**(464)**	**(3,256)**	**14,722**
2024					
STIA	553	278	(509)	(44)	278
LTIA	10,475	4,301	(512)	(1,943)	12,321
Retention	201	130	(54)	–	277
Total	11,229	4,709	(1,075)	(1,987)	12,876

1 Balance of rights at the end of the year remains unvested.

During the period, the Group recognised a share-based payment expense of $7 million (2024: $6 million).

The weighted average share price at the date performance rights were exercised during the period was $3.40 (2024: $3.60). The weighted average remaining contractual life of unvested rights at 30 June 2025 was 2.0 years (2024: 2.0 years).

Market valuation techniques were used to determine the fair value of performance rights granted and are summarised in the table below:

Scheme	Fair value	2025 $	2024 $
STIA	Share price at grant date	**3.44**	3.59
Retention	Share price at grant date	**3.55**	3.85
LTIA			
— ROIC	Share price at grant date less estimated dividend yield	**2.75**	2.84
— TSR	Monte-Carlo simulation technique	**1.25**	1.62
— Strategic Transformation[1]	Share price at grant date less estimated dividend yield	**2.75**	2.84

1 The Strategy Transformation Scheme is determined by reference to Non-Coal Underlying EBITDA Growth over the performance period.

The table below summarises the inputs to the fair value calculation under the Monte-Carlo simulation technique:

Inputs	2025	2024
Expected dividend yield (%)	**6.10**	6.00
Expected price volatility of the Company's shares (%)	**17.70**	22.50
Share price at grant date ($)	**3.51**	3.61
Risk-free interest rate (%)	**3.80**	3.90
Expected life of rights (years)	**4.00**	4.00

The expected price volatility of the Company's shares reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

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27. Auditor's remuneration

During the year, the following fees were paid or payable for services provided by the auditor of the parent entity and its subsidiaries:

	2025 $'000	2024 $'000
Deloitte Touche Tohmatsu		
Audit and review of financial statements		
Group	**367**	343
Controlled subsidiaries	**1,191**	1,052
	1,558	1,395
Other assurance services	**338**	217
Other advisory services	**–**	14
Total remuneration of Deloitte Touche Tohmatsu	**1,896**	1,626

28. New and amended standards

(a) New and amended standards adopted by the Group

The Group has applied the following amendments for the first time for the reporting period commencing 1 July 2024:

- AASB 2020-1 *Amendment to Australian Accounting Standards — Classification of Liabilities as Current or Non-Current,* AASB 2020-6 *Amendments to Australian Accounting Standards — Classification of Liabilities as Current or Non-Current — Deferred of Effective Date* and AASB 2022-6 *Amendments to Australian Accounting Standards — Non-current Liabilities with Covenants.*

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to materially affect the current and future reporting periods.

(b) New standards and interpretations not yet adopted

Certain new accounting standards and amendments to standards have been published that are not mandatory for reporting periods commencing 1 July 2024 and have not been early adopted by the Group. These standards are not expected to have a material recognition and measurement impact on the Group in the current or future reporting periods and on foreseeable future transactions.

AASB 18 *Presentation and Disclosure in Financial Standards* will be effective for the Group from 1 July 2027. The standard will affect the presentation and disclosure in the financial statements, including introducing new categories and subtotals in the statement of profit or loss, requiring the disclosure of management-defined performance measures, and changing the grouping of information in the financial statements.

Unrecognised items and events after reporting date

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In this section

Unrecognised items provides information about items that are not recognised in the financial statements but could potentially have a material impact on the Group's financial position and performance. This section also includes events occurring after the reporting date.

29. Commitments and contingencies Page 99

30. Events occurring after the reporting period Page 99

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29. Commitments and contingencies

(a) Contingent liabilities

Issues relating to common law claims, product warranties and regulatory breaches are dealt with as they arise. There were no material contingent liabilities requiring disclosure in the financial statements, other than as set out below.

Guarantees and letters of credit

The Group has issued guarantees of $35 million (2024: $33 million) to third parties including against workers' compensation self-insurance liabilities as required by State authorities based on independent actuarial advice. The probability of having to make a payment under these guarantees is considered remote.

(b) Capital commitments

At 30 June 2025, the Group has capital commitments contracted but not provided for in respect of the acquisition of property, plant and equipment of $119 million (2024: $149 million) which are due within one year, $9 million (2024: $25 million) which are due between one and five years and $13 million (2024: $14 million) which are due after five years.

30. Events occurring after the reporting period

No matter or circumstance, other than the matters disclosed in key events and transactions for the reporting period, has occurred subsequent to the financial period that has materially affected, or may materially affect, the operations of the Group, the results of those operations, or the state of affairs of the Group or economic entity in subsequent financial periods.

Consolidated entity disclosure statement

30 June 2025

About this report

This statement has been prepared using supporting documentation, including company registration data and information provided to tax authorities, up to 30 June 2025. All Australian tax resident entities listed below (including Iron Horse Insurance Company Pte Ltd) are members of the Aurizon Holdings Limited tax consolidated group. Aurizon 3H (UK) Ltd is a United Kingdom company that holds the Group's investment in Ox Mountain Limited.

Name	Type of entity	Country of incorporation	Ownership interest (%)	Australian tax resident	Foreign jurisdictions
Aurizon Holdings Limited	Body corporate	Australia	N/A	Yes	N/A
Aurizon Operations Limited[1]	Body corporate	Australia	100	Yes	N/A
Aurizon Network Pty Ltd	Body corporate	Australia	100	Yes	N/A
ACN 654 415 700 Pty Ltd[1]	Body corporate	Australia	100	Yes	N/A
Aurizon 3H Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon 3H (UK) Ltd	Body corporate	United Kingdom	100	No	United Kingdom
Aurizon Finance Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Intermodal Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon International Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Port Services Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Port Services NSW Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Property Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Property Holding Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Resource Logistics Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Surat Basin Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Terminal Pty Ltd	Body corporate	Australia	100	Yes	N/A
Australia Eastern Railroad Pty Ltd	Body corporate	Australia	100	Yes	N/A
Australia Western Railroad Pty Ltd	Body corporate	Australia	100	Yes	N/A
Australian Rail Pty Ltd	Body corporate	Australia	100	Yes	N/A
Australian Railroad Group Employment Pty Ltd	Body corporate	Australia	100	Yes	N/A
AWR Lease Co Pty Ltd	Body corporate	Australia	100	Yes	N/A
Interail Australia Pty Ltd	Body corporate	Australia	100	Yes	N/A
Iron Horse Insurance Company Pte Ltd	Body corporate	Singapore	100	Yes	N/A
Logistics Australasia Pty Ltd	Body corporate	Australia	100	Yes	N/A
South Maitland Railways Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Bulk Central Holdings LP	Partnership	N/A[2]	100	Yes	N/A
Aurizon Bulk Central Finance 2 Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Bulk Central Holdings Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Bulk Central Finance Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Bulk Central Network Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Bulk Central (SA Holdings) Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Bulk Central (Northern) Pty Ltd	Body corporate	Australia	100	Yes	N/A
Viper Line Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Bulk Central Pty Ltd	Body corporate	Australia	100	Yes	N/A
ARG Sell Down No 1 Pty Ltd	Body corporate	Australia	100	Yes	N/A
ARG Sell Down Holdings Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Bulk Central (VW) Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Bulk Central (SA Rail) Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Bulk Central (Eastern) Pty Ltd	Body corporate	Australia	100	Yes	N/A
ARG Sell Down No 2 Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Bulk Central (Operations North) Pty Ltd	Body corporate	Australia	100	Yes	N/A
Aurizon Port Services (SA) Pty Ltd[3]	Body corporate	Australia	100	Yes	N/A
Aurizon Pirie Logistics Pty Ltd[3]	Body corporate	Australia	100	Yes	N/A

1 Partner in a partnership (Aurizon Bulk Central Holdings LP).
2 Aurizon Bulk Central Holdings LP is an unincorporated limited partnership registered in the state of South Australia.
3 The Group acquired the entities on 6 December 2024, refer to Note 22 for further information.

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Directors' declaration

30 June 2025

In accordance with a resolution of the Directors of the Company, I state that:

In the opinion of the Directors of the Company:

(a) the consolidated financial statements and notes set out on pages 49 to 100 are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Accounting Standards and other mandatory professional reporting requirements as detailed above, and the *Corporations Regulations 2001,*

  (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the financial year ended on that date, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable,

(c) the consolidated entity disclosure statement, set out on page 100 in accordance with the *Corporations Act 2001,* is true and correct.

Page 55 confirms that the consolidated financial statements also comply with IFRS Accounting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Managing Director & Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001.*

Signed in accordance with a resolution of the directors made pursuant to s295(5) of the *Corporations Act 2001.*

Tim Poole
Chairman

Brisbane
18 August 2025

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Independent Auditor's Report to the Members of Aurizon Holdings Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Aurizon Holdings Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated balance sheet as at 30 June 2025, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards*) issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matter	How the scope of our audit responded to the Key Audit Matter

Useful life of Network infrastructure assets
 	
At 30 June 2025, the carrying amount of the Central Queensland Coal Network infrastructure assets (Network infrastructure assets) was $4,965m (PY: $4,934m). As disclosed in note 8, the Group estimates the useful lives of the Network infrastructure assets based on the expected engineering life of these assets, capped at the remaining term of the applicable leases. In adopting this basis, the Group assumes that the Network infrastructure assets will remain economically viable throughout the lease term (i.e., to 2109).
 	
The Network infrastructure assets are primarily used to transport coal from mines to port for subsequent export. There is uncertainty as to the long term future demand for coal with climate change widely considered to be one of the key issues facing the global community and increasing pressure on governments and industry to seek lower carbon solutions.
 	
Any change in the export market demand for Queensland coal or restrictions on the supply of that coal may indicate that the useful lives of the Network infrastructure assets should be reduced resulting in an increase in the future depreciation expense.
 	
Given the significant carrying amount of the Network infrastructure assets and the uncertainty associated with the long term impact of climate change, the estimate of useful lives of the Network infrastructure assets is considered to be a key audit matter.
	To evaluate the useful lives adopted by the Group for the Network infrastructure assets, we performed the following procedures amongst others:
	
	• Obtained and evaluated relevant information which estimates the future demand for, and supply of, coal from Queensland. This included publicly available global and regional energy and coal forecasts and outlooks from industry specialists
	
	• As metallurgical coal is expected to be in demand longer than thermal coal, evaluated the period over which metallurgical coal demand could be supplied by Queensland mines, with reference to publicly available metallurgical coal reserves and production estimates
	
	• Obtained publicly available information on the current regulatory environment of the coal industry in Queensland including mine approvals and government policy statements to assess future supply of coal
	
	• As most publicly available information does not forecast coal demand beyond 2050, management undertook an analysis to assess the economic viability of the Network infrastructure assets beyond 2050. Our procedures on management's analysis included:
	  o Understanding the methodology adopted
	  o Testing the integrity and mechanical accuracy of management's calculations
	  o Comparing key assumptions used by management to existing benchmarks and publicly available information.
	
	We evaluated the disclosures in the financial statements including the sensitivity analysis outlining the impact on depreciation expense of changes in the useful lives of assets (see note 8).

Assessment of the carrying amount of the Bulk, Coal New South Wales (NSW) and Containerised Freight cash-generating units (CGUs) At 30 June 2025, as disclosed in notes 8 and 9, management has estimated the recoverable amount of:	To evaluate the estimated recoverable amount of the Bulk, Coal NSW and Containerised Freight CGUs, we performed the following procedures, amongst others: • Assessed the design and implementation of key controls over management's process for determining the recoverable amount of the CGUs

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Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
• The Bulk CGU, which has a carrying amount of $2,084m after impairing the carrying amount of goodwill ($57m) in the year • The Coal NSW CGU, which has a carrying amount of $671m • The Containerised Freight CGU, which has a carrying amount of $354m. As disclosed in notes 8 and 9, the recoverable amount of these CGUs has been estimated using a fair value less costs of disposal (FVLCD) discounted cash flow model. The key assumptions included in these models relate to cash flows from customers, discrete period growth rates, discount rates and forecast capital expenditure. As these assumptions require management to exercise significant judgement, the assessment of the recoverable amount of the Bulk, Coal NSW and Containerised Freight CGUs is a key audit matter.	• Reconciled the assets and liabilities of the respective CGUs to the Group balance sheet and ensured that corporate assets were appropriately allocated to CGUs • Agreed the cash flows included in management's models to the latest board approved budgets and, where applicable, assessed the basis for any adjustments to the budgeted cash flows • Evaluated the basis for determining the forecast cash flows attributable to customer contracts in management's model, including an assessment of key assumptions relating to volumes, contract renewals and potential new customers. This included, where relevant, a comparison of management's assumptions to publicly available information and evaluating the competency, qualifications and objectivity of management's expert and assessing the adequacy of their work • Evaluated the basis for proposed cost reductions included in the forecast cash flows • Assessed the inclusion in the cash flow models of forecast expenditure in respect of the Group's decarbonisation strategy and the Safeguard Mechanism • Evaluated, where relevant, the Group's ability to accurately forecast future cash flows by comparing the current year and historical results to relevant budgets • Together with our valuation specialists, assessed the discount rates used to determine the recoverable amount, by calculating an independent expectation of the rate • Together with our valuation specialists, assessed the terminal growth rates, the valuation methodology and the mathematical accuracy of the cash flow models • Performed an analysis to understand the sensitivity of the recoverable amount to changes in key assumptions We assessed the relevant disclosures included in the financial statements (see notes 8 and 9).

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Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors are responsible:

- For the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may

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cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 27 to 40 of the Directors' Report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Aurizon Holdings Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

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Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

DELOITTE TOUCHE TOHMATSU

Matthew Donaldson
Partner
Chartered Accountants
Brisbane, 18 August 2025

Non-IFRS Financial Information related to the FY2025 Annual Report

In addition to using profit as a measure of the Group and its segments' financial performance, Aurizon uses EBITDA (Statutory and Underlying), EBITDA margin (Statutory and Underlying), EBIT (Statutory and Underlying), NPAT Underlying, Return On Invested Capital (ROIC), Net debt and Net gearing ratio. These measurements are not defined under IFRS Accounting Standards and are therefore termed 'Non-IFRS' measures.

EBITDA — Statutory is Group profit before net finance costs, tax, depreciation and amortisation, while EBIT — Statutory is defined as Group profit before net finance costs and tax. Underlying can differ from Statutory due to exclusion of significant items that permits a more relevant analysis of the underlying performance on a comparative basis. EBITDA margin is calculated by dividing Underlying EBITDA by total revenue. These measures are considered to be useful measures of the Group's operating performance because they approximate the underlying operating cash flow by eliminating depreciation and amortisation.

NPAT — Underlying represents the Underlying EBIT less finance costs, tax expense and the tax impact of significant items.

ROIC is defined as underlying rolling 12-month EBIT divided by average invested capital. Average invested capital is calculated as the rolling 12-month average of net assets (excluding cash, borrowings, current and deferred tax balances, derivative financial assets and liabilities, and assets and liabilities held for sale). This measure is intended to ensure there is alignment between investment in infrastructure and superior returns for shareholders.

Net debt consists of borrowings (both current and non-current) less cash and cash equivalents. Net debt excludes lease liabilities. Net gearing ratio is defined as Net debt divided by Net debt plus Equity. Net debt and Net gearing ratio are measures of the Group's indebtedness and provides an indicator of the balance sheet strength. An alternative Net debt and Net gearing ratio are also disclosed to include derivative financial instruments used to hedge market risk on borrowings.

These above mentioned measures are commonly used by management, investors and financial analysts to evaluate companies' performance.

A reconciliation of the Non-IFRS measures and specific items to the nearest measure prepared in accordance with IFRS Accounting Standards is included in the table. The Non-IFRS financial information contained within this Directors' report and Notes to the Financial Statements have not been audited in accordance with Australian Auditing Standards.

	2025 $m	2024 $m
NPAT — Underlying	**348**	406
Significant items, net of tax	**(45)**	–
NPAT — Statutory	**303**	406
Income tax expense	**153**	178
Profit before income tax	**456**	584
Net finance costs	**345**	333
EBIT — Statutory	**801**	917
Add back significant items:		
— Proceeds from settlement of legal matters	**(37)**	–
— Transformation costs	**23**	–
— Goodwill impairment — Bulk	**57**	–
EBIT — Underlying	**844**	917
Depreciation and amortisation	**732**	707
EBITDA — Underlying	**1,576**	1,624
Average invested capital (continuing operations)	**10,423**	10,287
ROIC (continuing operations)	**8.1%**	8.9%

Net gearing ratio	2025 $m	2024 $m
Total borrowings	**5,313**	4,897
Less: cash and cash equivalents	**(64)**	(49)
Net debt	**5,249**	4,848
Total equity	**4,086**	4,438
Total capital	**9,335**	9,286
Net gearing ratio	**56.2%**	52.2%

Alternative net gearing ratio	2025 $m	2024 $m
Net debt	**5,249**	4,848
Accumulated fair value adjustments[1]	**(55)**	124
Alternative Net debt	**5,194**	4,972
Total equity	**4,086**	4,438
Total capital	**9,280**	9,410
Alternative net gearing ratio	**56.0%**	52.8%

1 Refer to Note 18(a)(ii).

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Shareholder Information

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RANGE OF FULLY PAID ORDINARY SHARES AS AT 8 AUGUST 2025

RANGE	TOTAL HOLDERS	UNITS	% OF ISSUED CAPITAL
1 – 1,000	20,556	12,055,684	0.69
1,001 – 5,000	27,122	64,808,189	3.70
5,001 – 10,000	7,147	52,699,376	3.01
10,001 – 100,000	6,148	135,021,455	7.71
100,001 Over	174	1,485,859,284	84.89
Total	**61,147**	**1,750,443,988**	**100.00**

UNMARKETABLE PARCELS AS AT 8 AUGUST 2025

	MINIMUM PARCEL SIZE	HOLDERS	UNITS
Minimum $500.00 parcel at $3.2100 per unit	156	1,949	182,885

The number of shareholders holding less than the marketable parcel of shares is 1,949 (shares 182,885).

SUBSTANTIAL HOLDERS OF 5% OR MORE OF FULLY PAID ORDINARY SHARES AS AT 8 AUGUST 2025*

NAME	NOTICE DATE	SHARES
The Vanguard Group, Inc	2/09/2024	112,185,561
Mondrian Investment Partners Limited	29/07/2025	124,081,821
State Street Corporation and subsidiaries	08/08/2025	118,939,201
L1 Capital Pty Ltd	27/06/2025	129,061,848

* As disclosed in substantial shareholder notices received by the Company.

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Investor Relations

For all information about your shareholding, including dividend statements and change of address, contact the share registry managed by Computershare Investor Services Pty Ltd.

Website: **www.investorcentre.com/contact**

Phone: 1800 776 476 (toll free) or +61 3 9938 5376 (If calling from overseas)

To request information relating to investor relations please contact our investor relations team on 13 23 32 or email: **investor.relations@aurizon.com.au.**

TOP 20 HOLDERS OF FULLY PAID ORDINARY SHARES AS AT 8 AUGUST 2025

NAME	UNITS	% OF UNITS
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	636,175,889	36.34
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	306,615,442	17.52
CITICORP NOMINEES PTY LIMITED	289,256,241	16.52
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	32,222,027	1.84
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	28,551,833	1.63
ARGO INVESTMENTS LTD	23,752,730	1.36
BNP PARIBAS NOMS PTY LTD	21,275,499	1.22
NATIONAL NOMINEES LIMITED	16,801,193	0.96
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C>	16,025,989	0.92
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	13,062,738	0.75
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING COLLATERAL>	12,070,000	0.69
BKI INVESTMENT COMPANY LIMITED	8,330,000	0.48
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	6,853,900	0.39
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	6,456,885	0.37
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	4,714,675	0.27
BNP PARIBAS NOMS PTY LTD <GLOBAL MARKETS>	3,697,230	0.21
BNP PARIBAS NOMS (NZ) LTD	3,410,908	0.19
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	2,734,691	0.16
WARBONT NOMINEES PTY LTD <UNPAID ENTREPOT A/C>	2,603,207	0.15
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,547,723	0.15
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)	**1,437,158,800**	**82.10**
Total Remaining Holders Balance	**313,285,188**	**17.90**

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Glossary

Some terms and abbreviations used in this document, together with industry specific terms, have defined meanings.

These terms and abbreviations are set out in this glossary and are used throughout this document.

A reference to dollars, $ or cents in this document is a reference to Australian currency unless otherwise stated. Any reference to a statute, ordinance, code or other law includes regulations and any other instruments under it and consolidations, amendments, re-enactments or replacements of any of them. Any reference to Annual Report is a reference to this document.

AASB
Australian Accounting Standards Board

ABN
Australian Business Number

Above Rail
Includes the business unit segments of Coal, Bulk, Containerised Freight and Other of Aurizon Holdings Limited

ACN
Australian Company Number

AGRMC
The Board Audit, Governance and Risk Management Committee

AMTN
Australian Medium-Term Note

ASIC
Australian Securities and Investments Commission

ASX
Australian Securities Exchange operated by ASX Limited (ABN 98 008 624 691)

ASX Listing Rules
The official listing rules of ASX

ATO
Australian Taxation Office

Aurizon or Company
Aurizon Holdings Limited (ABN 14 146 335 622) and where the context requires, includes any of its subsidiaries and controlled entities

Below Rail
The business unit segment of Network — Aurizon Network Pty Ltd (ACN 132 181 116) a wholly-owned subsidiary of Aurizon Holdings Limited

Board
The Board of Directors of Aurizon Holdings Limited

CAGR
Compound Annual Growth Rate, expressed as a percentage per year

CAPEX
Capital Expenditure

CCIRS
Cross-currency interest rate swap, an agreement between two parties to exchange interest payments and principal denominated in two different currencies

CGU
Cash-generating unit, the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets

CH
Cultural Heritage

CHGF
Cultural Heritage Governance Framework

Company Secretary
Each Company Secretary of Aurizon Holdings Limited

Constitution
The constitution of Aurizon Holdings Limited

Corporations Act
Corporations Act 2001 (Cth)

CPI
Consumer Price Index

CPS
Cents Per Share

CQCN
Central Queensland Coal Network

CSAP
Climate Strategy and Action Plan

DSTIA
Deferred STI Award

EBIT
Earnings Before Interest and Tax

EBITDA
Earnings Before Interest, Tax, Depreciation and Amortisation

EBIT Margin
Underlying Earnings Before Interest and Tax divided by total revenue and other income

EFP
Enterprise Fleet Plan

EMTN
Euro Medium-Term Note

EPA
Environment Protection Agency

EPL
Environment Protection Licence

EPS
Earnings Per Share

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FSB
Financial Stability Board

FY
Financial Year ended 30 June, as the context requires

GAAP
Generally Accepted Accounting Principles

GAPE
Goonyella to Abbot Point Expansion

Group Executives
Direct report to the MD & CEO and are either responsible for a Business Unit (Bulk, Coal, Network, Containerised Freight) or are the functional lead for the Finance and Corporate support units

GST
Goods and Services Tax

IASB
International Accounting Standards Board

IFRS Accounting Standards
International Financial Reporting Standards Accounting Standards issued by the International Accounting Standards Board

ISDA
International Swaps and Derivatives Association

km
Kilometre

KMP
Key Management Personnel

LTIA
Long Term Incentive Awards

M
Million

MAR
Maximum Allowable Revenue that Aurizon Network Pty Ltd is entitled to earn from the provision of coal carrying train services in the CQCN across the term of an access undertaking

mt
Millions of tonnes

mtpa
Millions of tonnes per annum

Network
Aurizon Network Pty Ltd (ACN 132 181 116) a wholly-owned subsidiary of Aurizon Holdings Limited

NGER Act
National Greenhouse Energy Reporting Act 2007 (Cth)

ntk
Net tonne kilometre, unit of measure representing the movement over a distance of one kilometre of one tonne of contents excluding the weight of the locomotive and wagons

OPEX
Operating Expense including depreciation and amortisation

PPT
Percentage Point

QCA
Queensland Competition Authority

RAB
Regulatory Asset Base, the value of the asset base on which pricing is determined by the price regulator

Rail Process Safety
The cumulative number of SPAD, derailment and rollingstock to rollingstock collision incidents, per million train kilometres, over a given recording period

ROIC
Return on Invested Capital

RSO
Rolling Stock Operator

Share
A fully paid ordinary share in Aurizon Holdings Limited

SIFR(a+p)
Serious Injury and Fatality Rate, including both actual and potential events

SPAD
Signal Passed At Danger

STIA
Short Term Incentive Award

TCFD
Taskforce on Climate-related Financial Disclosures

tonne
One metric tonne, being 1,000 kilograms

tonne kilometres
The product of tonnes and distance

TRIFR
The cumulative number of Lost Time Injuries, Medical Treatment Injuries and Restricted Work Injuries sustained by employees and contractors, per million hours worked, over a given recording period

TSR
Total Shareholder Return

USPP
United States Private Placement Note

WACC
Weighted Average Cost of Capital, expressed as a percentage

WICET
Wiggins Island Coal Export Terminal

WIRP
Wiggins Island Rail Project

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Corporate Information

Aurizon Holdings Limited
ABN 14 146 335 622

Directors
Tim Poole
Andrew Harding
Marcelo Bastos
Russell Caplan
Tim Longstaff
Sarah Ryan
Lyell Strambi
Samantha Tough

Company Secretaries
David Wenck
Nicole Allder

Registered Office
Level 8, 900 Ann Street
Fortitude Valley QLD 4006

Auditors
Deloitte Touche Tohmatsu (Deloitte)

Share Registry
Computershare Investor Services Pty Limited

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AURIZON

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ABN 14 146 335 622

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