Corporate Report for the year ended 30 June 2024

Transurban

2024

Our year in numbers

$1,916M
gross distributions to security holders

3.72
road injury crash index, below threshold of 4.15

446,000
hours saved by customers every workday[1]

$2,631M
proportional EBITDA

6.7%
increase in proportional toll revenue

$3.6M+
towards community investment

$2M+
worth of fuel saved on average every workday by taking our roads[2]

70%
reduction in absolute scope 1 and 2 GHG emissions compared to FY19 base line

3
major projects expected to open by 2026[3]

56% men
44% women
progressed gender balance across our workforce, in line with our target, 40% men, 40% women, 20% any gender/non-binary

#1
global and Australian company on gender equality performance in Equileap's annual ranking program (2024)[4]

1 *Compared to the toll-free alternative route*

2 *Australian trips only, based on FY24 Australian average fuel price of $1.96/L. Average workday savings compared to the toll-free alternative route, see Transurban GHG Basis of Preparation for further details*

3 *On a calendar year basis*

4 *Equileap assesses around 4,000 companies worldwide on criteria including gender balance, equitable compensation, equality and flexibility policies and demonstrated commitment to progressing gender equality*

Sound Tube, CityLink, Melbourne

Strategic objectives

Value for stakeholders

Enhancing customer and community value
Focus on government partnerships
Value for security holders

Continued growth

Existing market growth
Potential new markets
Emerging mobility trends

Operating efficiency

Optimising the core
Capital discipline
Refreshed operating model

Contents

Reporting suite

FY24 Corporate Report (this report)[1]
Transurban's holistic performance for FY24, including our Financial Statements.

FY24 Results Presentation
Management presentation of financial and non-financial results, including non-statutory analysis.

FY24 Sustainability Data Pack
Data sets for sustainability metrics, including Global Reporting Initiative, Sustainability Accounting Standards Board, Taskforce on Climate-related Financial Disclosures Index, and our progress against the United Nations Sustainable Development Goals.

Corporate Governance Statement
Statement made in accordance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition).

Tax Transparency Report
Overview of our corporate structure, approach to tax and tax position for FY23.

Modern Slavery Statement
Overview of how we identify, manage and mitigate the specific risks of modern slavery in our operations and supply chains – available late 2024.

GHG Basis of Preparation
Description of the key boundaries, methodologies, and references used in the preparation of Transurban's reported greenhouse gas (GHG) emissions and associated climate change disclosures.

All available on our website transurban.com

1 *Our sustainability reporting is integrated in the FY24 Corporate Report, including our climate change disclosure*

AirportlinkM7, Clem7, Inner City Bypass, Brisbane

Introduction and overview

In this section

Letter from our Chair and CEO

We are pleased to present Transurban's Corporate Report for FY24, our first together as Chair and CEO.

This was a year of evolution, as we hit the ground running to meet changing stakeholder expectations and prepare for the significant growth potential that lies ahead.

With populations increasing, we're focused on helping cities grow and making people's lives easier.

This focus guides the opportunities we pursue, and the way we show up for our stakeholders. Underpinning this is our ability to deliver tangible value for our customers, which in turn sustains long-term value for investors.

Throughout this report we illustrate the many ways we are delivering on the needs of our stakeholders, both on and off the road.

Financial highlights

The year has produced strong results right across the business.

FY24 saw traffic grow in every market, with approximately 2.5 million average daily trips, up 1.7% on the prior year.

Proportional toll revenue increased by more than 6.7% to $3,535 million and we saw a strong EBITDA result for the Group at $2,631 million, up 7.5%.

Through FY24, we have continued to actively manage our balance sheet, with weighted average cost of debt up slightly at 4.5% while our disciplined and active approach to cost management saw cost growth of 3.6%, outperforming guidance of 4-6% growth.

Our strong balance sheet offers us the support and flexibility we need to take advantage of future growth opportunities.

Our full-year distribution of 62 cents per stapled security was up nearly 7% on FY23, and in total, we will pay $1,916 million in gross distributions to our investors.

Customer highlights

Underpinning these results is the value that our 10.8 million customers experience when choosing our roads, and this year has seen us provide even more value for drivers on and off the road.

Time savings continues to be the key reason[1] people choose our roads, with customers collectively saving over 446,000 hours in travel time every workday.

Our Linkt Rewards program has gone from strength to strength this year, with five major discount partners now on board and over one million members signed up to the program.

And with research showing that fuel is one of the biggest cost-of-living concerns for Australian households, we provided our more frequent customers with a 12 cents per litre bonus fuel discount this year, to help drive their dollar further.

Project updates

Alongside these achievements, it's been a significant year for our projects.

We have three major projects expected to open by 2026,[2] and potential opportunities being evaluated in all our markets.

Our 95 Express Lanes Fredericksburg Extension opened to traffic in August 2023, creating the longest reversible road in the United States.

With the 95 Express Lanes now spanning around 66 kilometres from Washington, DC to Fredericksburg, Virginia, the Extension helps relieve congestion in one of the region's worst traffic hotspots. With over 3.8 million trips taken on the Extension since opening, drivers who make a round trip are saving an average of an hour a day in travel time.

Nearby, works are continuing on our 495 Express Lanes Northern Extension project and new access points on our 95 Express Lanes, both of which are set to further enhance connectivity to commercial and retail hubs and reduce congestion in the region.

In Melbourne, work on the West Gate Tunnel project is well advanced, with road deck construction in the tunnels now complete, and finished lanes on sections of the West Gate Freeway open to traffic. Construction of the project's city connections continues to progress well, ahead of the project opening in 2025.

And we've seen significant progress on the M7-M12 Integration project, with traffic changes and early construction works now underway to widen the M7 Motorway and connect it to the NSW Government's new M12.

This year also marked the full completion of the WestConnex project, with the final stage – Rozelle Interchange – opening to traffic in November 2023. Delivered by the NSW Government and now operated by Transurban, the Interchange has unlocked new journeys for Sydney motorists and resulted in faster journeys between the CBD and the west and south-west of Sydney. While some congestion was experienced in the surrounding areas of the Rozelle Interchange after opening, travel times on key surface routes have improved in recent months following the initial settling period post opening.

In July 2024, we announced a partnership with the Queensland Government to develop plans to widen almost 10kms of the western section of the Logan Motorway. The Logan West Upgrade project aims to provide congestion relief and reduce travel times while improving road safety in this growing region.

ESG and Sustainability

As well as making great progress on our projects, this year was also one of significant evolution for our Environmental, Social and Governance (ESG) and sustainability approach.

We continued our focus on the transition to net zero 2050 and climate resilience, both in making progress against our SBTi validated near-term 2030 greenhouse gas targets, with a 70% reduction of absolute scope 1 and 2 emissions against our FY19 baseline, and preparing to respond to new sustainability disclosure requirements.

The ESG landscape continues to evolve rapidly, and we have put considerable focus this year on preparing for these changes ahead.

Listening to our stakeholders

It's important to us that we listen to our stakeholders to understand what we're doing well and where we could improve.

This year, we carried out a robust double materiality assessment to better understand what ESG topics matter most to our stakeholders, from both an impact and financial materiality perspective. Feedback is allowing us to focus our efforts on where we can make a positive difference, such as climate and customer emissions, road safety, and the welfare of our customers.

Our annual stakeholder listening program also gave us a great opportunity to hear from our stakeholders about how we're performing.

More than 5,000 people across Australia took part in our Community Engagement Survey, providing feedback on what was important to them and where Transurban can make a meaningful impact.

In addition, we sought feedback from our government partners at local, state and federal levels. This exercise is helping us to better understand governments' evolving expectations of Transurban, our common goals and how we can support them to move people and goods around cities more efficiently.

We also continued seeking the views of our customers through our Voice of Customer program, which allows us to gauge our customers' experiences both on and off the road and shapes how we design and deliver services across our website, app and phone interactions.

Footnotes on following page


CEO, Michelle Jablko and Chair, Craig Drummond

NSW toll review

This year, we also spent considerable time engaging with the NSW Government and the Independent Toll Review on toll reform.

The review is giving us the opportunity to create better outcomes for Sydney motorists, while protecting the significant investment that we and our partners have made.

The NSW Government and the Review have both recognised the importance of honouring contracts that are in place, and both have noted there are multiple options for achieving reform.

Along with our partners, we have invested $36 billion into Sydney's motorway network over the past two decades. This investment has provided enormous liveability and productivity benefits for Sydney drivers in the form of travel-time savings, reliability and road safety.

We are committed to working with the NSW Government and the other investors in Sydney's motorways on potential reform, by exploring solutions that utilise several aspects of the Review as a base, to enhance outcomes for Sydney.

Looking ahead to growth

With strong population growth in our markets and emerging technology that has continued potential to improve the safety and efficiency of our assets, we are confident our customers will continue to see value in our roads in the years to come.

Our 22 assets have an average concession life of over 28 years, so our focus is on building trust with all of our stakeholders, planning for the future and anticipating factors that will shape traffic on our roads for the decades to come.

There is considerable population growth underway in all of our markets, with an additional 6.2 million people expected to live in the cities we operate in by 2042.[3]

To support the needs of these growing cities, urban road freight volumes have been steadily increasing, historically keeping pace with – or outpacing – population growth.

This trend is expected to continue in the coming decades with the need for more road infrastructure, and we know our assets provide crucial, efficient and safe connections for freight travelling between distribution centres, airports and ports.

Additionally, evolving technology will support and enable new transport and mobility solutions.

We are harnessing this technology to continue to improve the safety and efficiency of our roads through predictive analytics and automation and machine learning technology to predict congestion and identify and respond to incidents faster.

We've also run connected and autonomous vehicle trials in most of our markets, and we are constantly exploring fresh advances that offer new opportunities.

In setting ourselves up to achieve growth, the past year has marked a period of organisational change.

Our new operating model provides a strong foundation for us to participate in the significant opportunities ahead. In turn, this will create sustainable growth in value and distributions for our security holders, and lasting benefits for our customers, government partners and other stakeholders.

We would like to thank all employees for their hard work and dedication in achieving many milestones during the year. We also thank our customers for continuing to choose our roads, and our security holders for their ongoing support of Transurban.

Michelle Jablko
Chief Executive Officer

Craig Drummond
Chair and Independent Non-executive Director

1 *Transurban Insights: Urban Mobility Trends (August 2024)*
2 *On a calendar year basis*
3 *Transurban Insights: Liveable and Productive Cities (February 2024)*

About this report

This report provides an overview of our operations and performance during the FY24 financial year (1 July 2023 to 30 June 2024).

In writing this report we have been guided by best-practice reporting standards, frameworks and guidelines including:

- International Integrated Reporting Framework, which provides a clear, concise and comparable format for integrated reporting across strategy, governance, risk, performance and targets.
- Global Reporting Initiative (GRI) which establishes standardised sustainability impact reporting across industries and sectors.
- Taskforce on Climate-related Financial Disclosures (TCFD).
- Sustainability Accounting Standards Board (SASB), Infrastructure – engineering and construction services sector.
- United Nations Sustainable Development Goals (UN SDGs).

We recognise the importance of best-practice sustainability reporting, and continue to engage with the broader industry to contribute to evolving standards. For example in FY24 we provided feedback on the GRI Topic Standard Project for Climate Change – Climate Change Exposure draft.

Our approach to sustainability

In FY24 we continued to be guided by our Sustainability Strategy, which is aligned with the UN SDGs most relevant to our business. Our Sustainability Strategy includes commitments to:

People – make life better
Planet – use resources wisely
Places – build better transport
Partnerships – lead and unite

Our Sustainability Strategy guides how we identify, understand and respond to social and environmental issues and to create real and long-term benefits for all our stakeholders.

Responsibility for this strategy and its associated work program is embedded across our business. Our specialist Environmental, Social and Governance (ESG) and Sustainability team drives this process, including by providing strategic advice and reporting on progress, trends and emerging themes to the Board and Executive Committee, who have oversight of these key issues.

Reporting what matters

Every year, for more than a decade, we have evaluated the ESG topics that we believe are material to our business. In FY24, in response to emerging best practice and the new IFRS ISSB S1 (General Sustainability Disclosures) standard, our Finance and ESG and Sustainability teams co-led a project to review our material ESG topics.

Transurban has considered ISSB S1, along with GRI guidance on materiality, and followed a double materiality approach to align with emerging best practice. Using a double materiality approach, we assessed both impact materiality (Transurban's impact on people, planet, and the economy) and the financial materiality (Transurban's ability to create or lose value) of the material ESG topics. This provides a more comprehensive view on the complex interconnections between the forms of impact and value creation.

For our double materiality assessment, we engaged with members of all six of our stakeholder groups (Customers, Government and Industry, Investors, Communities, Our People and Business Partners and Suppliers). This process was also supported by a third-party consultant.

The results were reviewed and the revised materiality results are included in Figure 1: Double Materiality Matrix.

Our double materiality assessment process and findings are informing the development of our new Sustainability Strategy. We will continue to review our material ESG topics annually to ensure they appropriately reflect what matters most to our stakeholders.

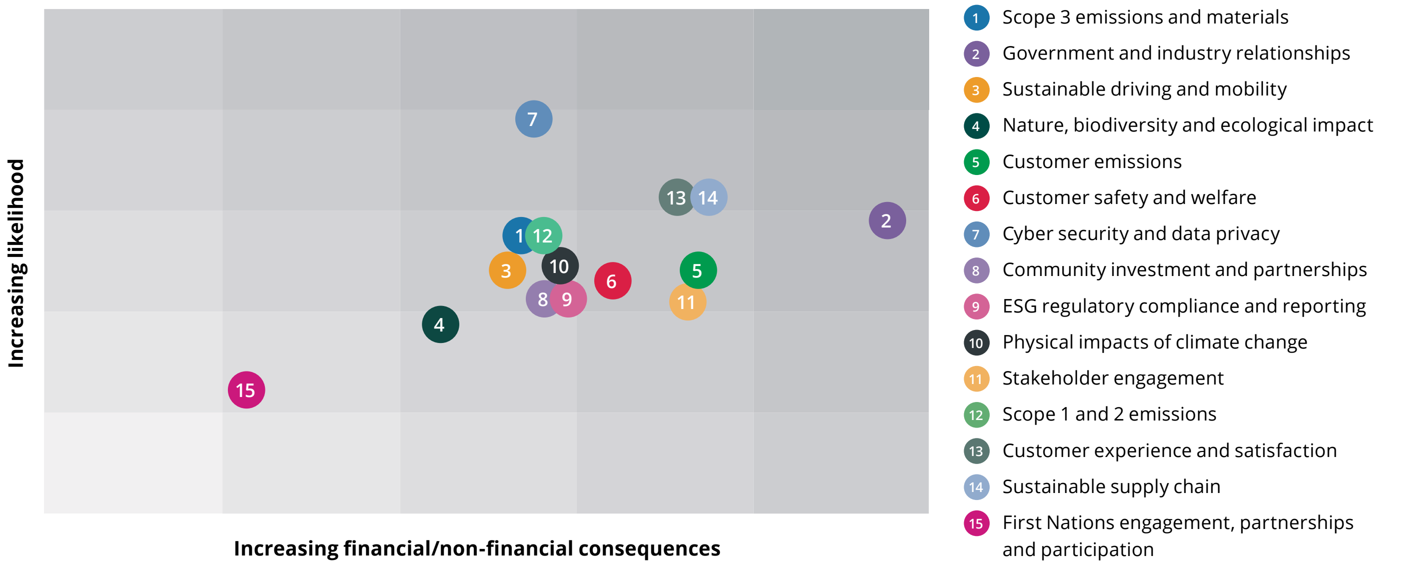
The current context

Throughout our double materiality assessment, our stakeholders consistently expressed increased interest in a range of ESG topics. These included cybersecurity and data privacy, customer safety and welfare, customer emissions, sustainable driving and mobility, climate change and nature. We will

Feedback

We welcome feedback on our Corporate Report, including on what worked well, and what we could do better. Share your thoughts here: corporate@transurban.com

Figure 1: Double materiality matrix



continue to evaluate our impact in these areas and look for ways to mitigate potential negative consequences across our wider value chain, and ways to create additional value for our environment and communities.

We recognise our stakeholders' sustainability reporting expectations are increasing and we are building capacity to enhance our disclosures to align with these new and emerging frameworks.

Our review also includes work to integrate our double materiality assessment results into our Enterprise Risk Management Framework.

Our double materiality assessment has also led to significant changes to our material topics structure for FY24 (see Figure 2).

Compliance statement

Our FY24 Corporate Report includes key disclosures under Australian legislation.

Our Directors' Report (page 87) and financial statements (page 113) have been prepared in accordance with the *Corporations Act 2001* (Cth).

Our financial statements have also been prepared in accordance with Australian Accounting Standards. The basis of preparation of our financial statements is provided on page 121.

PricewaterhouseCoopers has conducted an independent audit of the financial statements and remuneration report. The Auditor's Independence is available on page 112. Detailed information on the audit is available on pages 220–225.

KPMG has provided reasonable assurance over scope 1 and 2 GHG emissions, and limited assurance over broader environmental data. The assurance statement can be found on pages 226–228. The sustainability data methodology used in this report can be found in our FY24 Sustainability Data Pack and in our Transurban GHG Basis of Preparation.

The remaining information in this report has been reviewed internally. This report contains certain forward-looking statements. See page 234 for a notice regarding these statements.

Figure 2: Material topics

FY24 material topic	FY24 material sub-topic	GRI	SASB sector	TCFD/ASRS[1] relevance	UN SDG[2]
Climate	Physical impacts of climate change	✓	✓	✓	13
	Scope 1 and 2 emissions	✓	✓	✓	7, 13
	Scope 3 emissions and materials	✓	✓	✓	8, 12
	Customer emissions			✓	7, 11
	Sustainable driving and mobility	✓		✓	9, 11, 13
Social value and performance	Community investment and partnerships	✓			5, 8, 11
	Stakeholder engagement	✓			5, 11, 12, 17
	First Nations engagement, partnerships and participation	✓			11
Customer value	Customer safety and welfare	✓	✓		3, 5, 9, 11
	Customer experience and satisfaction	✓			
Government and industry relationships		✓			5, 11, 17
Sustainable supply chain		✓		✓	8, 9, 12
Cybersecurity and data privacy		✓			11
Nature, biodiversity and ecological impact		✓	✓	✓	11, 12
ESG regulatory compliance and reporting		✓	✓	✓	12

1 *Australian Sustainability Reporting Standards*
2 *Sustainable Development Goals (SDGs) are a series of 17 goals fixed by the United Nations*

Working with our stakeholders

	Customers	Government and industry	Investors
How we engage	• Customer listening program; customer research; and customer panel. • Customer channels: apps; website; phone; social media; retail outlets. • Customer engagement campaigns; advertising; newsletters; social media.	• Official and regulator meetings; federal and state government and agency submissions. • Industry partnerships; memberships; and events. • Partnering on shared issues (for example, road safety). • Member of Parliament engagement on initiatives and grants; asset milestones; and events.	• Institutional and retail investor engagement; one-on-one meetings; twice-yearly surveys. • Results briefings (half and full year); Investor Day and AGM; quarterly traffic releases; Investor centre website. • Proxy adviser and ESG engagement.
What we heard was important	• Customer experience and satisfaction. • Customer safety and welfare. • Cybersecurity and data privacy.	• Relationships and positive partnerships. • Nature, biodiversity and ecological impacts. • Climate including: scope 3 and materials; customer emissions; and sustainable driving and mobility. • Customer experience and satisfaction. • Customer safety and welfare. • Giving back to the community.	• Government and industry relationships. • Climate including scope 3 and materials, customer emissions and sustainable driving and mobility. • Nature, biodiversity and ecological impact. • Customer safety and welfare. • Customer experience and satisfaction. • Community investment and partnerships.
How we responded	• Customer value: education on travel time savings and on avoiding fees and charges; and new asset technology to reduce congestion. • Cybersecurity and data privacy; ongoing scam education information. • Rewards and support: expanded Linkt Rewards; support for customers experiencing hardship.	• Relationships: progressed major infrastructure projects using innovation and operational excellence, while minimising disruption; engaged with governments and industry on future transport initiatives. • Climate resilience: renewable electricity; energy efficiency initiatives; sustainable construction initiatives. • Customer value: shared research insights on mobility trends and community sentiment. • Community investment portfolio including grants, partnerships and donations.	• Relationships: continued participation in ESG benchmarks, industry forums and policy development on key topics. • Climate and nature, customer value and community investment: inclusion in investor updates throughout the year, and responses to ESG surveys.

	Communities	Our people	Business partners and suppliers
How we engage	• Community surveys; corporate trust and mobility trends research. • Events; community liaison groups and consultative committees; information sessions; site tours. • Advertising; newsletters; social media; letter drops, door knocking; media coverage. • Partnerships; grant programs; school and grassroots activities.	• All-employee listening program and pulse-check surveys. • Internal communications; all-employee meetings; leadership forums; digital channels. • Recognition program. • Inclusion and wellbeing campaigns, events and education. • Team health and safety shares and observations.	• Annual supplier survey. • Shared-objective setting; pipeline and future works' scope engagement. • Supplier relationship management. • Engagement on disadvantaged groups' employment barriers. • Decarbonisation and climate-change mitigation actions.
What we heard was important	• Nature, biodiversity and ecological impact. • Customer safety and welfare. • Community investment and partnerships. • Climate change. • Sustainable supply chain. • Minimising construction disruption and fatigue. • Facilitating timely two-way communications and opportunities for genuine engagement and input.	• Workforce engagement: regular two-way communication; connection to purpose and strategy. • Growth and development: empowerment and resources to learn and grow through colleagues and experiences. • Belonging, wellbeing and safety; team connection and collaboration.	• Sustainability: supply chain engagement; decarbonisation performance; social procurement. • Industry leadership: major project learnings; supply chain risks. • Partner engagement: long-term pipeline visibility; supplier confidence; relationship quality.
How we responded	• Nature and minimising construction disruption and fatigue: fulfilled environmental management obligations; engaged communities on project development and works' impacts including scheduling and timely notifications; delivered community thank-you gestures and giveaways. • Climate: progress against GHG near-term targets. • Community investment and partnerships and sustainable supply chain: renewed major community partnerships; supported shared-value partnerships to create employment opportunities; delivered community grants; campaigns and education; continuing shared value partnerships. • Customer safety and welfare: road safety campaigns; NeuRA and Kidsafe partnerships; provided immersive and educational road safety experiences.	• Workforce engagement: increased communications cadence and enhanced content; introduced CEO 'Ask Me Anything' sessions and new two-way communications channels in business areas. • Growth and development: investment in leadership capability; targeted capability-uplift campaigns (for example, data and digital skills); promoted internal movement opportunities; delivered multiple learning talks. • Belonging, wellbeing and safety: mandatory health, safety and environment action plans; counselling and wellbeing benefits; delivered programs and education to foster respect, belonging and wellbeing within teams and across group.	• Sustainability: sustainable procurement program and supplier engagement activities; social and economic value measurement. • Industry leadership: worked with suppliers and multi-stakeholder organisations to advance our Modern Slavery Act 2018 (Cth) response and reporting. • Partner engagement: implemented shared-value initiatives with key suppliers; worked with suppliers to deliver on expected work pipeline; maintained safe work environment.

About Transurban

As one of the world's leading road operators, everything we do works to get people where they want to go, as quickly and safely as possible – from designing and building new roads to researching new vehicle and road safety technology.

We're an Australian-headquartered company and we operate 22 roads in Melbourne, Sydney and Brisbane, as well as in Greater Washington, United States and Montreal, Canada.

We also have three major projects expected to open by 2026[1] – projects designed to improve connections within our cities and help people get where they need to be.

We design our roads for the long term, ensuring they'll deliver real and lasting benefits to cities and their communities. While our customers are thinking about getting home on time today, we're thinking about how populations will get home on time 10 or 20 years in the future.

We're also a technology company – we research and develop innovative tolling and transport technology that makes travel easier for everyone.

We design and build our roads in ways that help minimise their environmental impact and we operate our roads using leading technology solutions that increase safety and improve travel efficiency.

We're also a member of our local communities. We build parks and bike paths, create new community facilities, and plant trees for wildlife habitats – helping people connect with each other and their neighbourhoods.

Every road we build and operate is a long-term investment in a city's future. The benefits our roads create go beyond travel-time savings, improved city connectivity and safer and more sustainable journeys.[2]

Sir Leo Hielscher Bridges, Gateway Motorway, Brisbane

Recognitions and ratings

- **CDP** (2023) Climate Change 'Management' A- score, leadership band
- **CDP** (2023) Supplier Engagement Rating, A- score
- **Global Real Estate Sustainability Benchmark for Infrastructure** (2023) 86/100, 3-star rating, a rating of A for Public Disclosure
- **Dow Jones Sustainability Index** Top 10% rating in DJSI World Index, CSA score 66/100
- **Infrastructure Sustainability (IS) and Envision major project ratings** 9 rated projects to date and 4 project ratings underway
- **MSCI** AAA ESG rating since 2019
- **FTSE4Good** Member of Index series, June 2024
- **Workplace Gender Equality Agency (Australia)** Employer of Choice Citation for Gender Equality since 2013
- **Equileap** Ranked the No.1 performing company for gender equality globally with a score of 80%
- **Sustainalytics** 6.5 negligible ESG risk rating April 2024[3]
- **Support the Goals** 5-star-rated company for action on the UN SDGs

Reporting frameworks and memberships

- **GRI** reporting since 2006
- **United Nations Global Compact** joined 2009
- **DJSI** reporting since 2010
- **CDP** reporting since 2019
- **TCFD** reporting since 2019
- **SASB** reporting since 2020
- **Science Based Targets initiative (SBTi)** since 2020. First ASX20 company to have near-term 2030 scope 1, 2 and 3 targets validated
- **Business for Societal Impact (B4SI)** joined 2022

1 *On a calendar year basis*

2 *On average Transurban customers saved 29% GHG emissions by using Transurban roads in FY24 compared to the toll-free alternative route*

3 *In April 2024, Transurban received an ESG Risk Rating of 6.5 and was assessed by Morningstar Sustainalytics to be at Negligible risk of experiencing material financial impacts from ESG factors. Copyright ©2024 Sustainalytics, a Morningstar company. All rights reserved. This Corporate Report includes information and data provided by Sustainalytics and/or its content providers. Information provided by Sustainalytics is not directed to or intended for use or distribution to India-based clients or users and its distribution to Indian resident individuals or entities is not permitted. Morningstar/Sustainalytics accepts no responsibility or liability whatsoever for the actions of third parties in this respect. Use of such data is subject to conditions available at https://www.sustainalytics.com/legal-disclaimers/*

Opportunity and delivery pipeline

Transurban's portfolio is expanding in key markets with the opportunity pipeline to support long-term growth.

Sydney

M4 Motorway, Sydney

Projects in delivery and potential opportunities[1]	Expected delivery[4]	Next 5 years	5+ years
Sydney Gateway[2]	2024		
M7-M12 Integration Project	2026		
Potential toll reform opportunities		●	
Potential opportunities around Western Harbour Tunnel			●
Potential opportunities around Sydney Harbour Tunnel			●
Potential opportunities around M6			●
M4 and M5 widening			●

Melbourne

West Gate Tunnel Project, Melbourne

Projects in delivery and potential opportunities[1]	Expected delivery[4]	Next 5 years	5+ years
West Gate Tunnel Project	2025		
EastLink potential sale		●	
Potential opportunities around North East Link			●

Brisbane

Logan Motorway, Greater Brisbane

Projects in delivery and potential opportunities[1]	Expected delivery[4]	Next 5 years	5+ years
Gateway Motorway widening		●	
Logan Motorway widening		●	
Broader road enhancements including in relation to the Brisbane 2032 Olympic and Paralympic Games[3]			●

North America

495 Express Lanes, Greater Washington Area

Projects in delivery and potential opportunities[1]	Expected delivery[4]	Next 5 years	5+ years
495 Northern Extension	2025		
95 Express Lanes – conversion of a segment to bi-directional		●	
Express Lanes enhancements and extensions		●	●
Potential traditional toll road and Express Lanes acquisition in current or new markets		●	●
Potential opportunities in Quebec		●	

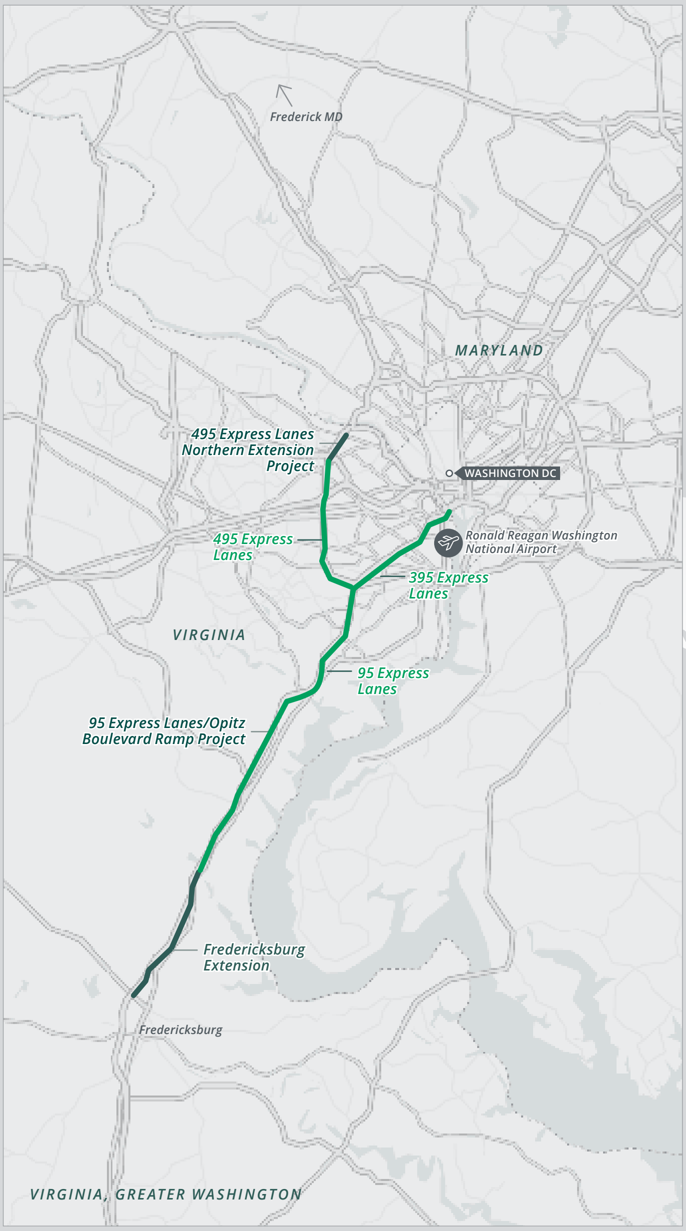
1 *No assurance can be given that these potential opportunities will eventuate on the timetable outlined or at all, or that Transurban will be able to participate in them. Transurban's ability to participate in any future projects or acquisitions will be subject to, among other things, applicable sales processes, applicable government processes and the receipt of relevant regulatory approvals*

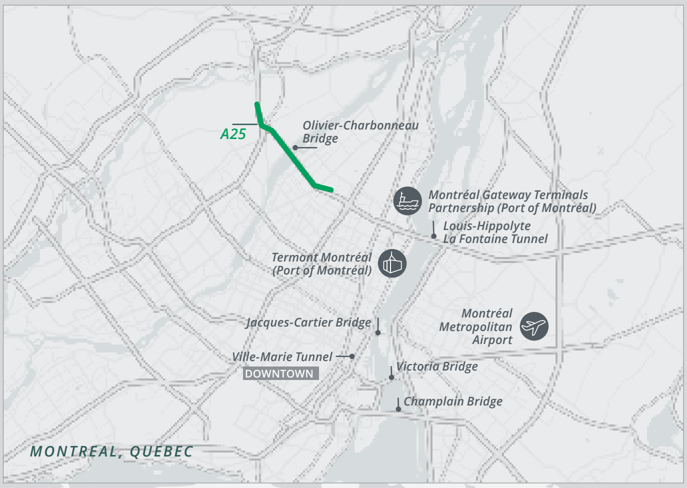
2 *100% funded and owned by NSW Government; will connect with WestConnex on opening*

3 *Transurban is not a sponsor of the Olympic/Paralympic Games, any Olympic/Paralympic Committees or any national Olympic/Paralympic teams*

4 *On a calendar year basis*

Our roads and projects





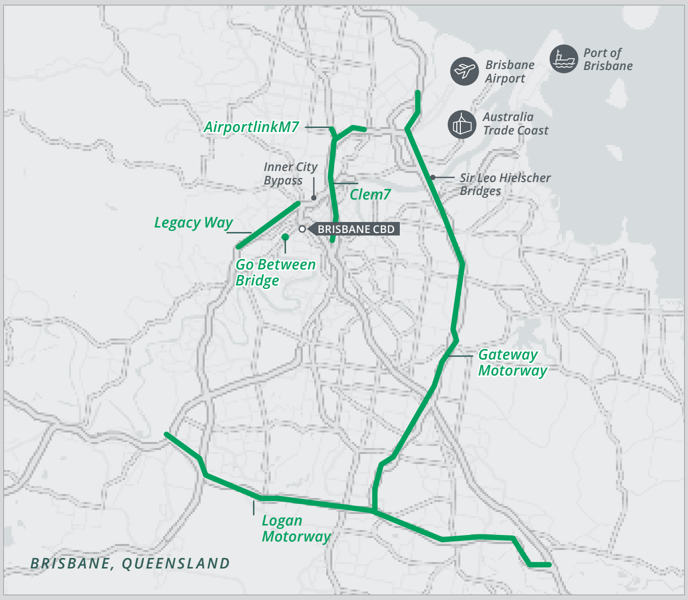
Ownership (as at 30 June 2024)
Length in kilometres
Concession end
Transurban road
Transurban project

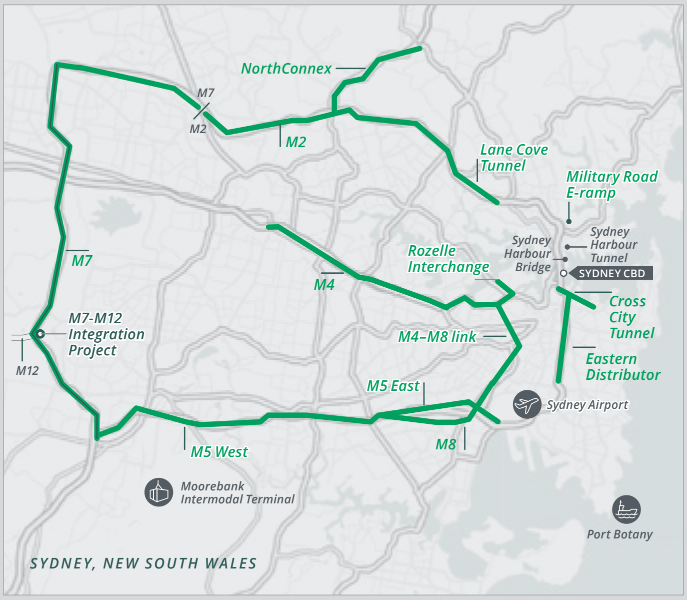
1 Detailed planning underway for project, details to be confirmed at a later date

2 Does not include the concession extension in connection with the M7-M12 Integration Project

Virginia, Greater Washington	Ownership	Length	Concession end
95 Express Lanes	50%	50 km	2087
495 Express Lanes	50%	22 km	2087
395 Express Lanes	50%	13 km	2087
Projects			
Fredericksburg Extension	50%	16 km	2087
495 Express Lanes Northern Extension	50%	3.2 km	2087
95 Express Lanes/Opitz Boulevard Ramp Project	50%	N/A	2087

Montreal, Quebec	Ownership	Length	Concession end
A25	50%	7.2 km	2042





Melbourne, Victoria

CityLink	100%	22 km	2045
Projects			
West Gate Tunnel Project	100%	17 km	2045

Brisbane, Queensland

Logan Motorway	62.5%	39.5 km	2051
Gateway Motorway	62.5%	23.1 km	2051
Clem7	62.5%	6.8 km	2051
AirportlinkM7	62.5%	6.7 km	2053
Legacy Way	62.5%	5.7 km	2065
Go Between Bridge	62.5%	0.3 km	2063
Projects			
Logan West Upgrade Project[1]	TBC	TBC	TBC

Sydney, New South Wales

M5 West	100%	22 km	2026
M2	100%	21 km	2048
Lane Cove Tunnel	100%	3.8 km	2048
Cross City Tunnel	100%	2.1 km	2035
Eastern Distributor	75.1%	6 km	2048
M7	50%	40 km	2048[2]
M4	50%	14 km	2060
M4–M8 Link	50%	7.5 km	2060
Rozelle Interchange	50%	5 km	2060
M8	50%	11 km	2060
M5 East	50%	10 km	2060
NorthConnex	50%	9 km	2048
Projects			
M7-M12 Integration Project	50%	26 km	2048[2]

Executive Committee

Michelle Jablko
LLB, BEc
Chief Executive Officer

Henry Byrne
BCom, LLB
Chief Financial Officer

Suzette Corr
BCom, MBA
Group Executive, People and Culture

Nicole Green
BCom, LLB
Group Executive, Australian Markets

Beau Memory
BA
President, North America

Simon Moorfield
BSc
Group Executive, Customer and Technology

Hugh Wehby
BEc
Chief Commercial Officer

Sarah Hack
(commencing in FY25)
LLM, LLB, BA
Group Executive, Corporate Affairs

Nicole Stoddart
(commencing in FY25)
BEng
Group Executive, Delivery & Risk

Read more about our Executive Committee here

Global trends

The macroeconomic environment and advances in the transport and infrastructure sector present opportunities as well as potential disruptions for our business.

Population growth in Australia's capital cities has reached record levels,[1] driving demand for greater infrastructure investment to avoid traffic congestion undermining productivity and liveability.

Independent data has shown congestion levels rose almost 10% in Sydney and 7% in Melbourne in the March quarter of 2024 compared to the previous year.[2] Similarly, research by Queensland motoring body RACQ found that more than half the roads in Brisbane were more congested in 2023 than pre-pandemic, in 2019.[3]

Speeds on some sections of Brisbane motorways were at least 30 km/h slower than average free-flowing speeds.[4]

In Melbourne, which is projected to be Australia's largest city within a decade,[5] the rate of vehicle ownership has outpaced population growth since 2021, with more people opting to drive rather than taking public transport.[6]

In the US, congestion in major cities continues to build with traffic in Washington, DC ranked the second-worst in the country. In 2023, commuters spent an extra 86 hours in the car during rush hour due to congestion.[7]

To meet the needs of growing populations and retain liveability standards and prosperous economies, governments face competing demands, not only for more transport infrastructure, but also for affordable housing and essential services such as electricity, schools and hospitals.

These public-spending demands also come at a time when governments are under pressure to deliver initiatives to relieve the rising cost of living and sustained high inflation. They also face increasing expectations to hasten and help fund the transition to lower carbon sources of energy.

At the same time, many governments face burgeoning deficits after supporting their economies during and since the pandemic, and increasing their investment in large-scale infrastructure projects.

Total gross state debt in Australia has doubled relative to pre-pandemic levels.[8] And with debt of more than USD34 trillion[9] and higher interest rates, the US spends more to service debt than it does on transport, housing or higher education.[10]

CityLink, Melbourne

Infrastructure needs and funding

Private investment through Public Private Partnerships (PPPs) is a funding mechanism that can relieve governments from the burden of up-front infrastructure spending.

In NSW alone, Transurban and our partners have invested more than $36 billion into Sydney's motorway network to support the city's increasing population and connect economic and residential growth areas.

Think tank Infrastructure Partnerships Australia highlights the historic importance of PPPs as a funding tool, stating that Sydney's most significant and valuable road corridors could not have been built, or their delivery would have been delayed by decades, without PPPs.[11]

A further pressure on government finances is declining revenue from fuel excise as vehicles become more fuel efficient and the uptake of low and zero emission vehicles, such as electric vehicles, increases.

Governments around the globe have been grappling with how to create a funding model that stabilises public revenue collection for road infrastructure projects and is a fairer system for all motorists.

1 *Australian Bureau of Statistics, 26 March 2024, Capital city growth the highest on record, accessed June 2024*

2 *UBS Global Research and Evidence Lab, 15 March 2024*

3 *RACQ Annual Average Speed and Travel Time on Brisbane and Gold Coast (State/TMR) Roads, Annual Report 2023*

4 *RACQ Annual Average Speed and Travel Time on Brisbane and Gold Coast (State/TMR) Roads, Annual Report 2023*

5 *2023 Population Statement, Australian Government, Centre for Population, accessed June 2024*

6 *ABC News, 15 April 2024, Australia's biggest city has a car problem. What should Melbourne do to fix it? – ABC News accessed June 2024*

7 *TomTom Traffic Index, Washington traffic report 2023, accessed June 2024*

8 *Financial Review, June 19 2024, World-leading deficits: Australia's state debts could hit $800b accessed July 2024*

9 *The Department of Treasury and the Bureau of Fiscal Service, Fiscal Data. What is the national debt? accessed June 2024*

10 *CNN Business,17 April 2024, America's debt problem could spell higher interest rates in the rest of the world accessed June 2024*

11 *Infrastructure Partnerships Australia, Submission in response to the NSW Government's Independent Toll Review Interim Report 13 May 2024*

The Victorian Government lost a legal challenge to its road-user charge that charged low and zero-emission vehicles a per-kilometre rate for travel. The charge was designed to recoup some of the lost revenue from EV drivers who use the roads but are not subject to fuel excise.

Multiple states in the US have been trialling a pay-per-mile road-user charging system as an opportunity to address inequities and create a more sustainable road funding model.

As a long-term advocate for a fairer system, Transurban has partnered with the Eastern Transportation Coalition, a partnership of 19 states in the US, Washington, DC and District of Columbia, to assess the feasibility of transitioning to a distance-based road user funding approach.

Transurban is also serving as the technology partner for the California Department of Transportation's Road Charge Collection Pilot, the first such program in California that processes real-money transactions for road usage within the state.

Climate change and nature

Extreme weather events and the repercussions of climate change continue to be felt around the globe.

Our roads are major transport corridors so it is vital we ensure they can withstand major weather events such as storms, flooding and high temperatures.

As an industry leader we are working to transition our business to net-zero emissions by 2050. We will continue to work with our stakeholders to help drive standards and innovations that will reduce the environmental impacts of road operations and construction projects.

This includes increasing our use of lower carbon materials,[1] switching to renewable energy and educating drivers about ways they can reduce emissions.

We have also seen heightened recognition of the accelerating loss of nature around the globe and its importance to the economy.

Reporting on impacts on nature, biodiversity and ecological systems is the next focus area for the International Sustainability Standards Board (ISSB).

Decarbonising road transport through sustainable driving

While EV uptake is generating fiscal challenges around fuel excise, it also presents a significant opportunity to lower global GHG emissions and improve air quality.

Road transport generates around 12%[2] of global GHG emissions.

In Australia, EV sales grew by 120% in 2023.[3] In May 2024, almost 20% of new cars bought in Australia were low-emission vehicles such as hybrids, plug-in hybrids or EVs.[4]

Globally, EV sales are projected to reach 17 million in 2024, equating to one in five cars sold worldwide being electric.[5]

Our latest research has found that 38% of Australians and 37% of people in North America would like their next car to be an EV.[6]

While increasing competition in the global EV market could see prices decline, affordability remains the biggest barrier to more widespread adoption.

Transurban is supporting the Parliamentary Friends of Electric Vehicles and Future Fuels Transport Group, a bipartisan group of Federal MPs focused on resolving challenges to the transition to an EV Australian vehicle fleet. Read more on page 33.

Changing stakeholder expectations

Consumers, security holders, investors, employees and broader stakeholder groups continue to raise the bar for ESG performance.

These heightened expectations, particularly among investors, are driving enhanced ESG reporting obligations mandated by global jurisdictions.

In June 2023, the ISSB issued its first two standards, related to sustainability-related financial information and climate-related disclosures. These standards are set to transform how companies consider sustainability risks and opportunities in their businesses.

The application of ISSB across jurisdictions is gaining momentum. In Australia, Transurban is expected to be captured as part of Group 1 under new climate-first ASRS reporting, from 1 July 2025.

Consumers, investors, employees and regulators are also becoming ever more alert to false or exaggerated ESG claims.

Combatting 'greenwashing' claims is also a regulatory priority for the Australian Securities and Investments Commission (ASIC).

AI and new technologies

Evolving transport technologies – particularly connected and automated vehicles – have been on the horizon for some time.

Connected and autonomous vehicle (CAV) technology may offer major safety benefits with human error a factor in almost 95% of crashes.[7] This technology is also expected to reduce congestion, with CAVs programmed to maintain a safe and consistent distance apart.

While the timeline has slipped for general adoption, a McKinsey Center for Future Mobility survey (2023) found that robo-taxis were expected to become commercially available at a large scale by 2030, and fully autonomous trucking expected to be viable between 2028 and 2031.[8]

Transurban has partnered with a Silicon Valley-based autonomous driving software company, Plus, to further explore connected and autonomous driving technology.

With road freight in Australia expected to increase by around 77%[9] in the next 25 years, this partnership will help Transurban, industry and governments understand what the future of road freight transport could look like, particularly for safety and congestion, as vehicle and autonomous driving technologies progress over the coming decades.

We have also run CAV trials in most of our markets to understand how these vehicles' driving systems would interact with our roadside technology.

AI is another area that we are harnessing to improve the safety and efficiency of our roads.

For example, in our Transurban Queensland Network Operations Centre, predictive analytics, automation and machine-learning technology is used to predict congestion, and identify and respond to incidents faster.

1 *See page 47 for examples of recent materials used*
2 *Our World in Data, 18 September, Sector by sector: where do global greenhouse gas emissions come from? Accessed June 2024*
3 *Electric Vehicle Council, July 2023, State of Electric Vehicles*
4 *The Guardian, 6 June 2024, One in four cars sold in May in Australia was an EV or hybrid vehicle, data shows*
5 *Forbes, 19 May 2024, The vibes lie: electric vehicles accelerate toward 50% of global sales, accessed June 2024*
6 *Transurban Insights: Electric Vehicles, February 2024*
7 *Alliance for Automotive Innovation, Benefits of Automated Vehicles, accessed June, 2024*
8 *McKinsey & Company, Autonomous vehicles moving forward, Perspectives from industry leaders, 5 January 2024*
9 *BITRE, 2022, Australian aggregate freight forecasts – 2022 update*

Business performance

Sir Leo Hielscher Bridges, Gateway Motorway, Brisbane

In this section

Project updates

Victoria

West Gate Tunnel Project

Project cost

~$10B

Expected opening

2025

Just as CityLink did 25 years ago, the West Gate Tunnel will provide more choice for how people travel to and from Melbourne's west.

Work on building the new road's city connections is well advanced. The project's purpose-built launching gantry (a 1,200-tonne girder crane) has finished putting the final concrete segments into place for the road deck of the new elevated 2.7-kilometre motorway over Footscray Road. Work to widen the West Gate Freeway has progressed well, with new lanes now open in some sections of the freeway already helping to ease congestion on this busy road. Noise wall installation works are now 98% complete.

Construction of the new traffic control centre at Whitehall Street in Yarraville is 97% complete. Once finished, this will be a state-of-the-art facility where our specialist traffic control room operators will manage traffic on both CityLink and the West Gate Tunnel's new roads and tunnels.

The project is also delivering more than 14 kilometres of new and upgraded walking and cycling paths to make it easier and safer for motorists, cyclists and pedestrians to get around Melbourne. Construction of the striking new walking and cycling bridge structure over Footscray Road is 90% complete, and installation of the 2.5-kilometre cycling veloway has commenced.

The Project has received a leading design rating from the Infrastructure Sustainability Council.

Queensland

Logan West Upgrade

Project cost

TBC

Expected opening

TBC

We are partnering with the Queensland State Government to develop plans to widen almost 10kms of the western section of the Logan Motorway.

The Logan West Upgrade project aims to provide congestion relief and reduce travel times while improving road safety.

When complete, the project is forecast to reduce travel times by up to 20 minutes during peak periods in 2031, and remove around 6,100 vehicles from local streets.

The current scope of work includes:

- Adding an additional lane in each direction along the Logan Motorway between Centenary Motorway and the Mt Lindesay Highway, and an additional lane westbound between Boundary Road and Formation Street
- Upgrading the Formation Street interchange to cater for growing communities and industrial hubs
- Installing new smart motorway technologies
- Increasing vehicle height capacity across the Logan Motorway to allow for over-dimensional vehicles.

Community consultation will commence in the second half of 2024.

Once planning is complete, the Queensland Government will consider the proposal and Transurban will work with Government to agree on a suitable funding model.

See how these projects fit into our portfolio (pages 14–15)

West Gate Tunnel Project, Melbourne

Logan Motorway, Greater Brisbane

Project updates
New South Wales

M7-M12 Integration

Project cost
$1.7B

Expected opening
2026

Expected to open in 2026, the M7-M12 Integration Project will provide new lanes to increase road capacity, reduce congestion and improve travel times for motorists and freight around Western Sydney.

The project is supporting the growth of Western Sydney by widening a 26-kilometre stretch of the M7 Motorway and delivering a seamless connection to the 16-kilometre M12 Motorway. This integration will eventually provide direct access to the coming Western Sydney International Airport (expected to open in 2026).

The M7-M12 Integration Project has progressed significantly since construction began in August 2023. Safety barriers have been installed along the M7 Motorway, earthworks are underway, and work has begun on building the foundations of the main bridges that will connect the M7 to the M12.

This vital new Western Sydney infrastructure is expected to deliver significant benefits for drivers, businesses and communities. Once complete, the new motorway and bridges will alleviate congestion along one of the busiest road transport corridors, the M7 Motorway, which currently accommodates an average of 195,000 trips daily. The project is anticipated to support around 1,600 jobs at the peak of construction, contributing to both local employment and regional economic growth.

WestConnex

Project cost
$25.1B

Opened
2023[1]

WestConnex connects Sydney's west and southwest suburbs with the city centre, airport and Port Botany via a 33-kilometre traffic-light-free motorway.

Following more than four years of construction, the final stage of WestConnex, Rozelle Interchange, opened to traffic in November 2023. Delivered by the NSW Government, the interchange is now operated and maintained by WestConnex and is under a concession agreement until 2060.

While there were some initial congestion challenges on the surrounding road network following opening, WestConnex's Rozelle Interchange has delivered substantial time savings for motorists travelling from Western Sydney. For example, a journey from Parramatta to the city is now 15 minutes quicker, a reduction in travel time of over 30%; and a trip from Liverpool to the city now takes approximately 40 minutes, a 10-minute saving.[2] While some congestion was experienced in the surrounding areas of the Rozelle Interchange after opening, travel times on key surface routes have improved in recent months following the initial settling period post opening.

The upcoming opening of the Sydney Gateway, being delivered by the NSW Government, will provide a new, toll-free connection from WestConnex, further improving journey times to Sydney Airport, the M5 East and M8.

1 *The final piece of WestConnex delivered by Transurban, M4-M8 link, opened in January 2023. The Rozelle Interchange, delivered by Transport for NSW, opened in November 2023*

2 *Based on WestConnex travel-time savings post-opening of Rozelle Interchange during AM peak of 6am-10am, using TomTom congestion data. Individual travel times, alternative trips and travel savings may vary based on specific origin, destination and traffic conditions at the time of travel*

See how these projects fit into our portfolio (pages 14–15)

M7-M12 Integration Project, Sydney

WestConnex, Sydney

Project updates
North America

495 Northern Extension

Project cost (USD)

660M

Expected opening

2025

The 495 Express Lanes Northern Extension Project (Project NEXT) is extending our 495 Express Lanes from Virginia towards the Maryland border with new connections at the Dulles Toll Road and George Washington Memorial Parkway.

Project NEXT's four-kilometre extension is expected to reduce peak travel times by up to 25 minutes, and will improve connectivity to key economic hubs, including Tysons and the Dulles Corridor.

This year, construction activity increased throughout the project corridor with roadway, bridge, and wall work all progressing. Critical utility relocations are nearing completion, and roadway widening work, including new noise wall installation, is well underway.

Project NEXT is also facilitating the introduction of a new bus service connecting Virginia and Maryland, supported by a commitment of USD2.2 million in annual public transit investment from toll revenues. As part of this project, we are also building 6.4 kilometres of new bicycle and pedestrian connections along the project's corridor.

Fredericksburg Extension

Project cost (USD)

670M

Opened

2023

Opened to traffic in 2023, the 95 Express Lanes' Fredericksburg Extension (FredEx) created the longest reversible road in the United States. With the 95 Express Lanes now spanning about 66 kilometres – from Washington, D.C. to Fredericksburg, Virginia – this new extension is helping relieve congestion on one of the US's worst traffic hotspots.

The project is estimated to deliver USD1 billion in economic boost through construction and project delivery, as well as more reliable and faster travel times for the many workers in the region, including 28,000 employees at Marine Corps Base Quantico.

Construction was completed in June 2024, and the project is working towards a Silver Envision rating for sustainability performance.

To date, FredEx has seen 3.8 million trips – around 18% of which were High Occupancy Vehicle trips with three or more people in the vehicle – across one million unique customers. Travelers who choose the Express Lanes for a Fredericksburg–Washington–Fredericksburg round trip save (on average) one-hour[1] of travel time off their daily commute.

Travellers using the extension are travelling an average 50 kilometres each trip – about 30 kilometres more than travellers who enter the 95 Express Lanes further north.

1 *Based on travel times in the Express Lanes vs. General Purpose lanes from August 2023 (FredEx tolling commencement) through June 2024, combining AM peak NB (6AM–9AM) and PM peak SB (3PM–7PM), using RITIS congestion data. Individual travel times, alternative trips and travel savings may vary based on specific origin, destination and traffic conditions at the time of travel*

See how these projects fit into our portfolio (pages 14–15)

495 Express Lanes, Greater Washington Area


95 Express Lanes, Greater Washington Area

Customers

Providing clear value on and off the road.

With approximately 2.5 million trips on average made on our roads every day, the key reasons our customers tell us they choose to take our roads are for faster, safer and more reliable trips.[1]

And with heavy vehicles and light commercial vehicles comprising over 15% of these trips, our assets provide crucial connections for freight vehicles travelling between distribution centres, airports and ports.

As we grow, our priority is to build our customers' trust by making using our roads as simple and as seamless as possible – whether they're planning a trip, driving on our roads or managing their travel online.

In FY24, our customers collectively saved an average of 446,000 hours[2] in travel time every workday by choosing to travel with us. This in turn saved an average 2,974 GHG emissions every workday.[3]

We continue to seek feedback from our 10.8 million customers about what they expect from us, and this year saw us respond by rolling out digital channel improvements and partnering with Google to provide toll pricing on their Australian maps.

And with cost-of-living front of mind this year, we worked on building even more value for our customers off the road, through our Linkt Rewards program.

1 Transurban Insights: Urban Mobility Trends (August 2024)
2 Compared to the toll free alternative route
3 For further information, see our FY24 Sustainability Data Pack

10.8M
customers,
6.71M Australia,
4.08M North America

446,000
hours saved by customers every workday

~2.5M
trips on average taken on our roads every day

+1M
Linkt Rewards members

Figure 3: Average daily traffic and travel-time savings by region

	Average daily traffic (# vehicles)	Average workday travel-time savings (# hours)[2]
Sydney	1,008,000	251,000
Melbourne	819,000	83,000
Brisbane	464,000	87,000
North America	157,000	24,000

CityLink, Melbourne

On-road experience

Our ongoing investment in projects, technology, maintenance, innovation and safety helps our customers continue to move around cities, even as populations grow.

FY24 saw new journeys unlocked, with the opening of the Rozelle Interchange (delivered by the NSW Government and operated by Transurban) and the opening of the 95 Express Lanes Fredericksburg Extension in Virginia.

Customers in both regions are already enjoying significant travel time savings – motorists who use the Rozelle Interchange as part of the WestConnex network are now saving an average of 15 minutes between Parramatta and the CBD, a reduction in travel time of over 30%;[1] while motorists using the new Fredericksburg Extension are saving up to an hour on a round trip between Washington, DC and Fredericksburg.[2]

In Melbourne, Australia's first pacemaker lighting system has had a significant impact on the city's peak hour traffic since it was introduced to the Burnley Tunnel in early 2023.

The lights, which give drivers a visual clue to maintain their speed on the Burnley Tunnel's steep incline, have resulted in a 17% increase in speed (about 6 km/h) through the tunnel during the morning peak and a 12% increase in the evening peak.

1 Based on WestConnex travel-time savings post-opening of Rozelle Interchange during AM peak of 6am–10am, using TomTom congestion data. Individual travel times, alternative trips and travel savings may vary based on specific origin, destination and traffic conditions at the time of travel. Pre-Rozelle Interchange opening travel times based on traffic from 20 to 23 November 2023

2 Based on travel times in the Express Lanes vs. General Purpose lanes from August 2023 (FredEx tolling commencement) through June 2024, combining AM peak NB (6AM–9AM) and PM peak SB (3PM–7PM), using RITIS congestion data. Individual travel times, alternative trips and travel savings may vary based on specific origin, destination and traffic conditions at the time of travel

3 FY24 maintenance cash spend on controlled entities at 100%

Our operations

22 assets in operation

1271 on-road incidents managed per week

+360 kilometres of roads

$152M invested in maintenance[3]

+6800 CCTV cameras on our road

Keeping customers moving with Linkt Rewards

Our research shows the price of fuel is one of the biggest cost-of-living concerns for Australian households. That's why we launched Fuel Up Your Savings during May-June 2024, a bonus Linkt Rewards offer to help our more frequent travellers save at the pump.

The offer gave eligible customers an opportunity to drive their dollar even further, saving 12 cents per litre at Shell Coles Express and Reddy Express.[4]

Uptake of the offer was significant, with thousands of customers saving over $600,000 on fuel during the promotional period.

And with more Linkt customers now driving electric cars, we looked for ways to help them with household expenses too. Linkt customers with eligible vehicles had the chance to win a Chargefox (public EV charger provider) voucher in return for completing a short survey about their EV charging experiences. Their responses helped deepen our understanding of the current state of EV charging infrastructure.

4 See offer terms and conditions

Customer experience

We're engaging with customers at all points of their journey, both on and off the road.

Our Voice of Customer program helps us shape how we design and deliver existing and new experiences across app, website and phone interactions.

In FY24, we continued to deliver on our customer promises to make it easy, deliver value and do the right thing.

Make it easy

Trip transparency

This year, we partnered with Google to add estimated toll pricing to Australian maps, providing regularly updated toll pricing for end-to-end journeys. This offers motorists even more ways to plan their route with a full understanding of travel costs and indicative journey times. This initiative comes in addition to the Linkt Trip Compare tool, which was accessed over 102,000 times in FY24.

LinktGO Carbon Offset

In July 2023, we introduced a Carbon Offset feature in the LinktGO app. This feature makes it easy for customers to offset their travel by buying accredited[1] Australian carbon credits. Since its launch, approximately 6% of LinktGO customers have chosen to enable carbon offsets, offsetting over 23,500 trips and 66 tonnes of CO2-equivalent in FY24.

App improvements

This year we continued to deliver enhancements focused on making the digital experience easier for customers.

Customers using the Linkt app are now getting additional notifications to help them manage their accounts. Thanks to these notifications, we saw around 94,000 vehicles added by customers to their accounts in FY24.

In April 2024, Apple Pay was also introduced for LinktGO manual payments, making it easier for iPhone and Apple Pay users to pay for their travel.

Deliver value

Linkt Rewards

We're adding value for our customers on and off the road through our Linkt Rewards program. In FY24, we continued to expand this program, and we now have six major rewards partners:

- Shell Coles Express
- Star Car Wash
- Booking.com
- Europcar
- mycar
- Global Escapes

The Linkt Rewards program has been helping customers save since 2019 – our fuel discount offer alone has saved customers more than $9 million over five years.

In FY24, we drove rewards program awareness and membership through a series of promotions, ultimately increasing membership to over one million customers.

Linkt Key & Commercial Accounts

Our Linkt Key and Commercial teams continued to be a partner of choice for over 30,000 Linkt commercial account holders that represent around 27.5% of Australian revenue in FY24. This critical service provides dedicated digital solutions and account management support to high volume business customers, ensuring that managing tolling arrangements for fleets of vehicles is kept as seamless as possible.

Recent customer experience research[2] showed that Key Account customers scored our Key Account Team 9.0/10 for 'Customer satisfaction' and 8.9/10 for 'Likelihood to recommend.'

Do the right thing

Linkt Assist

Our Linkt Assist service continues to support customers facing financial or social hardship, and in FY24 the program supported over 18,000 customers.

Customers accessing Linkt Assist may receive support such as payment plans, fee and debt waivers and toll credits. Our team also refers customers to community partners, for example, the non-profit Good Shepherd that provides support for women, children and families.

One Stop, One Story Hub

Transurban was one of six organisations that provided seed funding for Thriving Communities Partnerships One Stop, One Story Hub, that connects people experiencing financial hardship or family violence with over 20 organisations who provide holistic cross sector support. Since launching in 2021 the program has assisted more than 4000 people and this year won a Victorian Premier's Design award for exceptional service design.

Scam awareness and action

SMS scammers continue to target Australians with fake toll road payment messages, impersonating Linkt, Transurban and other road operators.

In FY24, we continued to focus on community education and awareness around scams, and reinforced the importance of reporting scams to safeguard others.

As a result of these efforts, this year our Cyber Defence team reported more than 26,000 unique SMS numbers and more than 450 fraudulent URLs to telecommunications providers, who took action to block the scam phone numbers and websites.

Read more about our scam awareness efforts see page 32

Service metrics[3]

0.0027
calls per billed trip

+12
net promoter score

4.5 out of 5
call centre customer satisfaction rating

1 Landcare CarbonSMART Australian Carbon Credit Units have been purchased and retired on behalf of LinktGO to support customer offset claims
2 Based on survey of 1,346 Key Account, Commercial Account and Commercial rental customers, conducted in August 2023
3 Australian customer data, does not include North America

Championing road safety

Road safety at Transurban is based on the Safe System approach, that recognises road safety is a shared responsibility.

Figure 4: Most common crashes on our roads[1]

Crashes are rare on our roads but when they happen, they are usually one of three crash types:

Rear-end

Associated with congestion, tail gating and driver distraction

40% of crashes

Loss of control

Associated with speed, fatigue and distraction, and usually single vehicle

31% of crashes

Merging/side swipe

Associated with late decision making, low awareness of truck blind spots, and merging with on-road traffic

22% of crashes

1 *Sample data taken from across our Australian and North American assets in FY24*

2 *FY21 VKTs changed slightly following assurance on vehicle kilometres travelled. This did not impact the overall reported RICI for FY21*

This approach considers the individuals and businesses using roads; the vehicles they drive; and those who build and manage roads and road networks. This approach also aligns with the World Health Organization's Global Road Safety Performance Targets and the United Nations Sustainable Development Goals.

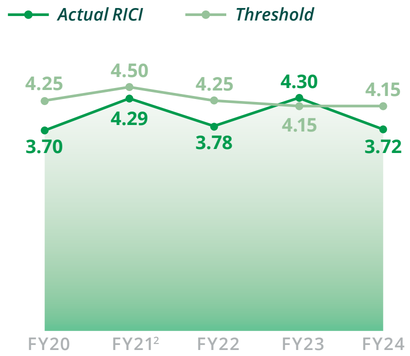
We champion road safety by:

- implementing targeted and evidence-led safety initiatives
- using proven and innovative technology to reduce incident risk
- providing 24-7 monitoring and incident-response services
- supporting and conducting ongoing research into diverse road safety issues
- delivering tailored community education programs.

Our Health, Safety, Environment and Road Safety Plan 2024–2026 continues to support our long-term vision of zero life changing injuries for our employees, contractors and customers. It also reflects our focus on emerging issues, such as improving how we use analytics to address common crash types and emerging trends, and using our HSE management platform (Enablon) insights to address work zone safety issues.

In FY24, we developed a platform that harmonises Transurban's crash data across markets and integrates additional data from internal sources (such as traffic data), and external sources (such as Compass IoT connected vehicle data and weather conditions). This detailed data is helping us better understand crashes and address risk factors and inform interventions to prevent crashes occurring.

Figure 5: RICI performance FY19–FY24



Traffic Control Room, Brisbane

Our safety performance

We track our road safety performance using a Road Injury Crash Index (RICI): the number of serious injury crashes per 100 million vehicle kilometres travelled (VKT) on our roads. In FY24, our RICI was 3.72, down 0.58 on FY23, and 0.43 below our FY24 threshold of 4.15. Despite this achievement, we continue to work with our partners to identify opportunities to improve road safety.

After having their best-performing years in FY23, both our North American and Victorian roads were challenged in FY24. Victoria has seen an increase in rear-end crashes involving serious injury compared to last year. These types of crashes are typically associated with distracted or inattentive driving. North America has seen an increase in serious injury crashes involving loss of control, a crash type often associated with inappropriate speeds, distraction or impairment.

Conversely, after a challenging FY23, Queensland significantly improved its overall performance in FY24, with a reduction in crashes involving serious injury. A new data analytics platform (detailed above) has allowed for deeper insights that are better informing our road safety action plans. This will be further enhanced by the predictive analytics, automation and machine learning capability now being used in our Transurban Queensland Network Operations Centre which is helping us predict congestion and respond to incidents faster.

Our vision of zero serious injury crashes remains a key focus, and we will continue striving towards this goal. While most crashes (89%) don't result in serious injury to vehicle occupants, we continue to identify and implement initiatives to reduce common crash types on our roads (see Figure 4).

iRAP rating

The International Road Assessment Programme (iRAP) is a charity operating in over 100 countries, dedicated to improving road safety by providing star ratings indicating the relative level of risk of being involved in a fatal or serious injury crash on a road, considering attributes such as road design and geometry.

All our roads (exclusive of NorthConnex (Sydney), the A25 (Montreal) and the FredEx section of the I95 (Virginia)) have been assessed under iRAP, and 100% of our rated roads by travel are 3 stars or higher. In Australia, 91% of travel is now rated 4 stars or higher – and 55% of our WestConnex network (Sydney) is 5 star rated. In the US, 63% of our roads are rated 4 stars or higher.

MUARC road performance analysis

Transurban commissions Monash University Accident Research Centre (MUARC) to analyse crashes on our Australian assets and compare our roads' performance to like roads in each market. MUARC's latest (2024) analysis found that, compared to like roads in each state, such as freeways or motorways with similar traffic volumes, our roads are on average at least twice as safe.[1]

NeuRA partnership

In FY24, we continued our partnership with Neuroscience Research Australia (NeuRA), to deliver critical occupant injury prevention research. Research conducted by NeuRA at the Transurban Road Safety Centre during FY24 included:

- confirming the 5-Step Test is the gold standard for parents checking whether a child is ready to use an adult seat belt
- testing the safety of child car seat modifications for children with disabilities
- developing a prototype lumbar spine that more accurately mimics the spine of a small adult, to help gain clearer pictures of how vehicle collisions impact older children and smaller females.

NeuRA joined Transurban to share these new research findings with stakeholders during National Road Safety Week in May, at road safety panel discussions in Melbourne and Brisbane.

Kidsafe Car Seat Blitz

Young children are some of the most vulnerable people on our roads and making sure they have a safe car seat is one of the best ways to protect them.

We partnered with Kidsafe again in FY24 – our third year in a row – to run car seat safety blitzes in Melbourne, Sydney and Brisbane. 660 seat checks were conducted during the blitz, with over 90% of seats requiring adjustments. Checkers also installed new seats and provided advice on their safe use.

Using connected vehicle data to improve road safety during works

With construction underway on the M7-M12 Integration Project (Sydney) we're using connected vehicle data to enhance road-worker safety along the Westlink M7. A traffic speed monitoring dashboard lets us pinpoint locations where we see frequent braking, swerving and speeding hotspots. We can then implement measures to improve road-work speed limit compliance, better protecting personnel working alongside live traffic.

Research informs safety campaign

A road safety campaign has been trialled in the US, targeting the top-three driving behaviours that contribute to crashes on US roads, one of which is speeding.

The trial was based on our team's research that found 90% of Greater Washington Area drivers believe their own driving is extremely or somewhat safe, while believing only about 35% of others on the road are equally capable.

Teams will apply these insights to on-road messaging on the I-95 Express and general-purpose lanes. During the trial, instead of signage asking drivers to 'slow down', drivers were shown messages such as 'watch out for speeders.'

The trial monitored drivers' speed-limit compliance after encountering this signage. We found the signage was effective in reducing speeds on both Express and general-purpose lanes. Net speed reductions of between 0.34 mph (0.55 km/h) and 1.44 mph (2.32 km/h) were recorded – small drops in speed that could significantly reduce crash risk.

Free travel on the A25 supporting Operation Red Nose

Transurban continues to offer free travel on the A25 for Operation Red Nose users and volunteers during the festive season. Operation Red Nose is a non-profit that helps prevent people driving while impaired. Clients who have celebrated to excess can request a pick-up (by phone or mobile app) – and a team of three volunteers will arrive and drive them home safely in the client's own car.

Created in 1984, the Operation Red Nose escort service operates over the festive season in more than 100 communities in Canada.

1 *Data for FY17-22 for Queensland, and FY17-1H23 for Victoria and NSW*

Government and industry

Delivering mobility solutions to support growing cities as a trusted partner.

Recognising the need for infrastructure is stronger than ever, our government and industry partners share the common goal of making it easier to get around our growing cities.

With populations increasing in all the cities where we operate, we expect to see significantly greater demand for both private travel and road freight in the coming decades.

And with governments facing budget constraints and competing priorities for their capital, we continue to work closely with our government partners to collaborate on solutions – from traditional infrastructure, to technology and mobility innovations.

This year, we sought feedback from our government partners at local, state and federal levels as part of our continuous listening program.

This exercise is helping us to better understand governments' evolving expectations of Transurban, our common goals, how we can build trust and how we can support them to move people and goods around cities more efficiently.

+360
kilometres of road

22
assets in 5 geographical regions

Progressing transport agendas

As city populations continue to grow, we're working with state, federal and local governments to support current operations and future development of the efficient transport networks cities need and deserve.

Supporting toll reform in NSW

Transurban was pleased to have the opportunity to participate in the NSW Government's Independent Toll Review during FY24. This included presenting at the public hearing and responding to the Toll Review's Interim Report.

We support the objectives of the Review and we are aligned in our efforts to make toll roads simpler and fairer for NSW motorists.

We are committed to help delivering these improvements, and together with our NSW investment partners (AustralianSuper, CPP Investments, IFM Investors, UniSuper, QIC Limited, CDPQ and Tawreed Investments Ltd) we're continuing to collaborate with the NSW Government on solutions.

We believe there is a way to deliver meaningful reform that helps customers in practical ways as Sydney continues to grow, while also protecting the value of the investment we have made in the city's roads over nearly two decades.

Working together to tackle road trauma

Across the broader road network, fatalities have increased in Australia[1] and North America[2] – Australia recorded an 11.7% year on year increase in road deaths between July 2023 and June 2024. In FY24, we collaborated with government and industry leaders to develop integrated solutions to help reduce road deaths and serious injuries on all roads.

In Victoria, we facilitated the Victoria Police Driving Road Safety Forum. At this event, more than 180 Victoria Police members, experts and interstate and international police leaders joined the Chief Commissioner, Minister for Police and Victorian road safety agency heads to learn from road safety experts on opportunities to address the tragic increase in road trauma.

In NSW, we participated in the NSW Road Safety Forum, hosted by the NSW Government. A first for the state, the event brought international and Australian experts together to share insights into successful approaches for improving road safety.

For National Road Safety Week (May 2024) we hosted two industry safety forums, in Brisbane and Melbourne, bringing together industry leaders, government and research experts from Neuroscience Research Australia (NeuRA). These forums showcased NeuRA's research at the Transurban Road Safety Centre into the safe transport of children with disabilities and medical conditions; and occupant protection needs for a future of automated vehicles.

And in North America, we participated in a safety seminar put on by the Virginia Tech Transportation Institute, providing information and safety tips on how to drive around heavy freight vehicles.

All of these events provided meaningful opportunities to support our road safety partners, share expertise, discuss insights and identify opportunities to drive down road trauma.

Learn more about our road safety approach on page 26

Transurban Road Safety Centre at NeuRA

1 *Bureau of Infrastructure and Transport Research Economics (BITRE), Road Deaths: 12 Month Total website, Microsoft Power BI, accessed 23 July 2024*

2 *National Safety Council, NSC Estimates Traffic Crashes Took More Than 44,000 Lives in 2023, nsc.org, accessed 17 May 2024*

Rozelle interchange operations

This year also marked the full completion of the WestConnex project, with the final stage - the Rozelle Interchange – opening to traffic in November 2023. Delivered by the NSW Government and now operated by Transurban, the Interchange has unlocked new journeys for Sydney motorists and resulted in faster journeys for people travelling between the CBD and the west and south-west of Sydney.

For example, a journey from Parramatta to the city is now 15 minutes quicker, a reduction in travel time of over 30%; and a trip from Liverpool to the city now takes approximately 40 minutes, also a 10-minute saving.[1]

Acknowledging the congestion that has been experienced on surface roads in the surrounding areas of the Rozelle Interchange since opening, we continue to support Transport for NSW (TfNSW) to familiarise customers with the final section of WestConnex.

This includes providing WestConnex travel time data to the TfNSW website and providing customer communications to help motorists and commuters plan their journeys and assist them in avoiding periods of heaviest traffic flows.

Seeing progress up close

Work on the West Gate Tunnel in Melbourne continued to progress this year, with government joining us on site to celebrate major milestones.

Then-Victorian Premier Daniel Andrews visited Footscray Road to witness a giant 1400-tonne crane lifting the final piece of the new elevated freeway into place, and Victorian Premier Jacinta Allan also visited site to celebrate the completion of the tunnels' road deck. For more on the West Gate Tunnel Project, see page 20.

Touring our traffic control rooms was another way our stakeholders got to experience the advanced technology that drives our operations.

Government stakeholders including Federal and State Ministers and MPs visited our Victorian, Queensland and NSW traffic control rooms in FY24, to learn more about the technology we use to provide a safer, faster journey for drivers, and improve the efficiency of our operations.

We were also pleased to host government stakeholders at the Transurban Road Safety Centre at NeuRA, to learn about the important safety research this facility does.

Increasing capacity on our Express Lanes

In FY24, Virginia state and US federal officials joined Transurban to officially open the mainline roadway of the 95 Express Lanes Fredericksburg Extension.

This USD670 million project picks up where the 95 Express Lanes previously ended, seamlessly connecting Washington, DC to communities nearly 80 kilometres south in Fredericksburg, Virginia.

In November 2023, 95 Express Lanes LLC – in which Transurban indirectly holds a 50% interest – signed a development framework agreement with the Virginia Department of Transportation to explore the development and construction of additional off-peak lane capacity on the 95 Express Lanes. The project is expected to address existing congestion and provide further choice and time savings to Transurban's express lane customers.

We also made our fifth annual contribution, this year of USD16.5 million, to the Northern Virginia Transportation Commission's Commuter Choice Program.[2]

Our total investment is now just shy of USD80 million – and has helped fund new infrastructure and improvements across bus lanes, park and ride lots and commuter rail services.

1 Based on WestConnex travel-time savings post-opening of Rozelle Interchange during AM peak of 6am-10am, using TomTom congestion data. Individual travel times, alternative trips and travel savings may vary based on specific origin, destination and traffic conditions at the time of travel. Pre-Rozelle Interchange opening travel times based on traffic from 20 to 23 November 2023

2 The program promotes multimodal investments along our 395 and 95 Express Lanes corridors

Contributing to policy development

As a leading road operator, we understand how people move around cities. Transurban shares relevant findings on road transport with government and industry to inform future policy and opportunities. We are working to ensure our customers travel safely, and sustainably, today and in the future.

Sharing our insights

Each year, we share our insights and research on mobility trends and road-transport topics.

Reports produced in FY24 include:

- Transurban Industry Report: Mobility Trends Report (August 2023) examined workplace attendance, vehicle-use habits, reasons for travel and other mobility trends.
- Transurban Insights: Road Safety (November 2023) examined driving behaviours that contribute to the likelihood of a road incident occurring and the severity of injury.
- Transurban Insights: Liveable and Productive Cities (February 2024) examined population and economic growth, freight, network accessibility and connectivity, and technology.
- Transurban Insights: Electric Vehicles (February 2024) examined current levels of hybrid and electric vehicle ownership, and barriers to adoption.

In August 2024, we also released:

- Transurban Insights: Urban Mobility Trends examined a broad range of factors that influence people's mobility choices.

Supporting governments to shape a sustainable infrastructure future

As the operator of key transport routes in all of our cities, we're committed to working with our stakeholders to help decarbonise the transport sector.

We share our experience and insights by contributing to government inquiries and industry initiatives, to advocate for better sustainability outcomes.

In FY24, we participated in a technical risk and resilience assessment workshop to support the development of the Resilient Sydney Strategy 2.0 for Greater Sydney, addressing emerging resilience risks and trends for the next five years (2025–2030). We're also participating in the Australian Sustainable Finance Institute's (ASFI) Australian Sustainable Finance Taxonomy Technical Advisory Group for Transport.

Transurban is also supporting the Business Council of Australia's Net Zero Project 2035 to develop emissions reduction targets and associated decarbonisation opportunities for priority pathways, including transport.

We contributed to the Queensland Government's *Reducing Government Infrastructure Emissions Roadmap Discussion Paper,* with our response reinforcing the need to embed emission reductions in infrastructure decision-making, reduce infrastructure's embodied and operational emissions, grow a green supply chain for infrastructure and highlighting the importance of and promoting outcomes.

We also contributed to the Victorian Legislative Council Environment and Planning Committee's *Inquiry into Climate Resilience,* including by outlining the climate change framework designed to help us achieve net-zero emissions by 2050.

In FY24, we continued advocating for greener transport, contributing to the Federal Government's *Inquiry into the transition to electric vehicles* and providing feedback on the Australian New Vehicle Efficiency Standard Proposed Options.

WestConnex, Sydney


CAV demonstrations on 395 Express Lanes, Greater Washington Area

CAV demonstrations with emergency services

During 2023, Transurban North America worked closely with government partners to conduct CAV demonstrations on Transurban's 395 Express Lanes.

With a focus on safety, the demonstrations put a CAV through its paces in a series of on-road scenarios designed to challenge the vehicle and ensure its performance keeps everyone safe, both inside and outside the vehicle. Scenarios included first responders attending to a simulated crash scene.

This collaborative public safety and consumer technology project was delivered in partnership with Virginia Department of Transportation, Virginia Tech Transportation Institute and Crash Avoidance Metrics Partners, LLC. The demonstrations were funded by a USD7.5 million grant from the US Department of Transportation to support research into automated driving systems.

Future mobility

In FY24, we announced a partnership with Plus, a global Silicon Valley-based autonomous driving software company.

The partnership will build on the success of our first driver assisted truck trial phase on CityLink and the Monash Freeway in 2022, to explore how Plus' automated driving technology, combined with smart road infrastructure, and specially trained safety drivers could help make trucking safer, more efficient, and more sustainable in Australia.

With road freight in Australia expected to increase by around 77% in the next 25 years,[1] this work will help Transurban, industry and governments understand what the future of road freight transport could look like, particularly for safety and congestion, as vehicle and autonomous driving technologies progress over the coming decades.

Supporting cyber security efforts

SMS scammers continue to target Australians with fake toll road payment messages, impersonating Linkt, Transurban and other road operators.

Working with the National Anti-Scam Centre, Transurban used Scams Awareness Week as an opportunity to continue raising awareness and to help educate Linkt customers and the wider community, about how to spot, report and avoid scams.

We also provided feedback on the Australian Government's proposed Scams Code Framework, highlighting the important role the private sector plays in combatting scams.

In addition, we were pleased to provide feedback on proposed changes to the Federal Government's 2023–2030 Australian Cyber Security Strategy. Our feedback focused on the collaboration required between industry and government to ensure Australia's national cyber defences are robust and resilient.

Political contributions

Transurban Group does not make political donations or contributions of any nature to any political party, politician, elected official or candidate for public office in Australia.

In the United States, payment is permitted for attendance at political fundraising events under certain circumstances. In FY24, USD95,050 was spent in the US to participate in events relevant to our business.

All political contributions are disclosed in line with relevant government and regulatory requirements.

In Canada, political contributions are prohibited and accordingly none were made.

1 BITRE, 2022, Australian aggregate freight forecasts – 2022 update

Advocating for EVs

Electric vehicles (EVs) powered by renewable energy will deliver a future of reduced global emissions, cleaner air and quieter streets, and play a critical role in the transition to net zero.

Our FY24 research report, Transurban Insights: Electric Vehicles, looked at the state of EV ownership in the cities and regions where we operate. It showed EV ownership is starting to take off in Australia, however EVs' comparatively higher upfront cost is currently putting ownership out-of-reach for many.

The issue of EV affordability is why we launched our EVs for Everyone initiative in FY24.

Through EVs for Everyone, we will be connecting with car-reliant communities where people are driving lots of kilometres every week. We will test EV and energy solutions with these communities, working with individuals who will most benefit from EV ownership, and share learnings with government and industry to inform future policy and opportunities.

Transurban continues to support the Parliamentary Friends of Electric Vehicles and Future Fuels Transport Group, a non-partisan group of EV-enthusiast Federal MPs that collaborates to address issues slowing Australia's transition to EVs. This year, we participated in two events and a roundtable in Canberra, focussed on affordable EVs.

We know that the actions we take to encourage EV adoption could have a multiplier effect, reducing emissions both on and off our roads. By engaging with government and communities to showcase real-life case studies and affordability solutions, we aim to increase adoption of EVs.

Parliamentary Friends of Electric Vehicles event, Parliament House, Canberra

Investors

Delivering long-term sustainable value.

FY24 saw our fundamentals remain strong, while we placed considerable focus on transitioning to an operating model that provides us with a base for growth while unlocking operating efficiencies and value for our investors.

Traffic increased across all markets, flowing through to proportional toll revenue growth of 6.7% and a strong proportional EBITDA of $2,631 million, up 7.5% on FY23.

It was a significant year for road openings, with our 95 Express Lanes' Fredericksburg Extension opening to traffic, and the opening of the Rozelle Interchange (delivered by the NSW Government) marking the full completion of the WestConnex project.

Work continues to progress well on our projects in construction, and we have now partnered with the Queensland Government to progress the widening of the Logan Motorway.

Our full-year distribution of 62 cents per stapled security was up approximately 7% on FY23, and 102% covered by Free Cash.

Our cost of debt has been well managed in the current high interest rate environment, and our strong balance sheet positions us well for future growth.

$1,916M
gross distributions to security holders

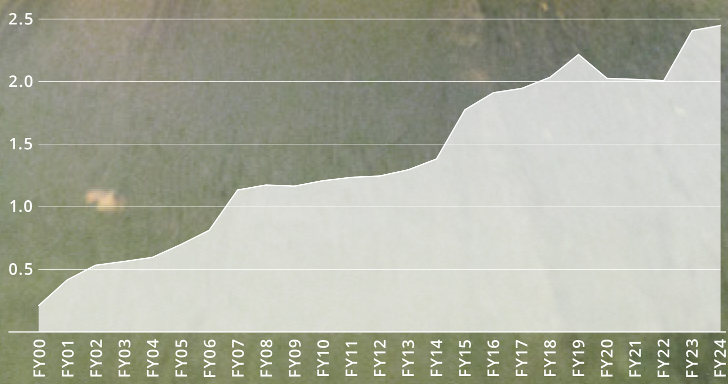
3.6%
cost growth, outperforming guidance of 4–6% growth

$2,631M
proportional EBITDA

6.7%
increase in proportional toll revenue

A-
score from CDP for climate change management (2023)[2]

Figure 6: Group average daily traffic by year (millions)



1 Calculated at 100% of the debt facility size, exclusive of issued letters of credit

2 To earn an A score from CDP, organisations must show environmental leadership, disclosing action on climate change, deforestation or water security. Read more at cdp.net

$5B

raised in bank and capital markets debt[1]

~2.5M

trips on average taken on our roads every day

Burnley Tunnel, CityLink, Melbourne

Realising our growth agenda

To continue to grow over the next decade, we are focusing on how we deploy our capital and resources so they can best support our growth strategy.

The continuous balance between distribution growth and investment in new opportunities remains central to our investment proposition.

In our most recent Investor Day, CFO Henry Byrne stepped through our capital allocation framework (Figure 7), which outlines how we support investment in growth and distributions.

Our aim is to simplify the business and make it operate more efficiently, and also to make sure some of the key outputs, such as Free Cash and distributions are more transparent and predictable.

We generate income from price and traffic growth within our existing portfolio, which in turn increases EBIDTA.

Distributions will be broadly aligned with Free Cash, with expected Free Cash cover of 95-105%. From FY25, we will move to a new Free Cash definition which is better aligned to the operational performance of the business.

We have also refined our target payout ratio for distributions to be within a range of 95% to 105% of Free Cash in any given year, enabling a smoother distribution profile that's aligned with our business performance over time.

We have worked to maintain a strong balance sheet for many years, and this remains a focus.

The expansion in earnings supports our growing balance sheet capacity, which is available to be deployed towards growth investment, which in turn should support earnings growth over time.

External sources of capital supporting balance sheet growth include Capital Releases. We may also look to use equity to fund opportunities, noting we currently have significant balance sheet capacity to support growth opportunities on the horizon.

In relation to debt, our focus remains on ensuring stable and predictable funding costs. Demand for our credit remains strong, however we continue to take a conservative approach to how we manage our debt portfolio.

Our capital allocation framework (Figure 7) also calls out capital management options, such as buybacks and special dividends, which would come into play in circumstances where we had surplus capital if anticipated growth opportunities did not eventuate.

Making our capital allocation more effective will have the added benefit of controlling our cost base.

All of this helps us get the right balance between long-term value creation and distributions for investors.

Figure 7: Capital allocation framework

Balancing capital allocation to support investment in growth and distributions

Internal capital generation

Core growth from existing portfolio (price and volume growth)

EBITDA growth

Free Cash Flow growth

Growing balance sheet capacity

Distributions growth	**Capital management**	**Growth investment**
Aim to consistently grow over time	Buybacks	Existing markets
Target payout ratio range of 95–105%	Special distributions	New markets
		Adjacencies

Deliver distributions growth and value accretion

External sources of capital

Debt	• Existing debt facilities and capacity for additional debt • Asset level debt (including Capital Releases) and corporate debt • Maintain strong balance sheet including investment grade rating • Free Cash growth enhances debt capacity
Equity	• Supporting scale transactions, if required • DRP
JV partners	• Ability to balance capital requirements • Include leading global pension funds and infrastructure investors

Investment partners

Our global road operator expertise and our project delivery capability attract quality investment partners.

We have seven investment partners across 17 assets (Figure 8). Our investment partners operate or own infrastructure assets in more than 35 countries and have more than $1.9 trillion in collective funds under management or net assets. Our partners include leading global pension funds and infrastructure investors.

The direct asset funding our investment partners provide enables us to access new markets and assets, with less reliance on the Transurban balance sheet.

Figure 8: Investment partners

Investment partnership	Partners	Assets
Sydney Transport Partners	Transurban, AustralianSuper, CPP Investments, Platinum Tawreed Investments and CDPQ	WestConnex
Airport Motorway	Transurban, IFM Investors and UniSuper	Eastern Distributor
NorthWestern Roads Group	Transurban, CPP Investments and QIC	Westlink M7, NorthConnex
Transurban Chesapeake	Transurban, AustralianSuper, CPP Investments and UniSuper	495 Express Lanes,[1] 95 Express Lanes,[2] 395 Express Lanes
Skawanoti	Transurban and CDPQ	A25
Transurban Queensland	Transurban, AustralianSuper, Platinum Tawreed Investments	AirportlinkM7, Clem7, Gateway Motorway, Go Between Bridge, Legacy Way, Logan Motorway

Our investment proposition

Supportive long term trends
Population and mobility trends supporting long-term traffic growth in all markets

High quality asset portfolio
Customer base of +10M across five diverse regions, containing 22 high quality assets, delivering underlying Free Cash to support distributions

Inflation linked toll escalations
Embedded fixed and CPI escalations across +90% of FY24 toll revenue support EBITDA and Free Cash over the life of each concession

Project pipeline supports long term Free Cash growth
Projects aligned with government infrastructure priorities, including the West Gate Tunnel Project, M7-M12 Integration and Logan West Upgrade project, are expected to support long term Free Cash growth

Investment in capability
Targeted investment in early-stage development projects, technology, customer platforms and people

Balance sheet management provides near-term interest rate protection
Well managed weighted average cost of debt through active balance sheet management and hedging

Balancing growth in distributions and investment to support long-term value

1 495 Express Lanes concession includes the 495 Express Lanes Northern Extension Project (currently under construction)
2 95 Express Lanes concession includes the Fredericksburg Extension

How we measure financial performance

Free Cash

Free Cash is the primary measure used to assess the cash performance of the Group and generally represents the cash available for distribution to security holders. Free Cash is calculated in Note B9 of the Group financial statements.

Changes to Transurban's Free Cash definition will be introduced in FY25 (read more on page 49).

Proportional EBITDA

We consider proportional earnings before interest, tax, depreciation and amortisation (EBITDA) to be the best measure of underlying business performance.

Proportional EBITDA aggregates the results from each asset multiplied by Transurban's percentage ownership as well as the contribution from central Group functions. Proportional EBITDA reflects the contribution from individual assets to the Group's operating performance and focuses on elements of the result that management can influence to drive improvements in earnings.

Note B4 to the Group financial statements presents further detail on the proportional results for the Group, including reconciliations to the statutory result.

Traffic performance

FY24 saw Group traffic grow in all markets, up 1.7% for the year.

The post-pandemic trend of weekend traffic growth stabilised throughout the year, with weekend traffic up 1%, while weekday traffic was stronger, up 2% across the Group. Large vehicle traffic remained resilient, up 0.6% for the year, despite some softness in NSW and Queensland.

Construction of new motorways continues to impact volumes in Melbourne and Sydney, however we expect these projects will ultimately boost traffic when completed in the coming years.

Traffic growth was particularly strong in North America in FY24, with ADT increasing by 5.5% to 157,000 trips. This growth is underpinned by the opening of the Fredericksburg Extension, which is still to see annualised benefits.

Delivering for investors

Transurban distributed $1,916 million to security holders in FY24. Alongside this, we continued to invest in the long-term growth of the business, progressing our pipeline of projects and evolving our operating model to take advantage of strategic opportunities.

Throughout FY24, we continued to actively manage our balance sheet, with our weighted average cost of debt up slightly at 4.5%. And our disciplined and active approach to cost management saw cost growth of 3.6%, outperforming guidance of 4–6% growth.

Longer term, forecast population and employment growth in all of our markets is expected to support ongoing traffic momentum.

Responding to evolving sustainability reporting requirements

The last decade has seen a rapid evolution in the way organisations report on their sustainability approach and performance to investors.

The launch of the International Sustainability Standards Board's inaugural standards – IFRS S1 and IFRS S2 – will transform the way companies consider and report on sustainability risks and opportunities in their business. Importantly, these global standards – and their application across jurisdictions – will provide investors with a harmonised baseline for investor-focused sustainability reporting that integrates financial and non-financial data. The global adoption of these standards will require organisations to formally integrate their material sustainability risks and opportunities into the governance, strategy, risk management and performance of their business.

Australian companies will be guided by the Australian Sustainability Reporting Standards (ASRS). The proposed standards were released by the Australian Accounting Standards Board in October 2023. Mandatory reporting is expected to commence for Transurban from 1 July 2025, with a climate-first focus.

To prepare for our climate-first reporting obligations, we have developed a detailed ASRS Readiness Program, which will build on the solid foundation already in place through our previous TCFD disclosures. We have also conducted a materiality review to determine our most material ESG topics (see pages 8–9).

Recognition is growing globally about the importance of nature to the economy and the risks associated with accelerating nature and biodiversity loss across the globe.

The investor-led Taskforce for Nature-related Financial Disclosure (TNFD), which is aligned with the TCFD framework, was launched in September 2023. Currently voluntary, TNFD provides recommendations and guidance to organisations to help assess, report and act on their nature-related dependencies, impacts, risks and opportunities.

We also understand that 'nature, biodiversity and ecological systems', along with 'human capital' will be the next priority focus areas for ISSB standard development, which is expected to result in IFRS S3 and S4 respectively in the coming years.

Climate disclosure

Climate change directly influences our business, operations, supply chain and communities. With a weighted average concession life for our assets of over 28 years, we recognise the importance of preparing for and responding to these impacts.

FY24 has been a year of transition as we prepare the business for the new climate-first reporting requirements under ASRS, with a particular focus on climate risk and transition planning activity. At the same time, we continued to reduce scope 1 and 2 emissions and work towards achieving our long-term target of net-zero scope 1, 2 and 3 emissions by 2050, while implementing broader business resilience and adaptation measures across both assets and projects.

Our near-term 2030 GHG emissions targets are validated by SBTi,[1] and our 2050 net zero target is aligned with SBTi methodology.[2]

Our commitments, targets and initiatives are underpinned by our business-wide Sustainability Strategy (read more on page 8).

While we prepare for future ASRS-aligned disclosure, we continue to structure our climate disclosure around the TCFD themes:

- **Climate governance (page 39)**
- **Climate strategy (pages 40–44)**
- **Climate risk management (pages 45–47)**
- **Climate-related metrics and targets (FY24 Sustainability Data Pack, transurban.com/reporting)**

More information on our progress against targets and a summary of our key activities undertaken in response to the TCFD recommendations can also be found in our FY24 Sustainability Data Pack.

Our Climate Change Framework (Figure 9) guides our response to climate change, and this will continue to evolve in response to new and emerging disclosure requirements, the latest in climate science, and interdependencies with material topics identified via our materiality assessment (read more on page 8).

Figure 9: Climate Change Framework[2]

Transition to net zero

Energy	Low-carbon supply chain	Customer emissions	Roadside regeneration
Energy efficiency upgrades	Lower-carbon materials Circular economy	Customer engagement on fuel and emissions reduction	Improve vegetation and biodiversity within our alignments
Onsite renewables	Partnerships and engagement	Support the uptake of electric vehicles	Green infrastructure
Renewable energy agreements			

Resilient infrastructure and operations

Climate risk integration	Asset and business adaptation	TCFD alignment
Embed relevant climate projections and associated risks (threats and opportunities) within processes and systems	Scenario analysis	Climate risk impact assessments
	Asset-specific Climate Change Adaptation Plans	Integration with financial systems, processes and reporting
		Ongoing review, monitoring and reporting

Our GHG emissions targets[2]

Net-zero emissions by 2050 in scope 1, 2 and 3
50% absolute reduction scope 1 and 2 emissions by 2030
55% reduction scope 3 carbon intensity of our major projects by 2030
22% reduction scope 3 carbon intensity of purchased goods and services by 2030

Training and capacity building

Governance

- Climate-related risk oversight by the Transurban Board
- Dedicated updates provided to the Transurban Board's ARC on climate-related aspects
- Additional oversight, guidance and input provided by management governance bodies, including the Customer, Community and Sustainability Council and the Climate Change Governance Committee. ASRS Steering Committee formalised in FY24

1 *Near-term refers to our 2030 emissions reduction target as per SBTi methodology. Throughout our climate disclosure, "short term" is also used to refer to climate impacts and associated risks identified out to 2030, as defined by Transurban's Climate Change Risk and Adaptation Guideline*

2 *All GHG targets are relative to a FY19 baseline. Scope 3 does not include customer emissions. For more information on Transurban's reporting approach and boundaries, please see the Transurban GHG Basis of Preparation*

Climate governance

Board oversight

Climate-related risks (threats and opportunities) are overseen by the Transurban Board. The Audit and Risk Committee (ARC) assists the Board in oversight of such risks. Throughout the year, the ARC is updated on key risks (which may include any material risks with a cause or consequence related to climate change) through our standard business and operational risk reporting.

The ARC also receives dedicated updates on climate-related risks, areas of progress and relevant regulatory developments, including in relation to new mandatory climate-related financial disclosures.

Our Enterprise Risk Management (ERM) process (Figure 24, page 79) outlines our methodology for identifying, assessing and governing our physical and transition risks, and for ensuring appropriate escalation for decision-making and proactive management where required.

Management responsibility

Climate change is considered a key risk area, and its impacts are seen as contributing factors to many of our strategic, business, operational and project risks (threats and opportunities).

All areas of our business are therefore responsible for identifying and managing climate-related risks. Climate-related risks are identified, assessed and prioritised using our ERM Framework, consistent with our other risks, and in line with our business-wide approach for managing risk. Supporting these activities, the strategic response and overall direction is managed, and monitored through the ESG and Sustainability and the Risk teams.

In FY24, preparations for the introduction of mandatory climate-related financial reporting were led by both the ESG and Sustainability and the Finance teams, with oversight from the CFO.

In developing asset-specific Climate Change Adaptation Plans (CCAPs) we engage relevant stakeholders to help consider relevant climate-related risks (threats and opportunities). These are then integrated into the risk-based decision making for the operations and maintenance of the asset. These are then also used as scenarios to support our resilience and response planning exercises.

During this transition period, both in preparation for anticipated ASRS reporting requirements and in adopting our new operating model, we have recognised a need for the continued evolution and integration of our governance approach to climate and sustainability-related risks (threats and opportunities). To address this we have conducted wide-ranging internal stakeholder engagement, while utilising several governance bodies for management oversight of climate-related risks and associated activities.

In FY24, from Q1 to Q3, the Customer, Community and Sustainability Council provided governance and guidance for the development and implementation of Transurban's customer, community and sustainability agendas.[1] A cross-disciplinary working group, the Climate Change Governance Committee, provided additional internal input on climate-related initiatives, management priorities, and emerging industry trends as needed. A new ASRS Steering Committee, sponsored by the CFO, was also created to oversee the implementation of the expected ASRS requirements.

Under our new operating model, which came into effect in June 2024, the Group Executive Corporate Affairs will be accountable for sustainability and climate-related activities.

Stakeholder engagement

To support our climate response and prepare for new and emerging disclosure requirements (page 37), we have conducted stakeholder engagement across the business.

FY24 initiatives include:

- **Double materiality assessment:** co-led by the ESG and Sustainability, and Finance teams, involving extensive engagement with internal and external stakeholders, including direct interviews with investors (read more on page 8).
- **Capacity building:** delivered business-wide internal training on climate-change science, and conducted climate scenario planning workshops with internal stakeholders from Asset Management, Corporate Affairs, ESG and Sustainability, Government Relations, HSE, Operations, Project Delivery, Finance, Risk, Strategy and Traffic teams.
- **Climate Change Adaptation Plans:** developed for CityLink, and several NSW assets (Cross City Tunnel, Eastern Distributor, Lane Cove Tunnel, M4, M4-M8 Link, M5 East, M5 West, M8), engaging teams from Asset Management, Finance, HSE, Operations, Risk, and ESG and Sustainability.
- **ASRS Steering Committee:** created a new ISSB Governance Project Manager position and established a Steering Committee, chaired by the CFO, to oversee ASRS reporting-readiness across the business. Concurrently, we have engaged broadly across the business to support awareness, education, and uplift in anticipation of new reporting requirements.
- **Project Delivery Scope 3 Working Group:** established cross-market Project Delivery working group to review and update our approach to achieving embodied-carbon reductions in project delivery and building out transition planning detail in light of emerging innovations and technologies.

1 *The Customer, Community and Sustainability Council convened through Q3 2024 and was paused with the announcement of our new operating model*

Climate strategy

We continue to evolve and mature our response to climate change, and to manage the associated impacts across our operations, organisational strategy, financial planning and major construction and development projects.

Our response is underpinned by our Climate Change Framework, with current and future priority areas related to our transition to net zero, resilient infrastructure and operations, and governance summarised in Figure 10. Key activities under these priority areas are described in more detail below.

Figure 10: Climate Change Framework current and future priority areas

Transition to net zero[1]

Scope 1 and 2 science-based emission reduction target: 50% reduction by 2030 Transition fleet to electric vehicles; contractor targets for fuel efficiency and transition to electric vehicles; ongoing tunnel ventilation optimisation and lighting upgrades; and transition to 100% renewables

Expected initiatives to reach net zero 100% renewable electricity use; eliminate residual fuel use through electrification across direct and contractor operations

Scope 3 science-based emission reduction target: 55% reduction in emissions intensity across major construction and development projects, and a 22% reduction in emissions intensity across purchased goods and services by 2030 Engage supply chain on commitments to renewable energy and science-based targets; increase availability and use of lower-carbon and circular materials; enhance major project specifications and industry engagements and partnerships

Expected initiatives to reach net zero Accelerate uptake of lower-carbon materials; supply chain minimum contract requirements; partnerships to drive sectoral transition; carbon offset where residual emissions cannot be avoided

Customer emissions[2] Support reduction of transport-related emissions through electric vehicle advocacy, education and partnerships, and other sustainable driving and mobility initiatives

Resilient infrastructure and operations

Financial climate risk and adaptation assessment Measure and quantify identified long-term impacts of climate-related risks (threats and opportunities) and adaptation measures

Continued integration of climate into business operation Development of climate-related metrics across asset lifecycle and traffic models to continuously improve business resilience and future climate-related projections

Ongoing delivery of asset-specific Climate Change Adaptation Plans (CCAPs) Including risk and adaptation assessments, defined adaptation pathways, broad financial implications, triggers and thresholds

Broader infrastructure assessment and enhancing resilience Work with key external stakeholders to understand climate-related risks to adjacent roads and supporting infrastructure and develop shared responses (where applicable) to build community and transport system resilience

Ongoing climate-related risk and adaptation assessment reviews Monitoring of climate-related metrics; reporting; and training, awareness and capacity building

Governance

Refresh sustainability and climate governance approach In line with ASRS reporting requirements and other new and emerging standards including ISSB

ASRS readiness Prepare for mandatory climate-related financial reporting anticipated from 1 July 2025

ASRS reporting (FY26 and beyond) Mandatory climate-related financial reporting anticipated to commence from 1 July 2025

FY24[3] FY25[3] FY26[3] FY30[3] FY50[3]

1 For more information on Transurban's reporting methodology and scope see the Transurban GHG Basis of Preparation

2 Scope 3 does not include customer emissions. For all scope 3 boundaries see the Transurban GHG Basis of Preparation

3 Time horizons indicate EOFY and are not to scale

Transition to net zero

We have set a target for net-zero GHG emissions by 2050 across scope 1 (fuel), scope 2 (electricity) and scope 3 (value chain).

This includes interim science-based targets (SBTi validated) to reduce absolute scope 1 and 2 GHG emissions 50% by 2030, and to reduce carbon intensity of purchased goods and services (scope 3, category 1) by 22%, and major projects (scope 3, category 2) by 55%, by 2030.[1]

Achieving our 2050 target is dependent on innovation, government policy and GHG reduction across hard-to-abate sectors in our value chain (such as cement, steel, and asphalt). While we are committed to working with value chain partners and governments on new and emerging technologies to reduce GHG emissions, our ability to meet our targets may be limited to what is possible in the Australian and North American context, such as compliance with engineering specifications.

In FY23, we achieved our interim 2030 GHG targets seven years early[2] and in FY24 we achieved a scope 1 and 2 emissions reduction of 70% compared to FY19 baseline (a 30% year-on-year reduction). We increased our use of renewable electricity to 87% in FY24.

To reduce scope 1 emissions, which comprise 8% of our total energy use, we continue to seek opportunities to transition our direct fleet to EVs between now and 2030 and are also working with our contractors on opportunities to electrify incident response and maintenance vehicles.

To reduce scope 2 emissions, which comprise 92% of total energy use, we continue to work on ways to reduce energy use across ventilation and lighting systems and transition towards 100% renewable electricity use.

As part of working towards scope 3 emissions reduction, in FY22 we introduced supplier engagement on GHG management via CDP Supply Chain Reporting. We continue to expand this engagement each year.

In 2023, 108 major suppliers were engaged to report through CDP processes,[3] representing more than 60% of value chain emissions from purchased goods and services. Engaging suppliers and having oversight of their progress is critical in meeting our overall emissions reduction targets.

We also continue to work with our delivery partners on major projects to increase the use of lower-carbon construction materials at asset planning, design and development stages.

CDP supplier engagement results[3]

61/108 of requested suppliers disclosed via CDP

70% reported having absolute and/or intensity based GHG reduction targets in place

77% renewable electricity use reported

49% reported having climate change integrated into their business strategy and/or a transition plan aligned to 1.5°C degrees

37% reported climate change integration was in development or influencing their strategy

Industry-wide, we continue to engage with the Materials and Embodied Carbon Leaders' Alliance (MECLA) – comprising over 140 industry representatives and government agencies working together to reduce embodied carbon across the building and construction industry and to reduce carbon emissions by one million tonnes by 2030.

In FY24 we supported the Business Council of Australia's Net Zero Project 2035 to develop emissions reduction targets and associated sectoral decarbonisation pathways for priority sectors including transport. We are also participating in the Australian Sustainable Finance Institute's (ASFI) Australian Sustainable Finance Taxonomy Technical Advisory Group for Transport.

Our FY24 Sustainability Data Pack provides a detailed breakdown of our energy and GHG emissions, transurban.com/reporting

Our Transurban GHG Basis of Preparation describes the key activity boundaries, methodologies, and references used to prepare our reported GHG emissions and associated climate disclosures, transurban.com/ghg-basis-of-preparation

Customer emissions

Travel on our roads results in indirect use-phase emissions, dependent on the type of customer and vehicle used. While we design and operate roads in a manner that aims to reduce individual customer emissions compared to alternative routes (through improved free flowing traffic conditions and smoother gradients), we have a very limited ability to influence customer vehicle selection, the primary driver of indirect use-phase emissions. As such, we do not report customer emissions under the optional indirect use-phase boundary (scope 3, category 11).

We acknowledge the significance of road transport-related emissions, and playing a role in reducing these emissions is an important part of our climate change response. To promote visibility, we estimate and report customer travel emissions in our disclosures. See our FY24 Sustainability Data Pack for more information.

We seek to reduce transport-related emissions by:

- designing and managing roads to minimise emissions, including flatter gradients and reducing congestion
- participating in EV advocacy and education
- leveraging our data, internal capability and network to play an enabling role in transport decarbonisation activities.

On average, our customers reduce their vehicle GHG emissions by 29% when using one of our roads compared to the alternative route.[4]

Sustainable driving and mobility

As part of our sustainable driving program, in FY24, we carried out two of pieces of research: Transurban Insights: Electric Vehicles, as well as a study into EV attitudes and perceptions with high-mileage, car-reliant communities in our Australian markets.

We also launched our EVs for Everyone initiative to help address the barrier of EV affordability (read more on page 33).

In June 2023, we launched a competition for our EV-driving customers, giving away $10,000 worth of charging vouchers. For our commercial customers, we have engaged in multiple freight decarbonisation industry and government workshops to better understand requirements and inform our sustainable driving strategy.

And for our people, in FY24 we partnered with Uber to use their Uber Green product – a low-emission option for corporate travel which help reduce business-related travel emissions. Transurban employees based in Victoria were also given the opportunity to take a Tesla for a two-day test drive, to experience using an EV.

1 *For more information on Transurban's reporting methodology and scope see the Transurban GHG Basis of Preparation*
2 *Achieved a 56% absolute scope 1 and 2 GHG emissions reduction in FY23 relative to FY19 baseline*
3 *2023 results*
4 *GHG savings compared to next best alternative un-tolled route(s), see the Transurban GHG Basis of Preparation for more information*

Figure 11: Example climate-related logic map for increased instance of extreme rainfall

Increased instance of extreme rainfall

Flooding on Transurban roads and connecting arterials

Disruption for road users

Financial impacts

Reduced road trips

Lower revenue

Increased maintenance of drainage

Higher costs

Potential flow on effects

Impact on value of concessions

Impairment

Changes to maintenance schedule

Resilient infrastructure and operations

Climate change poses both threats and opportunities to our business that could have a financial impact on revenues, expenditures, assets, liabilities, capital and financing particularly over the medium and long term. See Figure 13 (page 46) for a more detailed summary of threats and opportunities.

Our infrastructure may face a range of climate-related physical and transitional risk drivers, both acute and chronic, which may lead to financial, operational, and service delivery impacts.

These include transitional risks such as changing stakeholder, regulatory and political environments, as well as acute physical events such as extreme weather linked to bushfire or flooding. For example, in January and February 2024, Brisbane saw a 1.1% decrease in car and heavy vehicle traffic, largely due to significant rainfall. Rainfall was approximately three times the previous year. Figure 11 illustrates a climate-related logic map for the potential financial impacts of extreme rainfall.

Based on climate-related physical and transition risks identified and assessed to date, through high-level qualitative scenario analysis and asset-specific CCAPs, we currently do not expect any resulting material impacts to our organisational strategy in the short term (2030). In the medium (2050) and longer term (2090), we may be affected by both acute and chronic physical events, given these impacts are projected to be more frequent and intense over time. However, further analysis of climate-related risks is planned in FY25 to assess the associated impacts to our organisational strategy. We also recognise it is important to consider the potential implications of the accumulation of events and the interrelation of different events, such as sea-level rise and storm surge. We will continue to consider these possible impacts as part of our ongoing scenario planning.

Progress on asset Climate Change Adaptation Plans (CCAPs)

In 2022, we adopted a standardised approach for our operational assets with regard to physical climate-related risk identification and adaptation management.

CCAPs identify relevant hazards and exposures, assess business risk and define adaptation pathways to assist in the mitigation of climate-related risks and resilience of all assets.

CCAPs use RCP 8.5 climate projections from the CSIRO to assess physical risks under a high-emissions scenario to ensure a high level of resilience across our assets to changing climate conditions.

Fully electric incident response vehicle, M2 Motorway Control Centre, Sydney

Climate variables considered include: temperature and heatwaves; rainfall and flooding; bushfire weather; sea-level rise; droughts; and relative humidity, over the short (2030), medium (2050), and long term (2090).

Facilitated by an independent consultant, the development of CCAPs involves our operations and asset management specialists, as well as Risk, HSE, and ESG and Sustainability representatives.

Identified risks are assessed using our Enterprise Risk Management Framework and added to a climate risk register, along with identified controls and potential adaptation options. Additional workshops are then undertaken to develop adaptation pathways and delve into potential risk mitigation measures in more detail to understand potential thresholds and triggers for implementation over the life of the asset.

Climate-related risk is also included in our Strategic Asset Management and Operations Plan. CCAP findings are also integrated into our business resilience activities and enable teams to exercise and enhance their response to climate-based disruption events.

We also monitor indicators, such as vehicle breakdowns in extreme weather, to gauge whether our adaptation actions are sufficient. In FY24 six new CCAPs were developed for assets in Victoria and NSW resulting in climate-related risk assessments and adaptation pathways substantially in place for most of our assets. We are committed to completing CCAPs for remaining assets in FY25, and developing CCAPs for future assets following an initial period of operations. CCAPs have generally identified a high degree of resilience to projected climate change impacts.

Adaptation plans have helped the business understand both shared and unique risks across assets and timeframes, and highlight key areas to monitor and consider for future decision making. For example, in future decades, sea-level rise could impact the operation of drainage infrastructure in tunnel assets, while various hazards, including storms and heatwaves, could reduce the reliability of the electricity supply.

Given the complex and interdependent nature of climate risks, responding to these and other risks will require external stakeholder engagement, including with customers, local and state governments, and other infrastructure operators, to increase risk awareness and to coordinate shared adaptation and resilience actions.

Long-term asset impacts, controls and actions

We have analysed possible long-term threat and opportunity impacts across individual asset components using the most extreme climate projections aligned with a 4°C 'business as usual' scenario and identified potential impacts likely to occur from now until 2100 (aligned with RCP8.5). The analysis combined market-specific data that captured differences across asset locations and the broader markets where we operate.

Our assets are designed and delivered in accordance with industry best practice, including the IS rating scheme in Australia and Envision in North America, which consider climate-related impacts. These ratings award credits to projects that assess climate-related risks and incorporate adaptation measures into project design, amongst other economic, social, and environmental sustainability criteria.

This helps to build resilience into design and operations for the future longevity of our assets. A long-term timeframe and extreme climate scenario have been used given the forecast useful life of infrastructure assets, our long operational concession periods, and the opportunity to capture and prepare for worst-case climatic changes. These potential long-term impacts and control measures have been progressively incorporated into asset-specific adaptation plans. A summary of possible long-term impacts, current controls and actions is in our FY24 Sustainability Data Pack. This informs our climate risk management process and broader Climate Change Framework (Figure 10).

For detailed breakdowns of our IS and Envision ratings, our TCFD response to metrics and targets, and our TCFD Index, see our FY24 Sustainability Data Pack, transurban.com/reporting

Kinetica, M2 Motorway, Sydney

Figure 12: Climate scenarios

1.5°C scenario

Government-led transition aligned with Paris Agreement

Introduction of new government policies and taxes drives a rapid reduction in global emissions, achieving net zero by 2050 and avoiding the worst physical impacts (aligned to RCP 2.6)

2°C scenario

Market-led transition

The transition towards net zero is led by the market, supported by government incentives. Net zero will be achieved around 2070 (aligned to RCP 4.5)

4°C scenario

Business as usual

Emissions will continue to rise with little or no shift towards a low carbon future. Physical impacts will be extreme and become more severe from 2040 onwards (aligned to RCP 8.5)

Testing resilience through climate-related scenarios

Within the business, we use three climate scenarios associated with global temperature increases to test possible future conditions (Figure 12). We have considered each of these scenarios to understand the possible short, medium, and long term impacts to our organisational strategy, major projects, and operational assets. The scenarios align with TCFD recommendations, the Australian Government's commitment to meet the United Nations Paris Agreement, and the IPCC's Representative Concentration Pathways (RCP 2.6, 4.5, 8.5).

Through implementation and use of each scenario, a consistent set of assumptions inform our risk assessment and management process. Each of the scenarios present opportunities across the various time horizons. These include asset efficiencies through improved design, sustainable finance, adoption of innovative technology, the use of lower carbon materials,[1] and uptake of electric vehicles (see Figure 13 for a more detailed summary of threats and opportunities).

These scenarios and the CCAPs are also used to inform and test our business resilience preparatory activities. This includes undertaking response exercises and testing our ability to withstand disruptive events, including those based on climate and severe weather-related scenarios.

Read more in our FY24 Sustainability Data Pack, transurban.com/reporting

Financial reporting impacts

Integrating climate-related risks (threats and opportunities) into our financial disclosure and reporting framework is an area of ongoing focus and priority. Developing a financial reporting framework that considers expected mandatory climate-related financial disclosures is complex due to: changing global weather pattern uncertainty; evolving government policy responses; and accelerating stakeholder expectations. Incorporating physical and transitional climate scenario considerations into financial forecasts is also methodologically complex.

We have considered potential financial reporting impacts and disclosures related to climate-related risks in our financial statements, with reference to the AASB Practice Statement 2: Making Materiality Judgements, which provides guidance on making materiality judgements when preparing financial statements.

Based on the qualitative risk data from our CCAPs and the continued focus on asset resilience and business continuity programs, we are currently not aware of any material near-term[2] financial reporting impacts from climate-related risks. However, further analysis of climate-related risks is planned in FY25 to determine the associated financial impact projections across our assets and value chain, including additional analysis of transitional climate-related risks.

From FY25, our priority is to build on scenario analysis and CCAP work completed to date and integrate the potential medium and long term impacts of climate-related risks into asset adaptation strategies and forward planning, including financial forecasts.

We will continue our assessment of climate-related financial impacts, using qualitative risk data from our CCAPs and the latest science-based climate assumptions relating to the incidence and severity of acute and chronic climate-related events.

We also intend to investigate transitional climate-related risk drivers and scenario-based assumptions, such as changing commodity prices, new technologies or shifting travel patterns, for incorporation into our financial forecasts in line with expected mandatory climate-related disclosure requirements.

Given the complexity of physical climate-related risk modelling, the ongoing risk assessment process and changes and evolution of our response to climate-related risks, there may be material changes to our financial results and the carrying amount of assets and liabilities in future reporting periods. As we better understand the potential financial reporting impacts of climate-related risks, we will update the assumptions underlying the financial models to reflect any material climate-related risks.

Read more on our assessment of potential financial impacts of climate-related risks in Note B3 on page 121.

1 See page 47 for recent examples of lower-carbon material use

2 Transurban's Climate Change Risk and Adaptation Guideline defines climate-related risks identified out to 2030 as short-term. Here, "near-term" refers to more immediate financial reporting impacts

Climate risk management

Consideration of climate-related risks extends across our current operational activities as well as our longer term strategic and growth activities.

We consider risks as threats (for example, changes in patronage, failure of technical infrastructure or an inability to respond effectively to a disruption) and opportunities (for example, enabling new business opportunities or ways of working in our target markets). Climate change is also integrated into our enterprise approach to risk management. Read more in our Governance and risk chapter (page 71).

We identify and manage climate-related risks through our business-wide Climate Change Risk and Adaptation Guideline. Aligning with and supporting our enterprise approach to risk management, this guideline describes the process we use to identify, assess, manage, and escalate climate-related risks and document them in asset-specific CCAPs to ensure we are operating within our risk appetite.

For the complete CCAP list, see the FY24 Sustainability Data Pack, transurban.com/reporting

In FY23, we integrated climate-related risk as a consideration within our Strategic Asset Management and Operations Plans, as well as at a business and strategic level. These plans are integrated into our business resilience activities and enable teams to exercise and enhance their response to physical climate risks. Given climate change risk continues to evolve, it is essential to monitor emerging trends. We do this through our ERM Framework and ongoing monitoring of our climate-related metrics.

For new assets, we endeavour to include contractual requirements to undertake climate risk assessments, consider the impact of design and construction on the environment, and achieve third-party sustainability performance ratings. We are committed to achieving at least an Excellent IS rating (Australia) or Envision sustainability rating (North America) through design and construction for all major construction and development projects. Specific requirements for climate risk and adaptation are included in the IS rating tool, which drives projects to deliver innovative and resilient infrastructure under a worst-case scenario of approximately four degrees Celsius of warming by 2100.

Within our supply chain, we engage with major suppliers to disclose GHG emissions, reduction targets and outcomes via CDP. In FY24, we expanded this group to represent more than 80% of our emissions from purchased goods and services.

Read more about how we're assisting with decarbonising construction (page 69)

Managing climate-related risks

We continue to monitor the regulatory environment and our supply chains to ensure that assumptions and potential impacts remain up to date with national trends, and climate science. Four strategic climate-related threats and two opportunities (Figure 13, page 46) inform our Climate Change Framework (Figure 9, page 38). The six themes represent the most material and relevant potential impacts to our organisation and business operations across our three climate scenarios (Figure 12, page 44).

We consider possible risks both from a threat and opportunity impact perspective across different time horizons, the likelihood and consequence that the risk will be realised, the relationship with our organisational strategy and financial systems, and the effectiveness of existing controls. Our management response provides commentary on the interdependencies across overarching risk themes, and the relevant financial category which could impact our financial processes. Each risk theme is supported by detailed control and management measures at the organisation and asset levels where applicable.

CityLink, Melbourne

Figure 13: Our strategic response to climate-related risks

Threats

Threat 1: Unexpected changes to stakeholder expectations, government policies and regulation in relation to climate change create an unfavourable operating environment, impacting our reputation and financial performance

Relevant financial category[1]	Relevant climate-related risk category
Revenues, expenditures, assets and liabilities, capital financing	Acute and chronic physical risk, policy and legal, market, reputation

Potential business impacts	Our management response
• Changes to infrastructure approval and concession deed requirements • Increased capital expenditure and operating costs • Increased risk of litigation associated with emissions and our contribution to climate change • Changes in access to capital, such as introduction of more stringent lending requirements • Community concern related to emissions affecting travel and transport choices • Global supply chain impacts from carbon pricing, extreme weather events, pandemics (such as COVID-19), global conflicts and resource constraints	• Interim (2030) and long-term (2050) GHG emission reduction targets • In FY24, 87% of our electricity needs met through renewable energy (with all markets now procuring a percentage of renewable electricity) • Continued to pursue opportunities to reduce embodied GHG emissions in materials such as concrete and asphalt across the lifecycle of our assets • Continued our sustainable procurement program and supplier engagement, including annual disclosure requests for our top-150 major suppliers via CDP • Monitored environmental and climate-related litigation cases, and broader media coverage of potential greenwashing • Engaged government partners and industry to drive climate response, including contributing to discussions and strategies. In FY24, this included supporting the Business Council of Australia's Net Zero Project 2035 and the Parliamentary Friends of Electric Vehicles (read more on page 33) • Monitoring and preparing the business for emerging and anticipated mandatory reporting and disclosure requirements including IFRS S1 and S2, ASRS

Threat 2: Increase in incidence of severe weather events and average temperature affects lifecycle planning, disrupts operations, and increases operating costs

Relevant financial category[1]	Relevant climate-related risk category
Revenues, expenditures, assets and liabilities, capital financing	Acute and chronic physical risk, policy and legal, market, reputation

Potential business impacts	Our management response
• Disruption to power supply, possibly leading to increased operating costs and increased likelihood of blackouts • Heat-related injuries affect employee and contractor safety • Road user safety is affected in extreme weather events (water over road, reduced visibility) • Disruption to asset lifecycle, causing delays and possibly increasing funding allocation	• Adhered to and implemented robust design standards in accordance with industry best practice, including IS ratings in Australia and Envision in North America, which consider climate-related impacts • Monitored asset performance, implemented preventative and regular maintenance schedules, and asset inspections • Ongoing lifecycle planning processes for individual assets • Captured existing and emerging risks, and applied mitigation measures via our HSE management and risk management systems and processes • Applied road safety approach, including road safety action plans and performance measurement • Conducted climate-related risk reviews to ensure emerging trends, threats and opportunities are captured • Upskilled senior asset managers and operational staff via climate change risk and adaptation workshops. This included adaption workshops for select NSW and Victoria assets, and the development of asset-specific climate change risks and adaptation pathways • Delivered climate change awareness and resilience training for additional internal stakeholders throughout the business • Continued financial impact assessment, based on CCAPs results

Threat 3: Access to and use of our roads and tunnels is impacted during extreme weather events and in periods of extended rain and heat

Relevant financial category[1]	Relevant climate-related risk category
Revenues, expenditures, assets and liabilities, capital financing	Acute and chronic physical risk, policy and legal, market, reputation

Potential business impacts	Our management response
• Changes to toll revenue • Changes to traffic patterns and forecasts • Impacts on customer safety	• Ongoing implementation of asset-specific CCAPs to identify potential hotspots on our operational assets • Financial impact assessments continued in response to identified threats

1 *Threats and opportunities have been mapped to relevant financial and climate-related risk categories, as outlined in the TCFD Implementation Guideline 2021*

Threat 4: Macroeconomic and land-use changes (caused by climate policy and severe weather events) alter city travel patterns, development opportunities and toll-road use, impacting traffic models and revenue

Relevant financial category[1]	Relevant climate-related risk category
Revenues, expenditures, assets and liabilities, capital financing	Acute and chronic physical risk, policy and legal, market, reputation
Potential business impacts	**Our management response**
• Economic growth slows and affects future development and growth opportunities • Reduction in long-term revenue as city travel patterns shift due to climate impacts	• Ongoing monitoring of travel patterns and patronage across the markets where we operate through our strategic traffic modelling capability • Monitored valuation and project due diligence processes • Tracked national and global climate policies, changes to insurance and city planning, and renewables transition progress in Australia and North America • Continued financial impact assessment in response to identified threats. Investigated and monitored long-term transition and physical impacts across our asset operations

Opportunities

Opportunity 1: Showcase our leadership in climate-risk management to open new market opportunities, strengthen relationships with existing government partners, and capitalise on innovation opportunities

Relevant financial category[1]	Relevant climate-related risk category
Revenues, expenditures, assets and liabilities, capital financing	Acute and chronic physical risk, policy and legal, market, reputation
Potential business impacts	**Our management response**
• New market opportunities • Favourable lending rates • Increased trust and reputation with community and other key stakeholders • Partnership opportunities for research and innovation	• Active engagement and partnering with our supply chain, government partners, and industry to enhance sustainability outcomes for our projects, assets, and communities • Continued to benchmark major project and operational asset sustainability performance against robust, third-party standards (page 69). See the FY24 Sustainability Data Pack for more • Supported lower-emission materials and strengthened future asset resilience via MECLA. Read more on page 69 • Continued developing climate change risk and adaptation pathways through relevant workshops. This included adaption workshops for select NSW and Victoria assets, and the development of asset-specific climate change risks and adaptation pathways • Targeted and business-wide educational programs • Resourcing for increased focus on sustainability including new roles, including Group Executive Corporate Affairs (with oversight of ESG and Sustainability team) and a Climate Manager • Ongoing disclosure and engagement with our investors • Continued financial impact assessment in response to identified threats

Opportunity 2: Take proactive steps to reduce scope 1, 2 and 3 GHG emissions and customer emissions, and transition to net zero

Relevant financial category[1]	Relevant climate-related risk category
Revenues, expenditures, assets and liabilities, capital financing	Acute and chronic physical risk, policy and legal, market, reputation
Potential business impacts	**Our management response**
• Mitigate impacts associated with any carbon taxes and fluctuations in pricing • Reduce operating expenditures (energy) • Demonstrated leadership in sustainability • Improved trust and reputation with stakeholders	• Ahead of target for scope 1 and 2, with emissions 70% below 2019 levels (30% year-on-year reduction) • Renewable energy transition underway, with 87% renewable electricity use in FY24 (9% year-on-year increase) • Transitioning fleet, as well as our contractors' vehicles, to electric low-emission vehicles • Continued to review and seek opportunities to implement or partner with our suppliers on use of lower-carbon and circular materials on current assets and major projects. For example, on M7-M12 Integration Project, our contractor is using B5 bio-diesel across the project's lighting and generators which delivers a 5% GHG reduction compared to traditional mineral diesel. Recycled materials are also being used in construction activities, including more than 9,000 tonnes of recycled densely graded base (DGB). Read more on page 69

1 Threats and opportunities have been mapped to relevant financial and climate-related risk categories, as outlined in the TCFD Implementation Guideline 2021

FY24 financial performance highlights

Key metrics

The below table is a summary of the key financial measures we consider the best representation of underlying business performance.

Financial metrics		FY23	FY24	% change[1]
Proportional toll revenue	$ millions	3,314	3,535	6.7
Proportional EBITDA	$ millions	2,448	2,631	7.5
Statutory revenue	$ millions	4,157	4,119	(0.9)
Statutory NPAT	$ millions	92	376	312.2
Statutory cash flow from operating activities	$ millions	1,459	1,631	11.8
Free Cash (including Capital Releases)	$ millions	1,726	2,459	42.5
Gross distributions	$ millions	1,785	1,916	7.3
Distributions per security	cps	58	62	7

		FY23	FY24	
Capital Releases	$ millions	27	505	NM
Proportional drawn debt	$ millions	24,007	25,868	7.8
Proportional development CAPEX	$ millions	1,376	1,289	(6.3)

Ratios and rates		FY24
Proportional Group EBITDA margin	%	73.1
Corporate debt rating	rating	BBB+/Baa1/A-
Distributions Free Cash Flow coverage	%	102.0
Corporate SICR	x	4.2
Gearing	%	39.9

Weighted average cost of debt		FY24
AUD debt	%	4.5
USD debt	%	3.6
CAD debt	%	4.9

Figure 14: Average daily traffic (millions)

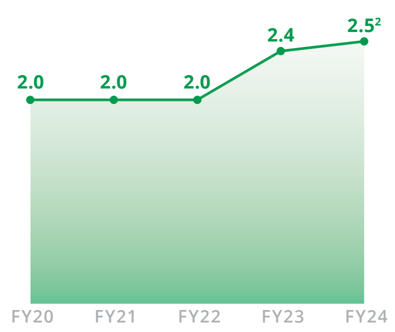


Figure 15: Proportional toll revenue ($ millions)

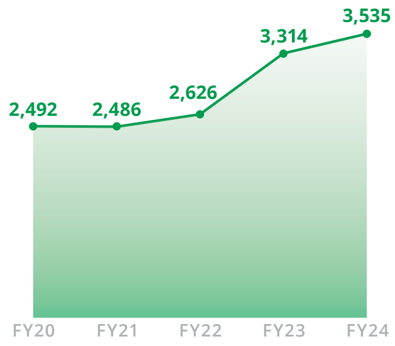
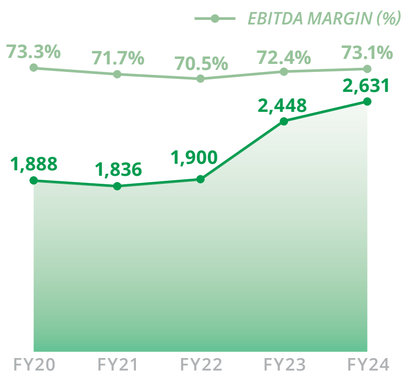


Figure 16: Proportional EBITDA ($ millions)



1 *Figures used for calculating percentage movements are based on whole numbers and relate to percentage movements from the previous corresponding period*

2 *Group ADT figures on a rounded basis*

Free Cash movement[1,2]

Increase in Free Cash (exc. Capital Releases) largely driven by higher EBITDA

Proportional EBITDA

EBITDA growth delivered additional Free Cash

ADT
- 1.7% increase in ADT
- Opening of the M4-M8 link, Rozelle Interchange and FredEx

EBITDA margin
- Increased from 72.4% to 73.1%[3]
- CPI adjustments and cost control

$181M
Increase from FY23

Proportional net finance costs

Weighted average cost of AUD debt up slightly at 4.5%[4]

Interest costs
- ($61)M increase due to maturing and additional debt raised at higher all-in rates

Interest income
- $38m increase in interest income driven by higher interest rates

($23)M
Decrease from FY23

Cash adjustments

Other cash adjustments to Free Cash

Tax paid
- Increased tax paid at A25 and ED

($16)M
Decrease from FY23

Timing differences

Working capital and timing of distributions

Working capital
- Favourable working capital movements

Debt amortisation
- Debt amortisation deducted from Free Cash

Construction reserve release
- One-off release of WestConnex ($132m) cash previously held during construction

Timing impacts and project funding
- Unfavourable impact from some assets paying distributions in arrears and funds retained for equity commitments

$87M
Increase from FY23

Old Free Cash definition - - *New Free Cash definition*[5]

Sir Leo Hielscher Bridges, Gateway Motorway, Brisbane

1 *Free Cash movement has been determined using the FY23 restated Free Cash as the starting point. Refer slide 29 of the FY24 Investor Presentation*

2 *Free Cash movement excluding Capital Releases. Capital Releases were received in FY24 from Transurban Queensland ($275 million), WestConnex ($134 million) and North Western Roads Group ($96 million). Capital Releases were received in FY23 from WestConnex ($27 million)*

3 *FY23 cost base restated consistent with the reporting change of FY24 Total Cost. Refer to slide 27 of 1H24 Investor Presentation for additional information and historic comparatives*

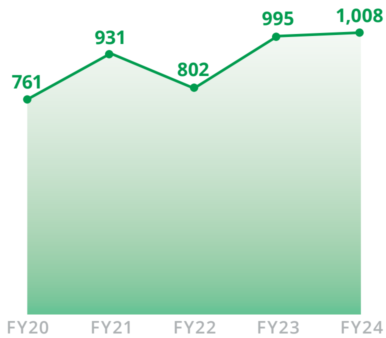
4 *Calculated using AUD proportional drawn debt as at 30 June 2024, exclusive of letters of credit*

5 *Refer to slide 29 of the FY24 Investor Presentation for revised free cash historical comparison*

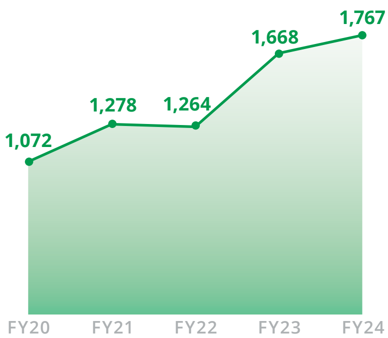
Market performance

Sydney

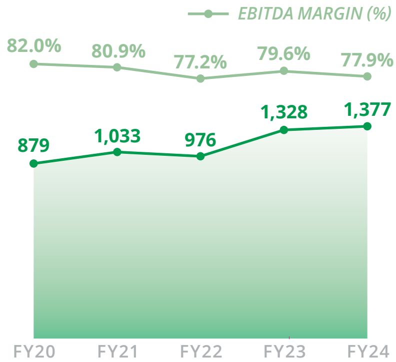
Average daily traffic ('000)



Proportional toll revenue ($ millions)



Proportional EBITDA ($ millions)



FY24 performance

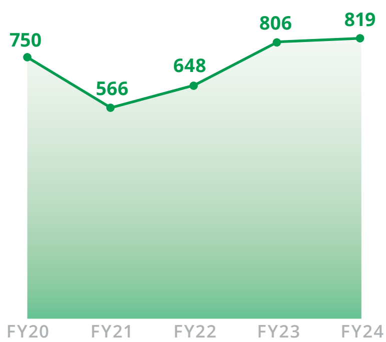
- Traffic increased by 1.3%
- Car traffic increased by 1.5% and large vehicle traffic decreased by 0.2%
- Proportional toll revenue increased by 6.0% to $1,767 million

Portfolio summary

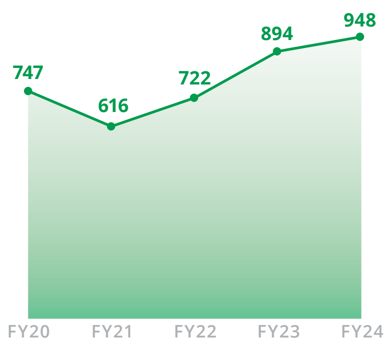
- M2
- Lane Cove Tunnel
- Cross City Tunnel
- Eastern Distributor
- M7
- NorthConnex
- M5 West
- WestConnex
- M7-M12 Integration – under construction

Melbourne

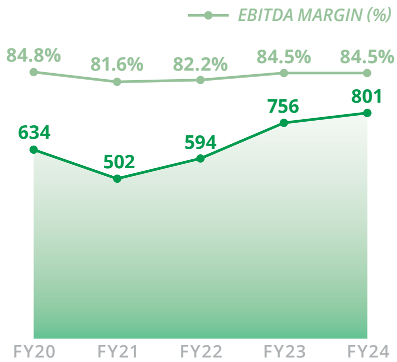
Average daily traffic ('000)



Proportional toll revenue ($ millions)



Proportional EBITDA ($ millions)



FY24 performance

- Traffic increased 1.6%
- Car traffic increased by 1.6% and large vehicle traffic increased by 1.8%
- Proportional toll revenue increased by 6.0% to $948 million

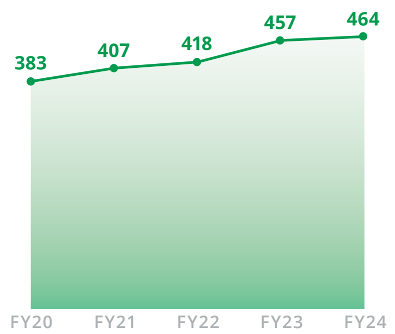
Portfolio summary

- CityLink
- West Gate Tunnel – under construction

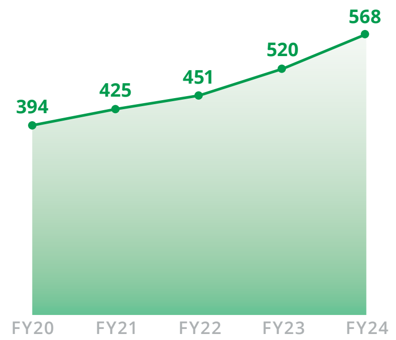
Market performance

Brisbane

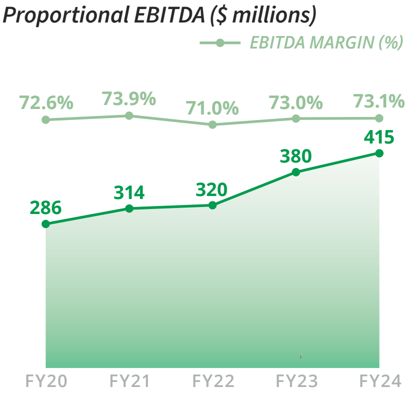
Average daily traffic ('000)



Proportional toll revenue ($ millions)



Proportional EBITDA ($ millions)



FY24 performance

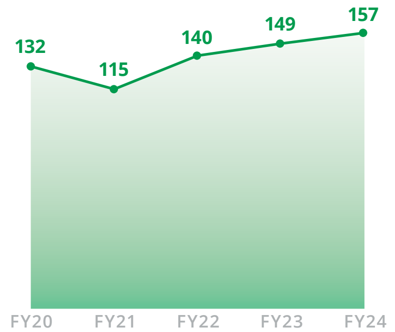
- Traffic increased by 1.5%
- Car traffic increased by 2.1% and large vehicle traffic increased by 0.5%
- Proportional toll revenue increased by 9.2% to $568 million

Portfolio summary

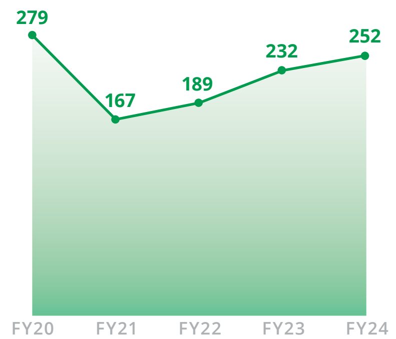
- Gateway Motorway
- Logan Motorway
- AirportlinkM7
- Clem7
- Legacy Way
- Go Between Bridge
- Logan West Upgrade – under development

North America

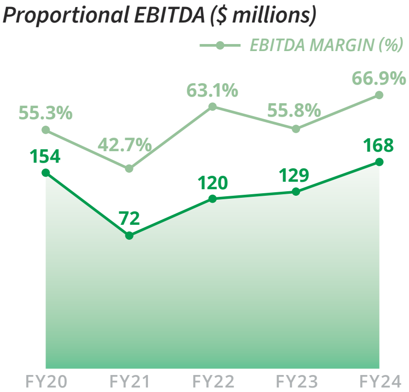
Average daily traffic ('000)



Proportional toll revenue ($ millions)



Proportional EBITDA ($ millions)



FY24 performance

- Traffic increased by 5.5%
- Proportional toll revenue increased by 8.7% to $252 million

Portfolio summary

- 95 Express Lanes, GWA
- 395 Express Lanes, GWA
- 495 Express Lanes, GWA
- A25, Montreal
- 495 Express Lanes Northern Extension, GWA – under construction

Capital management

Transurban's approach to capital management supports our investment proposition: to balance growth in distributions to investors and investments to create long-term value.

Capital management

The underlying strength of the Group's cashflows supports security holder distributions and allows efficient funding of opportunities through a combination of debt and equity funding.

Debt overview

Transurban raised $5.0 billion[1] of debt across bank and debt capital markets to support funding initiatives and the delivery of projects across the business. In doing so, the Group's weighted average cost of AUD debt increased slightly to 4.5%. The Group's weighted average tenor is currently 6.7 years. As at 30 June 2024, the Group's gearing level increased slightly to 39.9% and Funds from Operations (FFO)/Debt decreased to 11.5%. Prudent management of the debt book remains core to the funding strategy, with a focus on growing the diversity of funding sources while reducing funding and liquidity risk.

Figure 17: Group proportional debt diversity

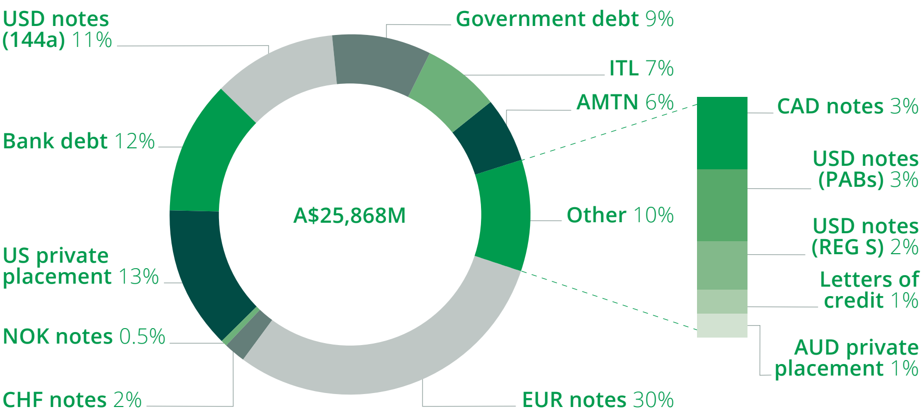
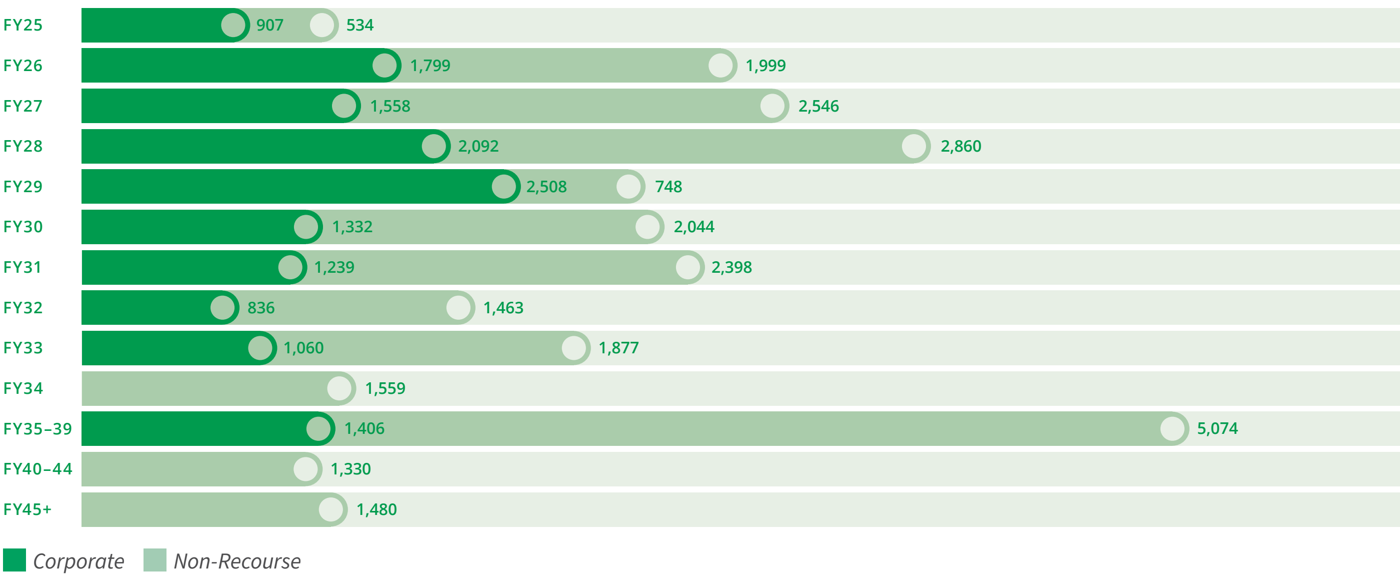


Figure 18: Group debt maturity profile ($ millions)[2,3]



Funding growth

Transurban is well capitalised to fund the near-term pipeline of growth projects with existing liquidity sources. Timing and amount of Capital Releases remain uncertain and are subject to a variety of factors, including the relevant asset's performance, access to and stability in debt capital markets, as well as broader macroeconomic conditions over the near term. Transurban is proactive in maintaining a robust balance sheet to ensure sufficient capacity to cover near-term liquidity requirements and retain access to a diverse range of funding options.

Distribution

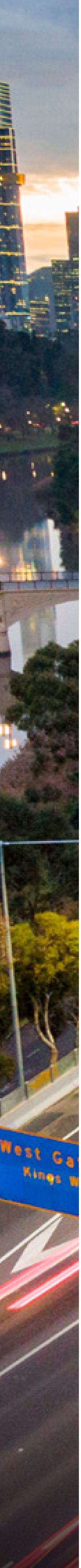
A distribution totalling 32.0 cps will be paid on 13 August 2024 for the six months ended 30 June 2024 and does not include a Capital Release. This will be made up of a 32 cents distribution from Transurban Holding Trust and its controlled entities which will be partially franked.

This takes the total FY24 distribution to 62.0 cents per stapled security with free cash excluding capital release coverage of 102%. The FY24 distribution includes ~3.1 cps of cash received from WestConnex, previously held during construction.

1 Debt exclusive of issued letters of credit. CAD, CHF, EUR, NOK and USD debt converted at the hedged rate where cross currency swaps are in place. USD debt is converted at the spot exchange rate (0.6630 at 30 June 2024) where no cross currency swaps are in place. CAD debt is converted at the spot exchange rate (0.9093 at 30 June 2024) where no cross currency swaps are in place

2 The full value of debt facilities is shown. Debt is shown in the financial year in which is matures

3 Debt values are shown in AUD as at 30 June 2024. CAD, EUR, NOK and USD debt is converted at the hedged rate where cross currency swaps are in place. USD debt is converted at the spot exchange rate (0.6630 at 30 June 2024) where no cross currency swaps are in place. CAD debt is converted at the spot exchange rate (0.9093 at 30 June 2024) where no cross currency swaps are in place



Outlook

With traffic growth underpinned by long-term population trends in all of our markets, we are confident our 10.8 million customers will continue to see value in our roads.

Ongoing progress is being made to enhance our network in partnership with governments, as we continue to pursue growth opportunities across new and existing markets in Australia and North America.

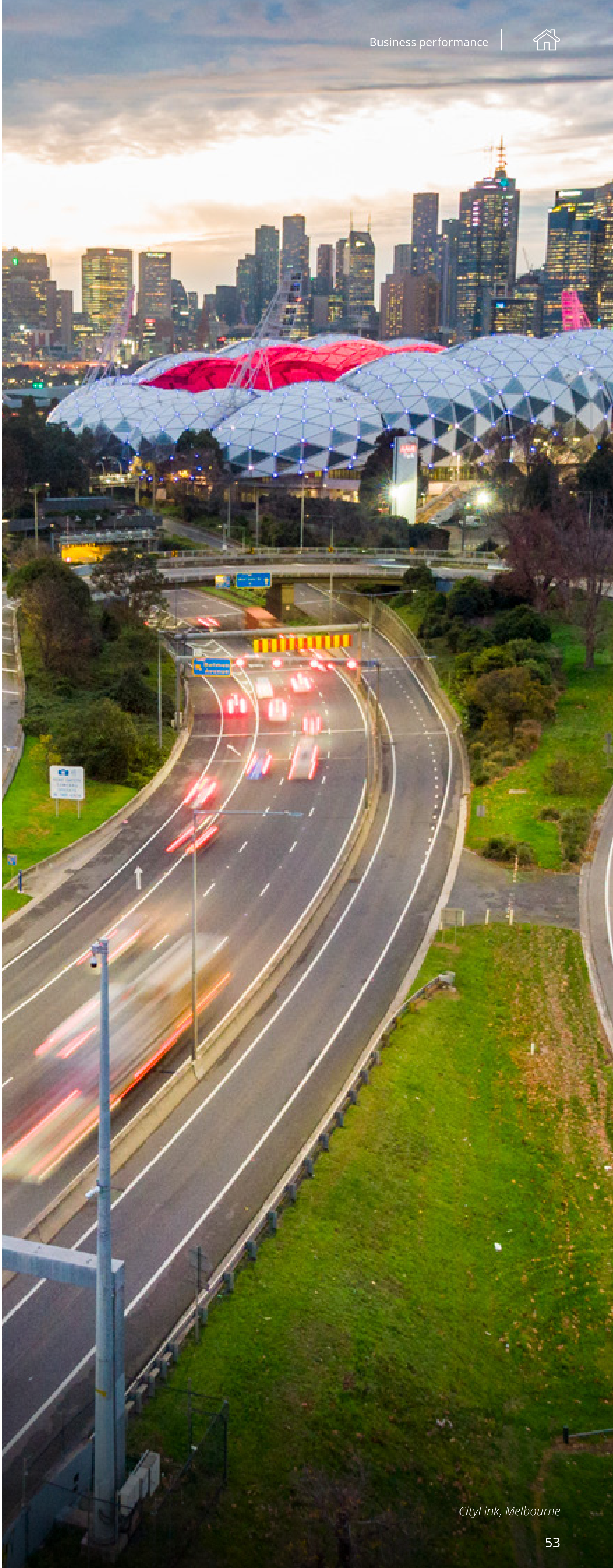
Considerable planning is already underway for the opening of the West Gate Tunnel and the 495 Northern Extension in calendar year 2025, with flow-on benefits expected for CityLink and the 495 Express Lanes respectively.

Our inflation-linked tolls and strong balance sheet puts us in a robust position in the current macroeconomic climate, with the annualised benefits of the Fredericksburg Extension and Rozelle Interchange still to be realised.

A continued focus on capital allocation and driving cost efficiencies supports us to take advantage of future growth opportunities, and helps us strike the right balance between long-term value creation and distributions for investors.

FY25 distribution is expected to be 65 cps,[1] representing approximately 5% growth on FY24.

1 *Distribution guidance is subject to traffic performance and macroeconomic factors. Any distribution will ultimately be determined by the Transurban Board*



CityLink, Melbourne

Communities

Responsible neighbour making lasting, positive contributions.

For the many communities surrounding our roads, we are committed to being a responsible and responsive neighbour who contributes in a meaningful way.

To achieve that, it is important we understand what we're doing right, where we can improve and how we can continue to build trust.

In FY24, we continued our annual National Community Engagement Survey, which provides insights from more than 5,000 people in our Australian markets.

The importance of road safety and the need for continued action on climate change and environmental issues were key findings this year.

The community was also keen to understand the toll price structure and how prices are set.

More than 70% of participants said it was important that Transurban engaged with the community in meaningful ways to ensure fairness in both benefits and impacts.

To encourage participation in our annual survey, respondents can nominate a charity they would like us to support. We have donated more than $40,000 across nine charities since we started this survey program, three years ago.

Survey results also helped inform our double materiality assessment, which identifies material ESG topics that are important to our stakeholders.

Previous engagement efforts have led to initiatives such as our Linkt Assist program for customers in financial and other difficulties and our Linkt Rewards program offering fuel and other discounts (read more on pages 24–25).

29%
average GHG emissions savings for customers using our roads[1]

$3.6M+
towards community investment

72%
of survey respondents believe it's important for Transurban to prioritise local communities

78%
of respondents believe that having 24/7 incident response is important

81%
of respondents think it's important that Transurban helps people avoid fees and charges

60%+
of respondents think it is important that Transurban contribute to improved environmental outcomes

Rozelle Parklands, Sydney

1 *Average workday savings based on workday average, vehicle type, distance travelled, and COPERT emission modelling tool, compared to the toll-free alternative route, see Transurban GHG Basis of Preparation for further details*

Taking to the roads for a good cause

Swapping cars and trucks for runners and cyclists on our roads raised millions of dollars for charities in FY24.

In Brisbane, 30,000 runners and walkers took on our iconic Gateway Bridge as part of Queensland's biggest fun run, the Sunday Mail Transurban Bridge to Brisbane.

The event raised more than $1.2 million for charities across South East Queensland, while our 350-strong Team Transurban raised a record $417,000 to provide emergency accommodation for families with seriously ill or injured children in hospital.

For the first time, our high-tech Network Operations Centre served as the event's command centre with traffic control room operators managing road closures and overseeing the event.

Brisbane bike riders raised a further $93,000 in the Transurban-sponsored Tour de Brisbane, which takes place in the Legacy Way Tunnel and the Inner City Bypass. Funds raised went towards organ transplant research.

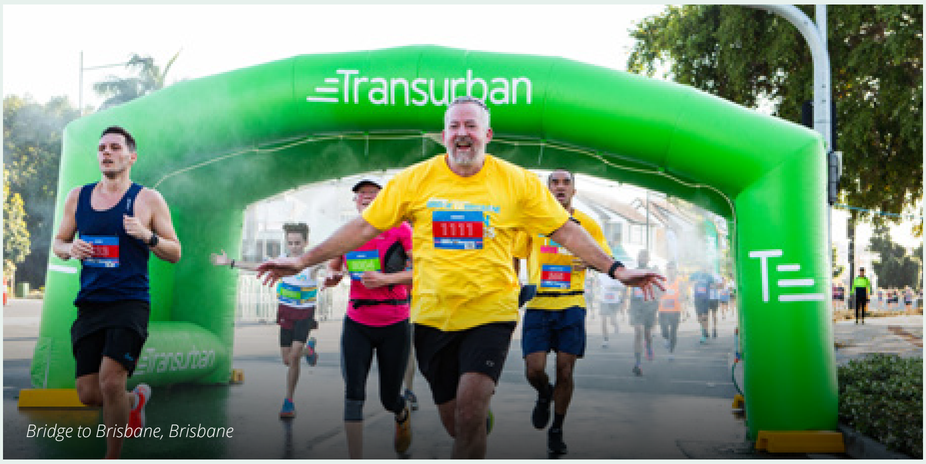
In Sydney, we were the Official Road Partner for the Sydney Marathon, supporting the NSW Government's bid to make it one of the world's great marathons alongside the likes of Boston and London.

In Melbourne, a sold-out Herald Sun / Transurban Run for the Kids saw more than 25,000 people, including a 750-strong Team Transurban, enjoy spectacular views of Melbourne from the Bolte Bridge while raising $1.22 million for the Royal Children's Hospital Good Friday Appeal. In addition to providing the road for the event, Transurban contributed $80,000 to round the total donation amount up to $1.3 million.

And in the US, we sponsored the annual DC Bike Ride, which closes 20 miles of roads around Washington, DC for more than 10,000 bike riders to enjoy, car-free.

The route includes the 14th Street Bridge on the 395 Express Lanes, where riders were asked to "ring your bell for our heroes" to support our partnership with the Pentagon 9/11 Memorial Fund.

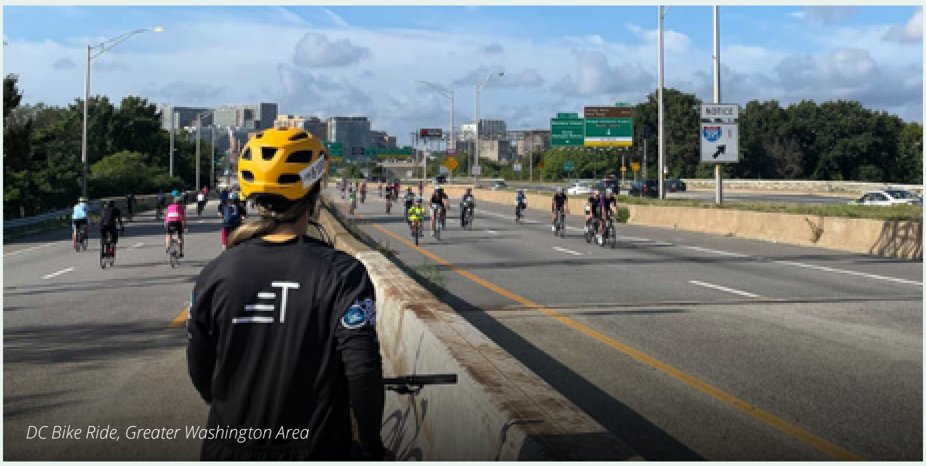
Collectively, our in-kind support for these events, in the form of road closures and forgone revenue, was worth over $340,000.



Bridge to Brisbane, Brisbane

Run for the Kids, Melbourne

Sydney Marathon, Sydney


DC Bike Ride, Greater Washington Area

Minimising our environmental impacts

We are committed to working with our stakeholders to improve environmental standards and help combat the impacts of climate change.

We are targeting net-zero emissions by 2050 and committed to meeting our 2030 near-term science-based targets along the way (see Figure 19).

For more information, see Investor.

Managing materials and waste

Working with our employees and supply chain, we're focused on reducing waste, improving recycling and re-using materials. We're also committed to supporting the circular economy.

We have waste diversion targets to drive the efficient use of resources across our assets and projects. In FY24 we achieved an asset landfill diversion rate of 92%. We continue to develop asset and project-specific approaches to waste management and circular materials.

Since we launched our office waste trial in Queensland last year, we set a challenge to achieve a recycling rate of 60% across our three Australian corporate offices.

Waste management targets

In FY23, we set targets for diverting waste from landfill. Here's how we're tracking:

Assets

Operational and maintenance waste diverted from landfill

Target 80% by 2025, achieved 92%

Construction spoil

Waste diverted from landfill

Target 95%, achieved 99%

Construction and demolition

Waste diverted from landfill

Target 95%, achieved 95%

More detail is available in our FY24 Sustainability Data Pack.

For the three-month trial, an average of 52% waste diverted from landfill was achieved. The challenge highlighted the importance of continual employee engagement on understanding location-specific waste and recycling practices. Moving forward this will be an ongoing focus of our materials and waste strategy development.

Circular economy expert, Circonomy – an Australian-based social enterprise – supported us with this program.

Water

Potable and recycled water are utilised on various assets for operational activities including road cleaning, amenities, maintenance, fire systems and irrigation. Water quality and flows of stormwater, groundwater and seepage water are monitored in accordance with our contractual and regulatory obligations. Our total water consumption by asset is available in our FY24 Sustainability Data Pack.

In FY24, we opened a water treatment plant to treat approximately 700 kilolitres of water that is collected daily from Sydney's new Rozelle Interchange.

Once treated and tested to meet environmental obligations, the water is released into a constructed wetland and ultimately to Rozelle Bay.

In the US, as part of our project to extend the 495 Express Lanes, we have taken extensive measures to control erosion and flooding of a natural stream channel adjacent to the project. The work will provide erosion protection from continued stream meandering for nearby residents.

Air quality

We undertake air quality monitoring of our operational tunnel assets to meet contractual and regulatory requirements. The data is collected (as required) from within tunnels, ventilation outlets and ambient stations.

The air quality monitoring data is assessed for compliance with relevant requirements and results are published on the Linkt website.

Figure 19: Our GHG reduction targets[2]

Net zero — **emissions by 2050** in scope 1, 2 and 3

50% — **reduction scope 1 and 2 emissions** by 2030

22% — **reduction scope 3 carbon intensity** of purchased goods and services by 2030

55% — **reduction scope 3 carbon intensity** of our major projects by 2030

Biodiversity

Protecting the natural environment along our motorways is an important part of how we manage our assets. We continue to deepen our understanding and consider new opportunities to protect the natural environment.

In FY24, we undertook an ecological survey of the M5 South-West motorway (Sydney), to develop a geographical information system map of vegetation along the asset. This included confirming locations of ecological communities and threatened species.

Survey findings will support maintenance activities and continual improvement in environment management. During the next year we will evaluate the effectiveness of the approach and whether it should be applied to other assets.

The M5 South-West was selected for our first survey due to its age and the extent of vegetation alongside the road. It was also an opportunity to support our partnership with Muru Mittigar, a Dharug Aboriginal Social Enterprise, which has two landscape apprentices working and learning on the asset, through our major maintenance contractor (read more on page 67).

1 Includes Brisbane, Sydney and Melbourne corporate offices

2 All GHG targets are relative to a FY19 baseline. Scope 3 does not include customer emissions. For more information on Transurban's reporting approach and boundaries, see the Transurban GHG Basis of Preparation

Community engagement

We are vigilant about managing our impacts on local communities, recognising that major infrastructure projects can be disruptive.

We have teams dedicated to engaging with the community through lengthy construction periods; however, we are mindful that it is equally important to be a good neighbour once a road is operational.

In FY24, our teams had thousands of interactions with community members, through activities such as community events, meetings, phone calls, emails, tours and pop-ups.

In August 2023, our Sydney team celebrated the start of work on the M7-M12 Integration Project with more than 1,000 people attending a community day. Attendees had the opportunity to ask questions about the project as well as enjoy free food, entertainment and activities for children.

The West Gate Tunnel Project hosted an open day in September 2023, including site tours exploring work sites around the new elevated road above Footscray Road in Melbourne's inner west. Over 400 stakeholders and community members got to see behind the scenes of rapidly changing areas under construction, from the Maribyrnong River to CityLink.

To recognise Transurban's 10 years in the Queensland market, we held a stakeholder event to thank people for the contributions they have made to our business and the partnerships we've formed over the past decade. Attendees included representatives from Kidsafe Qld, ARTIE Academy, Ronald McDonald House and Legacy Brisbane.

In the US, more than 250 community members and elected officials attended the opening of the 95 Express Lanes Fredericksburg Extension in August, while nearly 200 people attended meetings in April for updates about the northern extension of our 495 Express Lanes.

Community Day, M7-M12 Integration Project, Sydney

Beyond the roads

Green space
35
hectares of parkland operated, maintained or delivered by Transurban

Community spaces
5
social spaces, including playgrounds and barbecue areas delivered or maintained by Transurban

Cycle and pedestrian paths
1,479
kilometres of walking and bike paths delivered or maintained by Transurban

Public transport
35
public transport routes use our roads

Transit funding
~USD80M[1]
towards transit funding in the Greater Washington Area

Road art
26
artworks installed along our roads

1 *Total investment in Northern Virginia Transportation Commission's Commuter Choice Program since 2019*

Social investment

We support and invest in community organisations and initiatives that help us advance three focus areas: empowering customers; championing road safety; and strengthening communities.

KARI Transurban Aboriginal Driving School

In FY24 we invested more than $3 million in partnerships ranging from road safety research and learn-to-drive programs to child car seat safety checks. Some of our social investments included:

- Partnering with the Salvation Army Australia to provide five scholarships for their employees to complete a diploma of financial counselling. This annual contribution creates more capacity in the sector to respond to community needs.
- Contributed USD10,000 to the Conference of Minority Transportation Officials scholarship fund. The funds will be divided between four students who are pursuing degrees in transportation.
- Distributed grants of up to $10,000 to 37 organisations in Australia and North America as part of our annual Community Grants Program. For the first time, we ran a People's Choice Award to give the community, customers and employees a chance to vote for their favourite shortlisted organisation in each of our Australian markets. We received 1,400 votes and winners received a further $1,000 on top of their grant.

Reconciliation actions

We joined the Reconciliation Action Plan (RAP) program a decade ago, recognising that business has a meaningful role to play in Australia's reconciliation journey and to support and engage with First Nations people.

In FY24, we focused on delivering on our commitments in our third Innovate RAP, which is in place until FY25.

These commitments include implementing our employment strategy, building First Nations cultural capability, building culturally appropriate education resources for our customers and investing in community partnerships. We also now track our progress through a reconciliation dashboard which is provided to the Executive Committee every two months.

For more information on how we support reconciliation, see our people (page 59) and our business partners and suppliers (page 66) sections.

Connecting military veterans with new career opportunities

In FY24, we provided a USD250,000 grant to the Virginia Foundation for Community College Education (VFCCE), in support of the Virginia Infrastructure Academy (VIA) at Germanna Community College near Fredericksburg, Virginia.

This academy provides people, including military veterans, with training for careers in infrastructure. Our funding will help thousands of VIA students gain the skills and credentials needed to build long-term careers in infrastructure. In partnership with the VFCCE and industry leaders, we're aiming to help fill 35,000 infrastructure jobs over the next five years.

Our funding will also help connect military veterans with employment coaches, networking events, and employer recruiters.

A detailed breakdown of our social investments is available in our FY24 Sustainability Data Pack, transurban.com/reporting

Read our Reconciliation Action Plan, transurban.com/communities/reconciliation

Our people

Engaging our workforce around Transurban's purpose.

Our people are integral to the success of our business, and essential to our ability to create value for our stakeholders into the future.

We know that an inclusive, collaborative working environment, clear connection to our purpose, and opportunities to grow and develop are important drivers of engagement for our workforce.

Retaining and attracting a diverse and talented workforce with the right blend of skills is key to achieving our strategic goals.

81%

of employees would recommend Transurban as a great place to work

11

years' WGEA Employer of Choice for Gender Equality citation

+4,100

people in our direct workforce[1]

AirportlinkM7, Brisbane

1 *Direct workforce includes direct employees (including casual, fixed term and permanent employees but excluding leave of absence and non-executive directors), temporary workers and workers contracted through our partner organisations*

Maintaining momentum through change

The past year has marked a period of organisational change. Through our CEO and leadership changes, and the evolution of our operating model, we have strived to ensure our people continue to experience their workplace as an engaging one. This has meant continuing to deliver on our employee value proposition (Figure 20) – including ensuring people can contribute to meaningful work in connected teams, while also feeling empowered to learn and grow.

Each year we ask our people about their experience at work through the 'Our Voice' employee survey, and our March 2024 survey results showed overall sustained engagement. We found 85% of employees say they feel proud to work for Transurban and 81% say they would recommend Transurban as a great place to work, results consistent with FY23.

Figure 20: Our employee value proposition

City-sized solutions

Our people want

To contribute to lasting and positive solutions that shape the future and strengthen communities

Driven by curiosity

Our people want

To feel empowered to grow and learn from others and the unique experiences on offer in our projects and operations

Powered by us

Our people want

To feel part of a workplace that is diverse, connected, welcoming and inclusive

Bringing our people on the journey

During FY24, we created opportunities for two-way communication with our new CEO to help our workforce get to know Michelle.

A program of regular, informal CEO updates has provided context for our strategic direction, the decisions we need to make to get there, and how we will go about it.

We prioritised transparency by sharing our work-in-progress on refreshing our strategy – and we will continue to do this as the strategy evolves. In this context of evolution, 95% of our people feel they know how their team's work contributes to Transurban's success, and 79% feel confident about Transurban's potential for success over the next three years.

Connected, effective teams

To ensure we are optimally set up to enable our next phase of growth, we continued our focus on prioritising strategically aligned work and simplifying how we do it.

Effective, connected teams are key to delivering value for our stakeholders and enabling our people to contribute their best work. As we settled in to working patterns that support in-person collaboration, productivity, and flexibility – supported by smart technology – 88% of employees said they feel connected to their team and colleagues (+4 compared to FY23), and 77% believe team ways of working are effective (+6 compared to FY23).

Hardship awareness and resilience training

Our Linkt Assist team participated in hardship awareness and resilience training, facilitated by community organisation Uniting. The training provided guidance on how to appropriately support and communicate with customers experiencing vulnerability. It built the team's capacity and skills in exercising empathy, referring customers to appropriate support systems, and provided team members with strategies to cope with stress. Building this capability means our frontline workers can create positive customer experiences and remain resilient in times of stress – contributing to team engagement and retention.

Data and technology capability

Enhancing our data and technology capability is imperative in today's rapidly evolving digital landscape. Artificial intelligence and data simplification are pivotal in driving innovation, making informed decisions, and unlocking new avenues for growth. In FY24, our teams delivered technology and data expos to support our people's digital fluency. Events ranged from immersive and interactive workshops to drop-in sessions and demonstrations, with our experts presenting on subjects such as safeguarding information, customer experiences, 3D tunnel modelling, cyber security, and the future of AI.

Our values

Integrity **Collaboration** **Accountability** **Ingenuity** **Respect**

Building capability for the future

More than 4,100 people make up our direct workforce across Australia and North America, extending significantly when we consider the people that contribute to our major infrastructure projects – creating jobs for more than 10,000 people.[1]

Transurban is a growing business operating in an environment of increasing complexity and advancing technology. We rely on the capacity and capability of our workforce to deliver value to all our stakeholders. To attract and retain talented people, we offer opportunities to work on city-sized solutions and provide unique experiences that support learning and career growth.

Emerging talent

Investing in emerging talent is crucial to the growth of our business and industry. Our graduate program provides on-the-job experience for early career professionals with skills essential to our business.

In FY24 we saw eight graduates join Transurban in disciplines including asset and intelligent transport systems engineering, technology and finance.

The program runs for 18 months and graduates rotate through three different functions to build their knowledge and experience. We also offer, in partnership with universities, industry-based internships and problem-solving challenges for students to apply and test their skills on real-life business problems.

Building leader capability

We continued to invest in leadership development to ensure our leaders were well equipped to support employee development and performance. Regular people leader and Transurban leadership forums bring leaders together to align, connect and develop across relevant topics and themes. This year we introduced hiring manager training to support leaders in attracting, engaging and selecting diverse, talented candidates to enable our growth agenda. Our leaders have access to targeted learning content, on-demand support from trained advisors, and leadership program participation.

Growing our people

Our people want to feel empowered to learn and grow, and almost 90% of employees have a development goal as part of their performance plan.

Throughout FY24 we encouraged our people to embrace a deliberate development mindset, including accessing self-directed learning. All employees have access to LinkedIn Learning's on-demand content, along with AI-powered coaching to support learning and career goals.

Teams implemented tailored learning strategies to increase their capability to deliver on our strategy and for their stakeholders. We also delivered more than 20 enterprise learning sessions, leveraging our own people's knowledge and inviting external speakers to present on topics such as innovation, project success, safety, health and wellbeing, and technology. 84% of Our Voice – our annual employee engagement survey – respondents agreed their people leader supports them to achieve their career goals, and 76% agreed they are empowered to develop skills and experiences that support their career at Transurban.

Strategic Leadership Program

Partnership program with Stanford Graduate School of Business for some of our most senior leaders, focusing on developing capability to shape and pursue strategic and cultural ambitions.

Business Leadership Program

Program for mid to senior level leaders, focusing on enterprise leadership capability and creating strategic impact.

Foundational Leadership Program

Development program for people leaders, focusing on leadership foundations and building understanding of our leadership culture.

Leadership forums

Alignment and capability focus on relevant topics, including leading through change, developing talent and organisational strategy.

Professional development

All employees have access to self-directed learning programs for transferable or career-oriented skills.

Emerging talent

Australian graduate program with annual intakes for strategically critical disciplines, including engineering, technology and finance.

1 *Direct workforce includes direct employees (including casual, fixed term and permanent employees but excluding leave of absence and non-executive directors), temporary workers and workers contracted through our partner organisations*

Diversity, equity and inclusion

The successful delivery of our strategy requires talented, diverse teams who can understand the perspectives of our broad range of stakeholders. We are striving to build a workforce that reflects the customers we serve and the communities where we operate. Our unique combination of diverse perspectives, experience, expertise and backgrounds is a strategic driver of innovation and growth and strengthens our ability to deliver value for all our stakeholders.

The diversity of our teams continues to increase, particularly our cultural diversity. In FY24, more employees than any previous year were born outside the country where they currently work (43%), speak English as a second language (21%), and have a culturally diverse background[1] (43%).

We know that an inclusive, respectful and safe environment is key to engagement and enables people to contribute their best work and ideas. We strive to ensure equitable experiences and opportunities for all our employees, and prioritise our efforts in alignment with our strategy and the unique needs of our markets and operations.

Our Diversity and Inclusion focus areas, objectives and success measures are discussed and agreed by the Transurban Board.

Read more in our Corporate Governance Statement, transurban.com/corporate-governance-statement

Increasing diversity in cyber

Our Cyber team recognised that to represent the diversity of our customers and communities and better protect, solve for and engage with its stakeholders, it needed to enhance its team's diversity. Through intentional focus since 2022, we have increased the representation of women in our Cyber team to 33%, surpassing the industry average of 17%. The team achieved this through:

- broadening role and capability requirements and enabling more job-design flexibility
- increasing the visibility of women working in cyber for our internal workforce and potential job candidates
- investing in building the talent pipeline for our business and industry by partnering with Australian Women in Security Network.

Everyone belongs

We know that when everyone belongs, everyone benefits. We support and engage our diverse workforce through inclusive policies, team and leadership practices, communication and ongoing education. We monitor employee experiences across demographic groups to ensure we maintain working environments where everyone can thrive.

Throughout the year we encouraged leaders, teams and individuals to explore how they can contribute to equity and inclusion. We leveraged targeted 'recognition' days and weeks to raise awareness and prompt conversation and learning. In March, over 800 people joined our annual Spotlight on Belonging month events recognising International Women's Day and the International Day for the Elimination of Racial Discrimination.

This year we established a Pride@TU Committee to lead the actions of our Pride Network. We launched the new committee at a 'Wear It Purple Day' event, where our employees shared their stories of lived LGBTQ+ community experience and welcomed over 200 attendees.

In FY24, we enhanced our recruitment approach and careers information to ensure people from all backgrounds feel welcome and attracted to a career at Transurban. This included increasing accessibility for people with disability and actions to attract and increase employment of First Nations people (see Progressing Reconciliation).

Contributing to our community

Our commitment to inclusion extends beyond our employees, and we know our people appreciate the opportunity to contribute meaningfully to the communities where we operate. This year we asked our people if they feel able to make a positive difference to the community, and the majority (85%) agreed. In FY24, 27% of employees took advantage of volunteering leave, up from 15% in 2023.

Our Voice 2024 Diversity and Inclusion metrics

81% I feel like I belong at Transurban

86% People from all backgrounds have equal opportunities to succeed at TU

88% Transurban values all types of diversity

Progressing reconciliation

Our vision for reconciliation is one where we walk alongside First Nations peoples to achieve equitable access to social mobility, employment and business opportunities. Our Innovate Reconciliation Action Plan (RAP) 2023–2025 guides our efforts.

In FY24, we established our First Nations employment strategy. This strategy aims to enhance employment outcomes for First Nations people in our direct and indirect workforces, and through community partnerships. Having a workforce that includes First Nations people means we must listen to First Nations' perspectives if we are to achieve our reconciliation vision. We have appointed a First Nations Program Manager into our first identified role – an important step in ensuring our reconciliation efforts are First Nations-led.

In the context of the Australian referendum on the Voice to Parliament, we supported our people to increase their cultural understanding through learning opportunities and discussions, including National Reconciliation Week and NAIDOC Week activities. We focused on equipping our Australian workforce with information to support their referendum decision, including understanding the Uluru Statement from the Heart.

We also established a RAP Employee Network, with more than 30 employees joining. The group meets bi-monthly to discuss opportunities to progress reconciliation at a team and individual level, and to learn about First Nations culture, history and communities through open discussions.

1 *Measure based on voluntary identification in the annual 'Our Voice' survey as South Asian, Southeast Asian, East Asian, Middle Eastern, Hispanic/Latinx, African-American, Pacific Islander, African, First Nations Australian or two or more ethnicities*

Progressing gender equality

Our business needs talent from many professions where women have been traditionally underrepresented – particularly infrastructure and technology. We recognise our opportunity to progress gender equality in our organisation and contribute to enhancing the representation of women in our industry.

We hold a goal to achieve gender balanced representation – 40% men, 40% women, 20% any gender/non-binary – across our direct workforce and in leadership. We support this objective through a focus on equitable hiring and talent processes and development opportunities, including gender balanced representation in our leadership development programs.

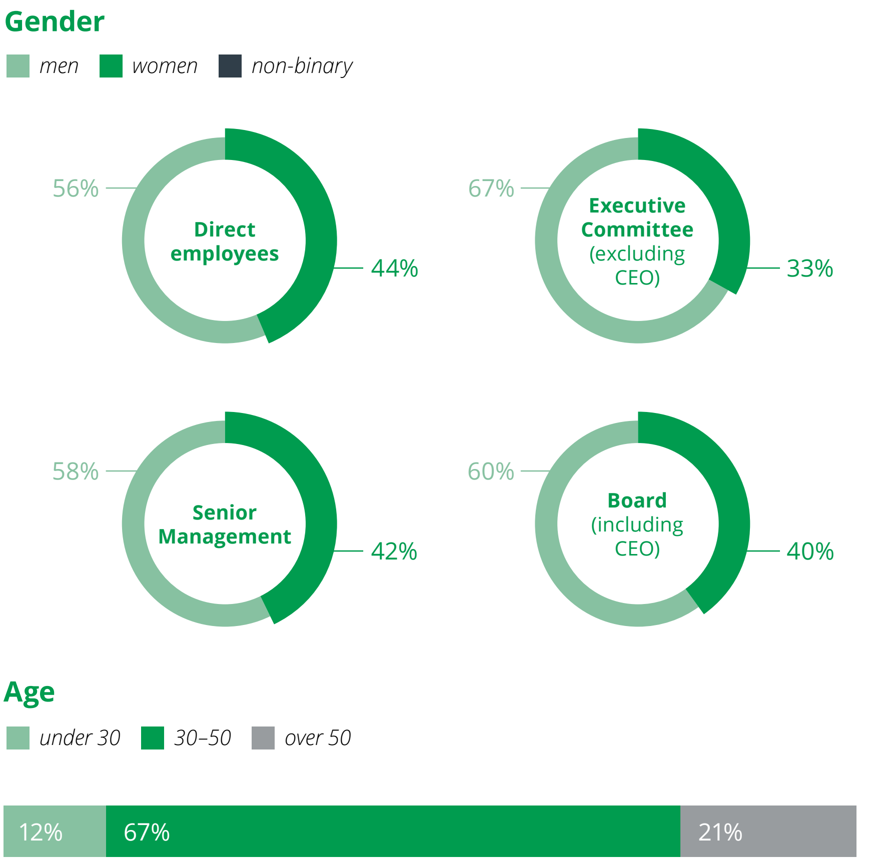
Since 2022, we have sustained gender balance on our Executive Committee, at Senior Management and across our overall workforce. This year, we also reached gender balance on the Transurban Board.

We continue growing the pipeline of female talent in our industry. Since 2014, more than 140 women have begun their STEM careers through our mentoring program for women studying engineering and technology. In FY24 we welcomed five university students in to the program.

In 2024, our targeted efforts towards gender equality were recognised by Equileap, who ranked Transurban as the #1 Company for Gender Equality globally,[1] putting us in the top 10 in Australia and top 20 globally for the fourth consecutive year. We also maintained our recognition as Employer of Choice by the a Workplace Gender Equality Agency (WGEA) for the 2023 to 2025 period, making this the 11th consecutive year we have held this recognition.

For more on our holistic approach to progressing gender equality, see our Corporate Governance Statement, transurban.com/corporate-governance-statement

Figure 21: Workforce demographics FY24[2]



Reducing gender pay gaps

We continue to undertake regular, comprehensive pay-equity analysis, monitoring whether men and women performing the same or comparable work are paid equitably. In this measure of comparing like-for-like roles, we continue to maintain a gap of less than +/-1%.

In 2024, for the first time, the WGEA published gender pay gap data for all applicable Australian employers. As defined by WGEA, gender pay gaps are not a comparison of like roles. Instead, they show the difference between the mean or median pay of women and men across organisations, industries and the overall workforce.

Transurban's Gender Pay Gap Context Statement summarised our Australian gender pay gap data and our ongoing strategy to reduce the gap. As reported by WGEA, as of 31 March 2023 our Australian median gender pay gap for base salary was 12.0% and for total remuneration was 13.0%, well below the national average. We also monitor gender pay gaps for our total workforce including North America, and report this to the Transurban Board.

The biggest drivers of our gender pay gaps relate to the gender mix in our workforce, across levels and types of work, a challenge common across our industry. We remain committed to reducing our gender pay gaps over the long term.

Respect at work

Safety is at the heart of everything we do. We are committed to ensuring our workplaces are safe and respectful for everyone. Employees complete annual 'Respect and Equity at Work' training as part of our Respect@Work program.

95% of our employees agree that gender-based and sexual harassment is not tolerated at Transurban, a figure that has remained consistent for the past three years.

We have measures in place to identify the risk factors that can lead to this behaviour and control those risks by taking preventative action, as well as corrective action. If an employee is subjected to inappropriate conduct, we support them by responding in a timely way, taking a trauma-informed and person-centric approach and continuously monitoring effectiveness of the measures we have in place.

1 *Equileap assesses around 4,000 companies worldwide on criteria including gender balance, equitable compensation, equality and flexibility policies and demonstrated commitment to progressing gender equality*

2 *Data derived from anonymous self-identification as a proportion of those who responded to the question in Our Voice 2024*

Workforce demographics[1]

43% identify as culturally diverse[2]

21% speak English as a second language (across over 50 languages)

56% of our people are parents and 14% have other caring responsibilities

13% live with a disability or ongoing medical condition

6% identify as LGBTQ+

1 *Data derived from anonymous self-identification as a proportion of those who responded to the question in Our Voice 2024*

2 *Measure based on voluntary identification in the annual 'Our Voice' survey as South Asian, Southeast Asian, East Asian, Middle Eastern, Hispanic/Latinx, African-American, Pacific Islander, African, First Nations Australian or two or more ethnicities*

Flexibility and families

At Transurban, flexible working is the norm, not the exception. Our approach supports ways of working that enable optimal productivity and collaboration. It means our employees can balance work and home life regardless of gender, caring responsibilities, age and stage of life, or any other factor. 88% of our people believe they have the flexibility to manage work and other commitments and 91% are comfortable talking to their people leader about flexible work.

Since 2021, our approach to support new parents includes 16 weeks paid leave, with no distinction between primary and secondary carer. This is available to employees regardless of an employee's gender, carer status or length of service with Transurban. Additionally, employees on parental leave receive superannuation on both paid and unpaid leave for 52 weeks. In FY24, men accounted for 59% of all people who took parental leave.

We also offer the option for employees to purchase lifestyle leave of up to six additional weeks to be used for any purpose – an option taken up by 14% of our people in FY24.

We recognise the important role workplaces can play in supporting victims of family and domestic violence. We remain committed to providing a supportive environment for and prioritising the safety of any employee who may be impacted by family and domestic violence. We extend leave options to those who provide care or support to someone experiencing family and domestic violence.

Our support includes family and domestic violence leave beyond the statutory 10 days – including discretionary uncapped leave, flexible work arrangements and expert support services from external providers.

HSE

Workplace health and safety approach

Our HSE vision is to achieve zero life-changing injuries by providing healthy, safe and environmentally responsible places of work for employees, contractors, and visitors.

Our continual focus on having a physically and psychologically safe workplace includes actions to reduce work-related injuries and to support non-work-related illness and injuries.

Maintaining a strong HSE culture

Our company-wide performance measures drive a positive safety culture. Alongside legislative training, our Health, Safety and Environment (HSE) action planning process plays an important role in building and maintaining our safety culture.

All employees contribute to HSE action plans, designed to develop individual capability and accountability (96% of employees understand their role in creating a safe and healthy workplace).[1]

Setting specific targets and role-relevant actions throughout the year help us maintain healthy and safe work environments and minimise our environmental impacts (83% of employees feel able to influence positive HSE outcomes).[1]

HSE Action Plans and Training

The core actions that contribute to individual HSE action plans can include attending expert panel talks and road safety events and engaging in team discussions on HSE and road safety. Our people must also include at least two bespoke actions aligned to their role, such as completing specific HSE

or road safety training or HSE site walks. People leader action plans have additional accountabilities related to role modelling HSE culture, including holding quarterly team meetings focused on wellbeing and visibly demonstrating safety leadership.

We provide our leaders with training and resources on promoting a safe and healthy environment, including understanding psychosocial hazards and supporting mental well-being, to contribute to our safety culture (92% of employees agree their people leader demonstrates accountability in managing HSE, and 91% agree their people leader genuinely supports their wellbeing).

Our people can also proactively record HSE observations to address and report incidents or actions that have an HSE impact day-to-day. In FY24, employees recorded more than 26,000 entries, a testament to the commitment our people demonstrate in driving our positive workplace HSE culture.

Injury prevention

We take a holistic and proactive approach to workplace injury prevention and management. In FY24, there were 0 recordable employee injuries (Figure 22, right). To achieve this result, we focus on role-relevant education and early intervention, such as asking our people to complete regular ergonomic assessments 'twice per year'.

Safe Work Month

During October we recognised Safe Work Month with a range of activities, including a specialist discussion on the physiology behind soft-tissue injuries, including risk factors for muscles, ligaments, tendons and intervertebral discs.

This discussion also explored safe manual handling and ergonomic principles for application both at home and in the workplace.

Wellbeing at work

Supporting employee wellbeing contributes to our safety culture. We recognise the importance of providing education and resources for our people to manage all aspects of their wellbeing – both inside and outside work.

Spotlight on Wellbeing

This year we continued our annual Spotlight on Wellbeing month, with activities designed to encourage individuals, teams and leaders to proactively support wellbeing for themselves and their team members. More than 500 employees participated in a wide range of events and discussions on mental, physical and financial wellbeing, and more than 300 employees shared personal tips on how they support their individual and team wellbeing.

Free Headspace subscriptions

For the past two years, uptake of our subscription with the Headspace mindfulness and wellbeing app has grown. The app is used by 42% of our employees (4 points above the average usage rates for organisations of a similar size). In January 2024, we extended this benefit to employees' families.

Figure 22: Our HSE performance, FY19–FY24

	FY19	FY20	FY21	FY22	FY23	FY24
Employee injuries	2	2	2	0	0	0
Total HSE observations recorded	20,025	18,484	25,434	25,522	26,968	26,211
Action plan completion rates	97%	97%	98%	99%	99%	97%

1 *Based on voluntary reporting in Our Voice 2024*

Business partners and suppliers

Working together to drive sustainability, safety and growth.

With a broad range of suppliers across multiple sectors, we're focused on developing an increasingly diverse and inclusive supply chain that helps build a more sustainable and equitable future as we grow and evolve.

We partner with a range of suppliers – including international construction contractors, leading technology providers, specialist consultants and local, small and social enterprises.

With 22 assets in operation and three major projects expected to open by 2026,[1] we are in a position to leverage industry innovation and best practice through our procurement activities.

During FY24, we engaged with more than 1450 direct suppliers and partners.

Developing an increasingly sustainable supply chain is a key focus of our procurement approach. We work with our suppliers and partners to:

- reduce our negative impacts and, where possible, create positive environmental and social impacts;
- build industry capacity and capability;
- drive best-practice performance on health, safety and the environment; and
- drive a culture of ethically, socially and environmentally responsible behaviour.

Transurban and its partners

Transurban's partnerships are as diverse as our stakeholder groups. For information on our community partners, see pages 27, 55, and 57–58. For information on our investment partners, see page 36.
For information on our government and industry partners, see page 28.

1 *On a calendar year basis*

+1450
direct suppliers

+$1.75B
annual managed spend

3.47
contractor RIFR

WestConnex M4, Sydney

Welcoming First Nations apprentices to our assets

Creating employment opportunities for First Nations peoples is a major element of our Innovate Reconciliation Action Plan (RAP) 2023–2025. A partnership with our operations and maintenance supplier Ventia and social enterprise Muru Mittigar is contributing to our reconciliation efforts by creating jobs specifically for First Nations peoples.

The program began in FY22, with two First Nations apprentices joining Ventia's Hills M2 landscaping team in New South Wales. This year the program expanded, with a further two First Nations apprentices joining the Ventia teams in Sydney and additional Muru Mittigar employees working with another Transurban maintenance supplier on the M7.

Muru Mittigar is Dharug-led and offers culturally appropriate support to build financial independence and long-term employment outcomes for First Nations peoples. New program participants were welcomed into their new team via a traditional smoking ceremony conducted by Elder Uncle Wayne.

All participants are successfully progressing in their qualifications – the program is creating newly skilled workers in an industry where these skills are in high demand.

This initiative was a finalist in the 2023 Social Procurement Game Changer Awards.

Buying better

Sustainable supply chain focus

Our procurement approach is designed to help improve and deliver lasting benefits to communities.

We consider all aspects of purchasing, across technical and quality requirements; supply chain policy compliance; risk management and cost optimisation.

Our supply chain policies include a range of social, environmental sustainability and governance performance requirements and expectations.

Our Sustainable Procurement Program encourages spending towards initiatives that support community social, economic and environmental wellbeing. This means our purchasing is helping create jobs, including for disadvantaged groups.

Social enterprise engagement

In the US, our agreement with the Virginia Department of Transportation (VDOT) requires that we allocate specified portions of our asset and project expenditures towards underrepresented demographics who are certified as disadvantaged business enterprises or as small, women, or minority-owned businesses. To meet our VDOT requirements, we have required these businesses be certified as either a disadvantaged business enterprise or a small, women, or minority-owned business.

This year, we broadened the inclusivity of our supplier pool by adding new qualifying certifications (for example, businesses owned by or engaging with veterans, the LGBTQI+ community, and people with disabilities) to our systems.

Supporting small business and social enterprise cashflow

We recognise reliable and on-time cashflows helps lighten the load of small businesses, making their day-to-day operations easier, and helping them grow and support their people.

We voluntarily meet the expectations of the Business Council of Australia's Supplier Payment Code – including agreeing to pay eligible Australian small businesses on time and within 30 days. We also participate in the Australian Government's Payment Times Reporting Scheme, that aims to improve payment times for Australian small businesses. Under this scheme, large businesses and government enterprises must report their payment terms and times for small business.

In the first half of FY24 3.3% of Transurban's[1] overall Australian spend was with small businesses. During this period, we paid 99.4% of Australian small businesses within 30 days.[1]

In late 2023, we extended further support to our social enterprise and First Nations suppliers, and are now paying these invoices within 14 days, giving these businesses additional cashflow confidence.

In the US, our Net 14 Payment Terms program offers the same terms to Disadvantaged Business Enterprise (DBE) and Small, Women-owned, and Minority-owned Business (SWaM) certified suppliers. Our US team envisions expanding our support for social enterprises in the future – with mentorship, financial guidance, and innovation collaboration opportunities being considered by the team.

Supplier evaluation tool

Our Supplier Evaluation Tool helps us track and measure the actions key suppliers are taking across a range of ESG metrics. The tool was established in FY22 and has been refined further in FY24. This year we began tracking an additional 14 environmental sustainability topics, drawn from our Supplier Sustainability Code of Practice and our Contract Management Framework. Topics include both minimum standard and leadership opportunity metrics. These additions will provide a more detailed picture of suppliers' maturity and performance against our requirements over time.

The tool now captures 68 data points, including 40 related to our Supplier Sustainability Code of Practice, for example: key policies; due diligence actions; and supply chain exposure to labour force and geographical areas.

Supplier relationship management program

Meaningful collaboration with suppliers can deliver many mutual benefits.

We introduced a new structured, systematic approach to supplier relationship management in FY24 that is designed to drive two-way, mutually beneficial relationships with our suppliers. A dedicated Supplier Relationship Management team is implementing this program, that complements our existing supplier and contract management activities.

Addressing modern slavery risks

Modern Slavery is a human rights issue that can be present in any business activity; from the goods we buy to the services and materials we use.

$11.28M

spent with social benefit suppliers

99.4%[1]

of Australian small businesses paid within 30 days

We published our fourth Modern Slavery Statement in FY23, in accordance with the Modern Slavery Act 2018 (Cth). Our statement details the risks of modern slavery in our operations and supply chain, as well as action we've taken to address identified risks. Action taken during FY23 included:

- delivering tailored, region-specific modern slavery practices training
- delivering detection training to our US traffic control room officers
- delivering training to key community-facing suppliers, such as incident response crews (Australia)
- using our supplier evaluation tool to evaluate 70 suppliers, including 48 high-risk-category and high-spend suppliers.

We did not identify any instances of modern slavery in our operations or supply chain or on our roads in FY23. We acknowledge that this does not mean that modern slavery was not present. Given this, we are continually enhancing our approach to detecting actual and potential instances of modern slavery. We continue working with our suppliers and the wider industry to share learnings and encourage actions to combat modern slavery. Our FY24 Modern Slavery Statement will be available in late 2024.

Gender diversity in construction

This year our M7-M12 Integration project in Sydney recruited 11 women looking to kick-start their careers in the construction industry, improving the representation of women in this exciting and rewarding field.

As part of an industry-leading pre-employment program, our project delivery partner John Holland offered participants four weeks of paid training, preparing them for an apprenticeship in civil construction and ongoing full-time employment with John Holland, one of the nation's leading building, infrastructure, rail and transport companies.

John Holland's Flex from the Start policy was available to these new starters, which included the option of a later, 8.45am pre-start, that improves access to construction careers for a more diverse range of candidates than the standard, earlier pre-start time allows.

1 Excluding WestConnex and North America

Reducing supply chain emissions

We continue to focus on achieving scope 3 emissions reductions across key construction materials and setting supplier requirements and targets.

New roads and major road upgrades usually involve using materials with high levels of embodied emissions, such as concrete, asphalt and steel. We work with our project contractors and suppliers to identify project-specific low-carbon and circular materials opportunities to reduce embodied carbon across these these high emissions products.

To date, this has helped reduce embodied GHG emissions by 771,580 tonnes of carbon dioxide equivalent (tCO2e) across nine major projects.

CDP supply chain engagement

In FY24 Transurban achieved a CDP Supplier Engagement Rating (SER) of A-. This score puts us above our peer group average, B-, and the global average, C, and ranks us in CDP's SER Leadership group.

Data collected by CDP includes key quantitative measures essential to tracking our supply chain emission reductions, including: overall supply chain decarbonisation; climate resilience; and supply chain (scope 3) emission-reduction target progress.

Reducing emissions on the M7-M12 Integration Project

We collaborate with our project delivery partners to develop innovative ways to reduce the environmental impacts of project delivery and operations, and to extract more social and environmental value from our projects, in line with Infrastructure Sustainability rating criteria.

For our M7-M12 Integration Project (Sydney), we've worked with our delivery partner John Holland on multiple initiatives to reduce GHG emissions and use recycled materials. Examples include:

- Using B5 biodiesel instead of mineral diesel in equipment such as caravan generators, reducing GHG emissions by around 5% against mineral diesel.
- Using solar-powered lighting towers wherever possible to further reduce emissions and reliance on diesel generators.
- Using recycled materials in construction activities, such as using more than 9,000 tonnes of locally sourced recycled densely graded base; plus resource recovery order material sourced from other, Sydney-based projects; and virgin excavated natural material.
- Using 40% recycled asphalt pavement and 10% recycled crushed glass for the construction compound carpark, reducing asphalt-associated GHG emissions by approximately 20%.

1 *1H24 data – full year has not yet been submitted to the government under the Australian Government's Payment Times Reporting Scheme*

NorthConnex, Sydney

Contractor safety

We work with contractors across all stages of a project's lifecycle – from design and construction to operations and maintenance and into upgrade works. Millions of contractor hours are worked on our major projects each year.

Along with our contractor, delivery and government partners, we want our projects completed safely, and we want everyone involved to work and go home safely. We work closely and collaboratively with our supply chain partners to identify and mitigate potential health, safety and environment (HSE) risks and hazards.

We are now in our fourth year working under our HSE Contractor Management Framework that embeds HSE analytics into our risk reporting and analysis. This approach is designed to improve our overall understanding, identification and management of hazards, risks, incidents and near misses. Although we experienced challenges with recordable injuries this year, since its implementation, our framework has focused on improving contractor HSE performance, with an average result of 3.4 over the past six years. Our Contractor Recordable Injury Frequency Rate (RIFR) is a key measure of our performance, which although slightly above the FY24 threshold of 3.4, it remains 40% below the industry benchmark of 5.84 and represents a material improvement from our half year performance reported as 4.07.

We manage our contractors using an active client model, where risk-mitigation responsibilities and accountabilities are clearly defined.

We know how important it is to learn from any incident, so we also have well-established processes to respond to outcomes of incident investigations and communicate lessons learnt across our regions.

Our contractor RIFR of 3.47 was slightly above the FY24 threshold of 3.4 recordable injuries per million work hours (Figure 23). Recordable injuries include:

- lost-time injuries, where a person loses one or more full shifts from work
- medical treatment injuries, where medical treatment (other than first aid) is required.

Our RIFR data is principally project-related and comprises mainly low-severity injuries such as hand lacerations that allowed prompt returns to work.

Read more about our safety approach with our customers (pages 26–27) and our people (pages 64–65).

Contractor safety forum

In FY24, our contractor safety forum provided an opportunity for our Australian contractor partners from across three states and diverse operating environments, to share safety insights and learnings and contribute to improved collective safety performance. The full-day event, held during Safe Work Month in October, focused on the themes of HSE innovation, engaging people, influencing behaviour, emergency preparedness and psychosocial risk.

Active client approach in practice

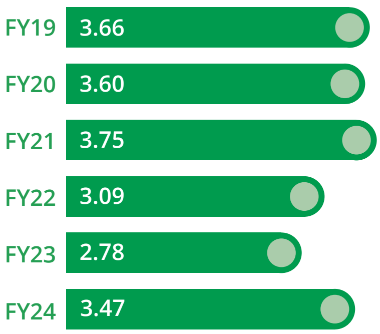
In mid-2023, Ventia was awarded the Transurban Queensland Incident Response and Maintenance service provider contract.

Our team effectively collaborated with Ventia to support the safe and successful transition of a critical service to a new Queensland provider, Ventia. This included delivering activities to support operational readiness prior to go-live dates such as cultural alignment and risk workshops; scenario-based training; assurance planning and WHS readiness assessments.

16.7M

contractor hours worked on projects and operations

Figure 23: Contractor RIFR



Active client responsibilities

Contractors

Our contractors identify and manage HSE risks associated with delivering the contracted works.

Transurban

We carry out assurance activities, including monitoring to ensure works are being performed in line with the contractor's stated processes.

Contractors and Transurban

We undertake collaborative activities such as joint HSE walks and site visits to understand risks and monitor controls.

We know how important it is to learn from any incident, so we also have well-established processes to respond to outcomes of incident investigations and communicate lessons learnt across our regions.

Governance and risk

In this section

WestConnex, Sydney

Governance

Transurban is committed to good governance, transparency and accountability. The Board believes this is essential for the long-term performance and sustainability of our business, and to protect and enhance the interests of security holders and other stakeholders.

Introduction

Transurban's governance framework plays a critical role in helping the business deliver on its strategy.

It provides the structure through which business objectives are set, performance is monitored, and risks are managed. It includes a framework for decision making across the business and provides guidance on the standards of behaviour expected of Transurban's people.

Transurban's governance framework, including our statement of compliance with the 4th edition of the ASX Corporate Governance Council's Principles and Recommendations, is detailed in our 2024 Corporate Governance Statement. Our Corporate Governance Statement and key governance documents are available on our website.

Read more about our Corporate Governance, transurban.com/corporate-governance

Role of the Board

The Board is accountable to security holders for the performance of Transurban. The Board's primary roles are to demonstrate leadership and provide overall strategic guidance for Transurban and effective oversight of management in implementing Transurban's strategic objectives and instilling its values. To assist it in fulfilling these responsibilities, the Board has established Committees to give detailed consideration to key issues.

The Board has also delegated responsibility for the day-to-day management of Transurban to the Chief Executive Officer (CEO), and through the CEO to other members of executive management (Senior Executives). The CEO is accountable to the Board for the exercise of this delegation with the support of Senior Executives.

The Board regularly reviews the charters and key policies that underpin Transurban's corporate governance practices to ensure they remain appropriate, reflect high standards of governance and meet regulatory requirements.

Board structure and composition

The Board is structured so that it is comprised of individuals with appropriate skills, knowledge, experience, independence and diversity to develop and support Transurban's strategy and enable it to discharge its responsibilities and add value.

The Board utilises a skills matrix in succession planning and to assist in assessing the range of skills, knowledge, experience and diversity on the Board, and to identify particular competencies and perspectives that will enhance the Board's effectiveness and add value. The Board's collective skills and experience is set out in the matrix on page 76, and Directors' biographies are set out on pages 74–75.

During the year the Board reviewed the interests, positions and relationships of the Non-executive Directors and considers each of them to be independent.

Board meetings

The Board meets as often as necessary to discharge its responsibilities. This requires Board members to attend at least seven scheduled meetings each year, the Annual General Meetings (AGM), Committee meetings and unscheduled meetings as required. The Board also meets with Transurban's Executive Committee and members of senior management for an annual strategy session.

Board meetings are typically held in each of our regions over the course of the year. In addition to these meetings, Directors also attend regional activities, including briefings, asset or project site visits and presentations, and opportunities for employee and stakeholder engagement. These activities are an important element of the Board's induction and ongoing educational activities and enable Directors to obtain the required deep understanding of our operations within each region. During the year, members of the Board visited Transurban's assets, offices and project sites in New South Wales, Victoria, Queensland, and the Greater Washington Area.

Performance of the Board, Committees and individual Directors

The Board undertakes an annual assessment of its performance, including its performance against the requirements of the Board Charter, the performance of individual Committees and the performance of individual Directors.

During the reporting period and through to the date of this report, the Board undertook an externally facilitated Board performance and effectiveness review, which included one-on-one interviews between the external consultant and the Chair, each Director and select members of management. The external consultant presented the review report to the Board for Board discussion and agreement on relevant actions.

Transurban Board FY24 areas of focus

During the year, the Board provided strategic guidance and effective oversight of management in its implementation of Transurban's strategy.

Key strategic, governance and oversight activities for the year included:

CEO succession and transition, and Board succession planning

During the year, the Board was actively engaged in CEO succession and transition, and Board succession planning. In August 2023, the Board appointed Michelle Jablko as Transurban Group's new CEO and Managing Director, effective from October 2023. In addition, as part of the Board's coordinated and orderly succession planning, two new independent Non-executive Directors joined the Board during the year: Sarah Ryan in September 2023; and Gary Lennon in March 2024. Jane Wilson and Terence Bowen retired from the Board in October 2023.

Strategy and growth

Together with management, evolving the strategic direction of the business and providing guidance and oversight in relation to the key strategic focus areas; approving the annual financial budget; and monitoring corporate performance.

Health, safety and environment (HSE) and road safety

Transurban's HSE and Road Safety Plan is centred on Transurban's long term vision to achieve a future with zero life changing injuries for employees, contractors and customers, and minimising our impact on the environment. During the year there has been oversight of health and wellbeing initiatives, the HSE learning framework, the ongoing embedding of contractor management principles, and a focus on improvement in environmental management. This oversight also included Transurban's efforts to reduce serious injury crashes on all its assets.

Customer, community and social licence

Oversight of customer initiatives and expanded hardship programs providing ongoing support for customers and other members of the community, including through the Linkt Assist (Australia) and First Time Forgiveness (North America) programs, holistic support for vulnerable customers needing additional support beyond assistance with tolling debt (Australia), and participation in the 'One Stop One Story Hub' enabling victim-survivors of family violence and customers experiencing complex financial hardship to access hardship support from a range of companies through a single referral (Australia). Oversight of Transurban's social licence framework, and the focus areas intended to address key social and environmental issues and opportunities relevant to our core business and meet the evolving expectations of our stakeholders.

Risk

Ongoing enhancements to the Enterprise Risk Management Framework have included updates to the risk appetite statements and oversight of the implementation of revised risk reporting and performance dashboarding (see Risk section on pages 79–86).

Continued testing of our business response capabilities, based on identified key risks and business disruption scenarios, has also occurred. This has included exercising responses to significant weather events, system failures, cyber incidents and understanding the impact of supply chain and geopolitical disruptions.

Capital management

Oversight and approval of raising over $5.2 billion in debt facilities (bank debt and capital market issuances), comprising refinancing activity across the Transurban Group.

Delivery of major projects, asset management and performance

Ongoing oversight of the performance of Transurban's infrastructure assets, and delivery of major projects including: the West Gate Tunnel Project in Melbourne; Rozelle Interchange (delivered by Transport for NSW and now operated by Transurban) and the M7-M12 Integration Project in Sydney; and the Fredericksburg Extension and 495 Express Lanes Northern Extension in North America.

NSW Independent Toll Review

Oversight of Transurban's response to the NSW Independent Toll Review Interim Report and potential opportunities in relation to NSW toll reform.

Emerging opportunities

Oversight and review of emerging opportunities including: the feasibility of the 95 Express Lanes Bi-Directional Project in North America; the proposed Logan Motorway west widening in Queensland; potential asset enhancements in the regions in which Transurban operates; growth opportunities in North America and new adjacent opportunities, including innovation in connected and autonomous vehicles, smart transport and customer experience.

ESG & Sustainability

Reviewing double materiality assessment to confirm material ESG topics to inform the ongoing review of the Sustainability Strategy. Monitoring the development of new and emerging sustainability reporting requirements, with a particular focus on ISSB and ASRS obligations. Reviewing our approach to climate-related physical risk and transition planning activities, along with monitoring progress towards our near-term 2030 and net zero 2050 GHG emission reduction targets, and climate change adaptation plan program.

People, culture and remuneration governance

Oversight of people, culture and remuneration matters including in relation to CEO transition and subsequent executive and organisational changes; continued investment in the leadership and talent required to support the Group's strategy and future growth ambition; ongoing review of the effectiveness of the remuneration framework including alignment between executive remuneration outcomes, performance and the experience of stakeholders; and focus on supporting a diverse, inclusive and equitable workplace including active culture and governance reviews.

Board of Directors

Craig Drummond

BCom, FCA, SF Fin | Age 63

Chair and Independent Non-executive Director since October 2022 and July 2021 (respectively)

Craig has over 30 years' experience in financial and regulated service industries. He has extensive experience across all facets of company management, including equity and debt capital markets, risk management and business strategy.

Craig is currently Chair of Australian Foundation Investment Company Limited (Non-executive Director since 2021), President of the Geelong Football Club and Chair of The Ian Potter Foundation.

He was previously a member of the Financial Regulator Assessment Authority and held a number of senior leadership positions including CEO of Medibank Private Limited (2016-2021), Group Executive Finance and Strategy of National Australia Bank Limited and CEO and Country Head of Bank of America Merrill Lynch (Australia).

Earlier in his career, Craig held various roles at JBWere, including COO, CEO and Executive Chairman of Goldman Sachs JBWere.

Chair: *Nomination Committee*
Member: *Audit and Risk Committee*

Mark Birrell AM

BEc, LLB, HonLLD, FAICD | Age 66

Independent Non-executive Director since May 2018

Mark is a Director with deep industry experience in the fields of infrastructure and transport, including roles as founding Chair of Infrastructure Partnerships Australia, the nation's peak industry body and Chair of Infrastructure Australia, the statutory authority advising the Federal Government.

Mark is currently President of the Australian Chamber of Commerce and Industry (ACCI) (since 2023 and an ACCI board member since 2021) and a member of the Management Board of the International Organisation of Employers (since 2022).

Previous directorships include Chair of Post Super Pty Ltd (2013-2022), Regis Healthcare Limited (2014-2018), Port of Melbourne Corporation and Evans & Peck Limited, and Deputy Chair of Australia Post.

He has a background in the law and public policy, having worked as National Leader of the Infrastructure Group at Minter Ellison (2002-2012) and served as a Cabinet Minister in Victoria and Leader of the Government in the Upper House (1992-1999).

Member: *Audit and Risk Committee*
Nomination Committee

Marina Go AM

BA, MBA, MAICD | Age 58

Independent Non-executive Director since December 2021

Marina has worked in executive roles across a range of listed and private companies and in Non-executive Director roles across a diverse range of sectors. Her executive career included over 25 years' experience in branding, marketing, digital technologies and change leadership in the media industry.

Marina is Chair of Adore Beauty Group (since November 2021 and a Non-executive Director since 2020), and a Non-executive Director of EnergyAustralia (since 2017) and Autosports Group (since 2016). She is also a member of the UNSW Business Advisory Council and the ANU Centre for Asian-Australian Leadership Advisory Board.

She was previously Chair of Ovarian Cancer Australia, The Walkley Foundation and Wests Tigers Rugby League Football Club, and a Non-executive Director of Booktopia Group Limited (2020-2022), Pro-Pac Packaging Limited (2018-2021), Netball Australia (2021-2023) and 7-Eleven (2018-2024).

Marina was previously Country CEO for The Hearst Corporation and held a variety of senior leadership positions across multi-media businesses, including Fairfax, Bauer Media, EMAP Australia and Private Media.

Member: *Remuneration, People and Culture Committee*
Nomination Committee

Michelle Jablko

LLB (Hons), BEc (Hons) | Age 51

Chief Executive Officer and Managing Director since October 2023

Michelle Jablko was appointed as Chief Executive Officer in October 2023 after joining the business as Chief Financial Officer in 2021.

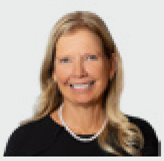
Michelle is currently on the Advisory Board of Infrastructure Partnerships Australia (since 2024).

Prior to joining Transurban, Michelle was CFO at ANZ Bank for just under five years. That followed more than 15 years of experience in investment banking with UBS and Greenhill Australia as a Managing Director working across a vast array of industries, providing advice on mergers and acquisitions, capital management, funding, and investor relations. Early in her career, Michelle was a lawyer with Allens where she focused on mergers and acquisitions, tax and banking and finance law.

Patricia Cross AM

BSc (Hons), FAICD | Age 65

Independent Non-executive Director since July 2021



Patricia has extensive international experience as both an executive and Non-executive Director across a wide range of financial services and other industries. She has expertise in capital markets, risk management, corporate governance, treasury and international affairs.

Patricia is currently Chair of OFX Group Limited (since 2022), a Guardian of the Future Fund's Board of Guardians (since 2021) and an Ambassador for the Australian Indigenous Education Foundation (since 2008).

She was previously Chair of the Commonwealth Superannuation Corporation (2014-2021), and a Non-executive Director of Aviva plc (2013-2022), Macquarie Group Limited (2013-2018), National Australia Bank Limited (2005-2013), Qantas Airways Limited (2004-2013), and Wesfarmers Limited (2003-2010). Patricia also held several honorary government positions including as a founding member of the Financial Sector Advisory Council and as a member of the Panel of Experts to the Australian Financial Centre Forum.

As an executive, Patricia lived and worked in seven different countries holding a number of senior leadership positions with Chase Manhattan Bank and Chase Investment Bank, Banque Nationale de Paris, and National Australia Bank Limited.

Chair: *Remuneration, People and Culture Committee*
Member: *Nomination Committee*

Sarah Ryan

PhD (Petroleum and Geophysics), BSc (Geophysics) (Hons 1), BSc (Geology), FTSE, MAICD | Age 58

Independent Non-executive Director since September 2023

Sarah is an experienced non-executive director and former energy executive with more than 30 years of international experience in the oil and gas industry.

Sarah is currently a Non-executive Director of Viva Energy Group Limited (since 2018), Aurizon Holdings Limited (since 2019), Calix Limited (since 2024) and Future Battery Industries Co-operative Research Centre (since 2020). She is also a Strategic Advisory Panel Member of the ARC Centre of Excellence for Green Electrochemical Transformation of Carbon Dioxide (since 2023) and Chair of the Energy Forum for the Australian Academy of Technological Sciences and Engineering (ATSE) (since 2022).

As an executive, Sarah held various technical, operational and leadership roles at a number of oil and gas and oilfield services companies, including 15 years with Schlumberger Ltd both in Australia and overseas. She also has a decade of experience in North America and Australia as a director of institutional investment firm Earnest Partners covering the firm's investments in natural resources and associated sectors worldwide, including engineering and construction.

She is a former Non-executive Director of Woodside Energy Group Limited, Oz Minerals Limited, MPC Kinetic and Norwegian listed Akastor ASA.

Member: Remuneration, People and Culture Committee
Nomination Committee

Gary Lennon

BEc (Hons), FCA | Age 58

Independent Non-executive Director since March 2024

Gary has over 25 years of extensive financial, accounting, risk management, treasury and strategic experience across financial services and is an experienced chief financial officer who has held senior leadership roles in the banking sector across Australia, New Zealand and Asia.

Gary is currently a Director of the Stronger Smarter Institute (since 2014), and formerly a director of the Bank of New Zealand (2019 to 2023).

Gary has considerable ASX listed company experience through senior leadership roles over 15 years at National Australia Bank, including Chief Financial Officer for seven years. Prior to this, Gary spent a combined 18 years in a number of global senior finance executive roles with Deutsche Bank, notably as Chief Financial Officer of Deutsche Bank Australia, New Zealand and Chief Financial Officer of Deutsche Bank Japan, as well as senior management roles with KPMG in Sydney and London.

Member: Audit and Risk Committee
Nomination Committee

Timothy Reed

BCom (Hons), MBA, MAICD | Age 54

Independent Non-executive Director since November 2020

Tim has over 30 years' experience in technology, marketing, strategy and business development gained from various roles held in Asia, Europe, the USA and Australia.

Tim is currently the co-Managing Director of Potentia, a private equity firm focused on technology businesses and the President of the GWS Giants AFL team.

He was formerly the President of the Business Council of Australia (2019-2023) and the CEO of MYOB (2008-2019). Prior to joining MYOB, Tim also held senior management roles in sales, marketing, product management and business development with software and technology businesses in Silicon Valley.

Member: Remuneration, People and Culture Committee
Nomination Committee

Peter Scott

BE (Hons), MEngSc, Hon FIEAust, MICE | Age 70

Independent Non-executive Director since March 2016

Peter has over 20 years' senior business experience in publicly listed companies and a breadth of expertise in the engineering and finance sectors.

He was formerly the CEO of MLC and head of National Australia Bank's Wealth Management Division and held several senior positions with Lendlease.

He was previously Chair and a Non-executive Director of Perpetual Limited, Chair and a Non-executive Director of Perpetual Equity Investment Company Limited, and a Non-executive Director of Stockland Corporation Limited and Centuria Healthcare Limited.

His pro-bono activities include being a Fellow of the Senate of the University of Sydney.

Member: Audit and Risk Committee
Nomination Committee

Robert Whitfield AM

BCom, Grad Dip Banking, Grad Dip Fin, AMP, SF Fin, FAICD | Age 59

Independent Non-executive Director since November 2020

Rob has extensive financial, risk and capital markets experience in senior management roles across the public and private sectors.

Rob is currently a Non-executive Director of the Commonwealth Bank of Australia (since 2017) and member of the Council of the Australian National University (since 2024).

He previously served as Director of GPT Group (2020-2024), as Chair and Director of New South Wales Treasury Corporation, Secretary of NSW Treasury, Secretary of NSW Industrial Relations, and as Deputy Chair of the Australian Financial Markets Association. Prior to this, Rob had a 30-year executive career with Westpac Banking Corporation where he held a number of senior leadership positions including CEO of the Institutional Bank, Chief Risk Officer and Group Treasurer.

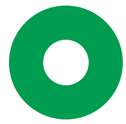
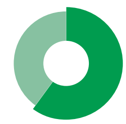
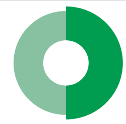
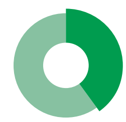
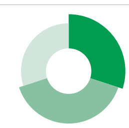
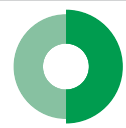
Chair: Audit and Risk Committee

Member: Remuneration, People and Culture Committee
Nomination Committee

Board skills and experience

The skills matrix below presents the key skills and experience that the Board considers necessary having regard to Transurban's strategic objectives, core capabilities and the emerging business and governance issues relevant to Transurban, and the proportion of Directors with that skill or experience. The Board is satisfied that it collectively possesses an appropriate breadth and depth of skills and experience to provide effective leadership to Transurban.

Deep expertise
Competent
Capable

Skills and experience	Description	
Leadership	Board, CEO and/or senior leadership experience in major organisations, enterprises or listed companies in Australia or overseas, and managing through periods of rapid change.	
Strategic and commercial acumen	An ability to define strategic objectives and constructively question business plans and implement strategy using commercial judgement.	
Health, safety and environment	Experience in health, safety and environmental matters (HSE), policies and strategies, including implementing HSE systems in organisations of significant size.	
Risk management	An understanding of financial and non-financial risk management, including operational, conduct, compliance, environmental, technological and governance risk.	
Financing / capital management	Experience in complex financing and/or capital management including economic drivers and global business perspectives.	
Project development, project management and delivery	Experience in all aspects of major infrastructure projects, including project engineering.	
Industry specific knowledge and expertise	Specific experience, knowledge and expertise gained across the broader infrastructure and transport industries, including global experience.	
Customer experience	Knowledge of, or experience in, organisations and operations managing large retail customer bases.	
Government and stakeholder relations, public policy and community engagement	Experience in government and regulatory policy matters (including public policy discourse), multiple stakeholder relations and community engagement.	
Governance, compliance and sustainability	Commitment to, and knowledge of, governance and sustainability issues (including the legal, compliance and regulatory environment applicable to transport infrastructure and climate change).	
People, culture and remuneration	Experience in people matters including culture, morale, management development, succession and remuneration (including incentive programs and the legislative framework governing remuneration).	
Technology	An understanding of, or experience in, organisations of a significant size having a major technology focus, including new technologies and digital disruption, digital customer management, and cyber security.	
Financial acumen	Financial knowledge, accounting or related financial management qualifications and experience, including understanding the financial statements of organisations of significant size and complexity and the ability to probe the adequacies of financial and related risk controls.	

Board Committees

The Board has established three standing Committees, each operating under a separate Charter which sets out its responsibilities.

Audit and Risk Committee

Responsibilities	Areas of focus during FY24 included:
To assist the Board in fulfilling its corporate governance and oversight responsibilities relating to the integrity of Transurban's financial and corporate reporting, the effectiveness of Transurban's systems of internal control and risk management (for financial and non-financial risks) including the risk management framework, the internal and external audit functions, and Transurban's risk profile and risk policy.	• Reviewing and recommending to the Board significant accounting and financial reporting disclosures and considering the impact of uncertainties related to the macroeconomic environment on accounting, audit and risk-related matters • Oversight of FY24 distributions and related guidance • Oversight of the assurance and disclosure processes for the Transurban Corporate Report incorporating the financial statements and remuneration report; and disclosures relating to the recommendations of the TCFD • Approval, and delivery oversight, of the FY24 External Audit Plan, and undertaking, together with management, an audit quality assessment and effectiveness evaluation of the External Auditor • Approval, and delivery oversight, of the FY24 Internal Audit Plan • Oversight of the climate risk and transition planning program and the roadmap and key activities undertaken as part of the ISSB and ASRS readiness program in preparation for mandatory climate reporting from FY26 • Reviewing and recommending to the Board updates to the Risk Management Policy, Enterprise Risk Management Framework and Risk Appetite Statement, and oversight of: risk management activities, including detailed reviews across individual business units; the approach to managing strategic risks that have a health, safety, environment or road safety impact; compliance activities; business resilience activities; privacy incidents; and ethical business practices reporting, including whistleblower reporting • Shared oversight with the Board in relation to the strategic cybersecurity program and cyber risk management activities, and oversight of activities and initiatives relating to technology, data and customer risk management • Oversight of taxation matters, including tax governance and tax risk management • Oversight of the annual renewal of the insurance program • Reviewing the Transurban Group budget for FY25 prior to consideration by the Board • Reviewing and recommending to the Board updates to key policies.

Nomination Committee

Responsibilities	Areas of focus during FY24 included:
To assist the Board in fulfilling its responsibilities relating to the composition and performance of the Board, Board appointments and succession planning.	• CEO succession, culminating in the appointment of Michelle Jablko as CEO and Managing Director • Ongoing Board succession planning, utilising the Board skills matrix, including the appointment of two new independent Non-executive Directors, Sarah Ryan and Gary Lennon • Oversight of the induction of new Non-executive Directors and the program to support all Directors' ongoing education and development • Oversight of the process for the externally facilitated annual review of Board, Board Committee and Director performance • Review and recommendation of the re-election and election of Directors (as applicable).

Remuneration, People and Culture Committee

Responsibilities	Areas of focus during FY24 included:
To assist the Board in fulfilling its responsibilities in relation to people, remuneration and culture matters including: oversight of management policies and programs to develop the capability of Transurban's workforce and to support Transurban's desired culture; alignment of Transurban's remuneration framework with Transurban's purpose, strategy, risk appetite, desired culture and values, including oversight of strategies, incentive plans, practices and disclosures generally; the performance and remuneration of, and incentives for, the CEO and Senior Executives; and the remuneration of the Chair of the Board and the other Non-executive Directors. **Read more in our remuneration report (pages 91–111)**	• Ongoing oversight of Senior Executive development, succession, and management policies and programs to develop the capability of Transurban's workforce • Supporting the Board in its oversight of Transurban's culture, including: reviewing and making recommendations to the Board on key policies to drive desired cultural outcomes such as the Code of Conduct; monitoring workplace relations, workplace equity and employee engagement trends and overseeing active culture and governance reviews with a view to supporting a diverse, inclusive and equitable workplace • Oversight of Transurban's diversity and inclusion practices, programs and initiatives • Ongoing review of the effectiveness of the remuneration framework, including alignment between executive remuneration outcomes and the experience of stakeholders • Reviewing and making recommendations to the Board on CEO remuneration, including transition matters and appropriate performance measures for the incoming and outgoing CEO • Reviewing and making recommendations to the Board on Senior Executive remuneration, including incoming and outgoing Senior Executives, and ongoing review of appropriate financial and non-financial performance measures • Reviewing Non-executive Director remuneration.

Governance policies

Transurban has a number of governance policies to guide how it does business, including:

- **Anti-Bribery, Corruption and Fraud Policy** — communicates our approach in relation to the prevention, detection, deterrence, management and reporting of bribery, corruption and fraud risks.
- **Code of Conduct** — articulates the behaviour expected of Transurban's Directors, employees and contingent workers whenever they are representing Transurban or undertaking work on Transurban's behalf.
- **Conflicts Management Policy** — defines the process for Transurban's Directors, employees and contingent workers to appropriately declare and manage actual, perceived and potential conflicts of interest where their personal interests might come (or might have the appearance of coming) into conflict with the interests of Transurban.
- **Continuous Disclosure Policy** — establishes our procedure for compliance with Transurban's continuous disclosure obligations and provides guidance for the identification of material information and timely disclosure of Transurban's activities to the market.
- **Dealing in Securities Policy** — prohibits Transurban Directors, employees, contractors and their related parties from dealing in Transurban securities if they are in possession of price-sensitive information and provides for open periods during which they may trade, subject to any required approvals being obtained.
- **Health, Safety and Environment Policy** — provides Transurban's commitment to healthy, safe and environmentally responsible places of work for employees, contractors and visitors, including supporting the physical and psychological health and wellbeing of our people.
- **Human Rights Policy** — outlines Transurban's support for internationally recognised human rights, identifying the issues most salient to Transurban and how we prevent, mitigate and respond to negative impacts.
- **Political Contributions Policy** — provides that: in Australia, Transurban does not make political donations or contributions of any nature to any political party, politician, elected official or candidate for public office; in the USA, any political contributions must be in accordance with applicable Transurban guidelines; and in Canada, political donations of any kind are illegal and therefore not permitted under any circumstances.
- **Risk Management Policy and Enterprise Risk Management Framework** — provides guidance and direction on the management of risk in Transurban and states Transurban's commitment to the effective management of risk.
- **Supplier Sustainability Code of Practice** — outlines our minimum requirements and leadership expectations, which encourage suppliers to go beyond legal compliance to advance social, environmental and economic outcomes in the communities in which we operate.
- **Sustainability Policy** — contains our commitment to sustainability, including specific commitments around achieving net zero GHG emissions by 2050 and UN Sustainable Development Goals.
- **Whistleblower Policy** — supports and encourages people to freely raise concerns if they have witnessed, or have reasonable grounds to suspect, any misconduct or improper state of affairs in relation to Transurban and sets out how Transurban will respond to and investigate matters raised and outlines the support and protections available to those who report matters under the policy.

Corporate Governance Statement

For detailed information on the corporate governance framework and main governance practices, policies and charters of Transurban Group for the year ended 30 June 2024, including details of the Group's compliance with the 4th edition of the ASX Corporate Governance Council's Principles and Recommendations, refer to the Group's 2024 Corporate Governance Statement on the Transurban website.

Read more about our corporate governance at transurban.com/corporate-governance

Risk management

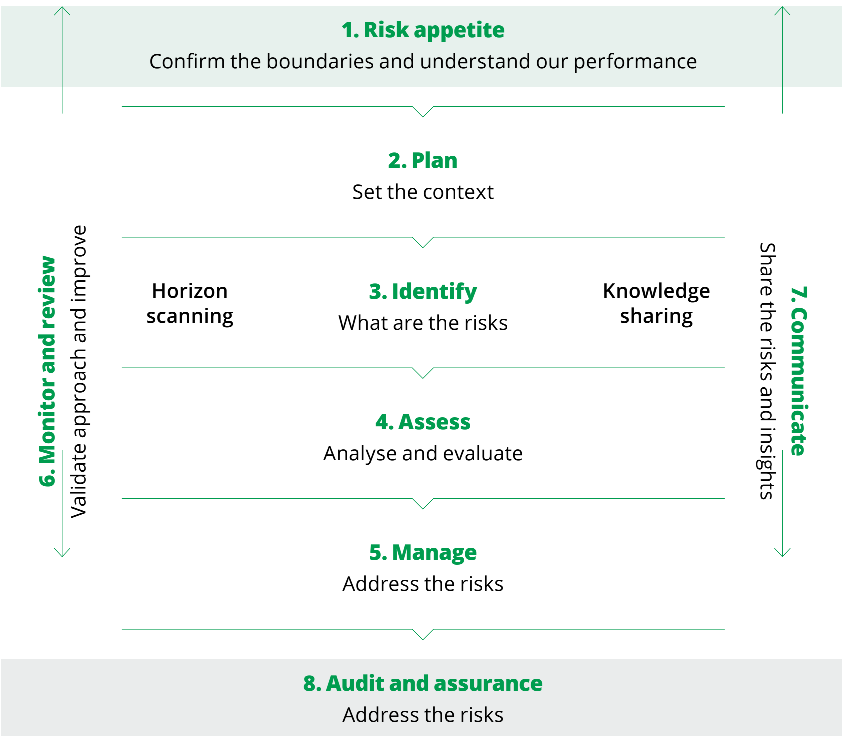
Transurban is committed to building a risk-aware culture, supported by a tailored, practical, and integrated approach to identifying and managing uncertainty in our strategy, operations, and the global environment. An organisation-wide, integrated and proactive risk approach is essential for our resilience, sustainability, and for creating value and growth. By anticipating and understanding current and future uncertainties associated with our operating environment, we can mitigate threats and pursue business opportunities that benefit all our stakeholders.

Our Enterprise Risk Management (ERM) Framework sets out principles that govern our approach to managing risk, and provides guidance on the proactive identification of risks (both threats and opportunities) to our business endeavors. The framework supports informed strategic decision making, operational efficiency, financial stability, regulatory compliance and organisational resilience, while also identifying opportunities for growth and innovation.

The ERM Framework is integrated with related business processes and policies to ensure a business-wide consideration of our risks and to enable us to understand and address their potential consequences. Example policies include our: Code of Conduct; Anti Bribery, Corruption and Fraud Policy; Conflicts Management Policy; Compliance Framework and our Sustainability Strategy. In addition, the framework is also integrated into other teams' business activities and procedures including: health, safety and environment; internal audit; tax; treasury; procurement; business resilience; and insurance.

Overseen by our Board and Audit and Risk Committee (ARC), and managed by our CEO, Executive Committee and senior management, the ERM Framework provides a systematic approach to ensuring key risks are promptly identified, evaluated, and communicated. This enables us to effectively escalate and respond to risks which may materially impact our business, customers or stakeholders.

Figure 24: Transurban ERM process



Risk appetite

Our Risk Appetite Statement, linked to our organisational strategy, outlines the level of risk we are willing to accept, tolerate or avoid in the pursuit of our strategic objectives. This provides a balanced approach to growth, with risk management aligned with our overall purpose and our stakeholder expectations. Our Risk Appetite Statement is critical in guiding our decision-making attitudes and behaviours – it is pivotal in navigating times of uncertainty and also allows us to capitalise on opportunities.

To confirm we are operating within our risk appetite thresholds, we have linked our Risk Appetite Statement with our Key Risk Indicators (KRIs) and Key Performance Indicators (KPIs). Our KRIs and KPIs help us measure our risk management and current business performance against financial and non- financial risk metrics. We track our performance against our risk appetite and this is presented to the Board to provide early insights into our risk exposures and to enable informed decision making.

Across the business, and at all levels of management, our teams regularly review our business activities in conjunction with both local and global operating environments to identify risks that have potential to impact or disrupt Transurban or our stakeholders. Strategies to eliminate or mitigate these exposures – as well as contingency plans – are developed and implemented to manage any negative risk outcomes.

Emerging threats and opportunities

Emerging risks are new or evolving threats that have the potential to materially impact upon our business. We manage these risks by performing continuous horizon scanning and monitoring for emerging themes. Scenario planning and exercises are then undertaken to aid the identification of adaptive strategies to ensure timely identification and mitigation of emerging risks.

Transurban's strategy is also underpinned by strategic business decisions that may create or impact threats and opportunities for Transurban. This means risk management is also crucial in identifying these positive risk opportunities that can be leveraged to enhance business performance and achieve strategic objectives. Our rigorous risk assessments, scenario analysis and strategic planning has identified development opportunities in our existing markets, potential growth opportunities in North America and opportunities for new transport and mobility solutions that are underpinned by evolving technology.

Managing and responding to operational risk and disruption

In FY24 Transurban conducted more than 25 exercises to simulate and respond to operational disruption. This included performing field exercises with our emergency services partners to rehearse response protocols and increase familiarity with our road and tunnel infrastructure.

In October 2023, the NSW Operations team led the delivery of a complex emergency management exercise involving Transurban and NorthConnex operational teams, working closely with Transport for NSW, NSW Police, Fire and Rescue NSW and Ambulance Services NSW, to respond to a scenario in a NorthConnex tunnel. The exercise simulated a multi-vehicle collision, involving a truck, a bus filled with passengers and multiple cars. The 'incident' required a comprehensive emergency services response, and safe evacuation of people from the scene.

More than one hundred emergency services personnel participated in the exercise, with Transurban and North Western Roads Group volunteers acting as road users in vehicles impacted by the incident. This included some with simulated injuries – providing a realistic scenario for emergency services as part of their incident response activities.

The event also provided emergency services with an opportunity to establish command and control protocols, test critical safety systems and coordinate resources to manage the situation.

Continually improving response capability through such exercises is a key component in preparedness – a key part of Transurban's business resilience framework and activity program. Preparedness is also key to our teams' ability to respond to incidents quickly and to effectively engaging with emergency services and better support the safety of all road users.

Emergency management exercise, NorthConnex, Sydney

Risk Management Practice

Our integrated approach to risk management spans all our operational, business and strategic activities and also links to our climate change, health, safety and environment risk management activities. This approach provides an opportunity to break the barriers and silos between risk management activities and related functions. It also supports the identification of a broad range of potential risks spanning both internal and external factors e.g. social or supply chain risk. This is further achieved by including a variety of business stakeholders in the risk discussions.

Once identified, each risk is analysed and evaluated to understanding the potential it has to impact Transurban's projects, functions, markets, assets, customers and/or stakeholders if it were to occur. These risk assessments consider the potential Financial, Health and Safety, Environmental, Business Disruption, Legal and Reputation consequences of a risk from both a unmanaged to managed perspective.

The risk assessment then defines the priority of the management response which drives the development of proactive treatment plans to address the likelihood and consequences of each risk and to also identify a way to address the risk should it occur.

Ongoing monitoring , reporting and escalation is then undertaken to provide assurance that the risks are being addressed and that appropriate risk treatment plans are in place.

Business wide insights

To support the leveraging of risk management insights across our business, we ulitise risk intelligence dashboards. These dashboards use integrated compliance, privacy, and resilience data to provide current, data-driven trends, aggregated risk exposures, control effectiveness and scenario analysis – which supports Transurban's decision making and strategic planning. This approach drives consistent risk communications and understanding at all levels of our business. It also helps promote a culture of transparency, through sharing insights into our key risks and enhancing understanding of risk performance and maturity across our operations and projects.

Three lines of defence model

Transurban uses the 'three lines of defence' model to define different teams' roles in managing risk across our business. This model provides a structured and systematic approach to identifying, managing, and mitigating risks. It supports Transurban's resilience, governance and growth and contributes to the value we create for our stakeholders. The three lines of defence we employ are:

- **Operational management**
  Owns and manage risks identified directly through day-to-day operations.
- **Risk, compliance and resilience functions**
  Provide oversight, guidance, and support to ensure first-line assurance activities are appropriately applied.
- **Internal audit team**
  Provides assurance services, with outcomes from our risk processes used to define internal audit focus areas. Internal audits also provide independent assurance to our Audit and Risk Committee (ARC). The audits also support management in maintaining an effective risk and control environment.

Our broader internal audit assurance activities are co-sourced and comprise an external audit service provider, EY, and our internal audit team. This approach provides balance, independence, external subject matter expertise and internal knowledge. Our internal audit team operates under a plan approved annually by ARC and has full access to all Transurban Group functions, records, property and personnel. The team reports to the Company Secretary and has a direct reporting line to the ARC Chair. Internal audit results are reported to ARC.

Measuring risk management effectiveness and continuous improvement

We have multiple assurance activities to assess the value and success of our ERM activities.

Our Board monitors and reviews our ERM Framework's effectiveness. Our internal audit team conducts, at the Board's request, annual reviews of the framework, to demonstrate to the Board that the framework remains sound and that it aligns with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations. Review activities comprise:

- Conducting a gap analysis of Transurban's risk management approach alignment with ASX Corporate Governance Council's Corporate Governance Principles and Recommendations
- examining alignment to ISO 31000:2018 – Risk management
- assessing our ERM Framework against other leading practice frameworks.

We also assess our risk culture via risk-specific questions in our annual employee 'Our Voice' survey (see page 60 for more information). These questions assess the current employee understanding of risk, the level of risk management practice within the business, and the propensity of employees and the business to take considered risk and report where this is outside of our risk appetite.

ERM review and employee survey results help us identify business areas requiring focused risk support and drive capability development activities. Results and feedback also inform future risk management training, education and ERM Framework improvement activities.

As a result of these activities, in FY24 we further enhanced our risk management framework to support the continued business growth in risk practice maturity. These enhancements included minor changes to our policy and frameworks, including updating our risk appetite statements to reflect FY24 business KPIs and KRIs to ensure we operate within our risk appetite and developing enhanced risk reporting. Updates have also been made to our risk assessment criteria to further enhance the ESG assessment of risks in terms of Health, Safety and Environmental risk and also in considering the Legal consequences associated with risks.

Figure 25: Integrated risk management in action

	Annual activity	*Quarterly activity*	*Continuous activity*	*Business Resilience*	*Internal Audit*
ARC/Board	Review ERM effectiveness and approve changes Review and update Risk Appetite	Review material and emerging risks		Provide assurance of resilience capability and preparedness Reporting on learnings from exercises and incidents	Update audit plan based on key risks and themes
Executive Committee	Review ERM eff ectiveness and approve changes Review and update Risk Appetite	Review key business, strategic and emerging risks	Risk and compliance status reporting	Consider emerging threats and catastrophic risks Exercise and test business response	Annual review of business compliance
Assets, Operations and Business	Set risk objectives and priorities in business plan Update risks in line with objectives	Consolidate and review key business and operational risks	Validate key risks and compliance requirements Review key risks and treatments	Exercise and test response to disruption risks Validate preventative controls	Internal Audit plan review and update to reflect any emerging risks
Projects, development proposals and acquisition	Set risk objectives and priorities in business plan Update risks in line with objectives	Formal review of risk registers	Validate key risks and compliance requirements Review key risks and treatments	Identification of risks that could disrupt the safe and continuous operations of our assets or critical business processes	Audit reports issued including assessmentsof controls and management actions to enhance the control environment

Key risks – Opportunities and threats[1]

↑ Up
↓ Down
— Neutral

Opportunity	Trend	Change in opportunity within FY24	Example management responses
New business opportunities in our target markets Opportunities to further grow the business, by enhancing existing assets and operations or pursuing acquisition or investment opportunities.	—	Continued focus on potential for growth opportunities in new and existing markets.	• Demonstrate leadership in sustainability, climate risk, road safety and emerging technologies • Focus on opportunities aligned to our business strategy • Continue to build relationships with partners and other stakeholders • Demonstrate core capabilities and delivery credibility • Develop new transport and mobility solutions based on evolving technology market needs • Market scanning to identify further development opportunities. • Collaboration with existing and new investment partners targeting emerging opportunities • Develop new service offerings utilising existing capabilities • Engagement with government partnerships focusing on how we can achieve long-term outcomes together
Strategic innovation and new business ventures Continued identification and development of new business ventures and partnerships, such as connected and automated vehicles (CAVs) and automated freight services – these initiatives having the potential to transform the freight industry and optimise road usage.	↑	Continued research into new technologies and engagement with key stakeholders.	• Building a portfolio of ventures that are globally scalable and deliver transport technology solutions of the future • Strategic initiatives to test and pilot technology adaptations that align with the internal capabilities we've invested in • Engagement with aligned partners and industry groups
Enhanced customer technology and services offerings Unlock opportunities in Transurban's customer footprint and technology platforms to drive positive customer engagement outcomes which differentiates the business ahead of our competitors.	↑	Development and expansion of rewards and partnership programmes.	• Customer listening programs, horizon scanning and emerging technology review to identify trends • Technology road map, including identification of suitable technology partners and solutions • Customer reward and partnership programmes • Implementation of digital tools, such as Trip Compare and Road Incident Notification • Community and customer engagement • Cloud and digital architecture strategy • Continued customer feedback to support development and expansion of LinktGO and GoToll, including account management tools • Continued investment in channel optimisation and digital offerings including apps and features

1 Transurban's exposure to financial risks and the policies we have in place for managing that risk can be found in the Derivatives and Financial Risk Management notes – see Note B14. This section discusses our hedging policies, credit risk, interest rate risk and liquidity and funding policies. Transurban considers the impacts of climate change as a potential contributing factor to many of our threats and opportunities. For more information on our climate change management strategies and our consideration of transition and physical risks refer to climate change risk management on pages 38–47 of this report

Key risks – Opportunities and threats[1]

↑ *Up*
↓ *Down*
— *Neutral*

Opportunity	Trend	Change in opportunity within FY24	Example management responses
Sustainability initiatives to enhance road user and community experience Opportunity to further pursue sustainability projects which enhance social and environmental outcomes for communities and social licence credentials.	—	Continued focus on sustainability opportunities and associated technologies.	• Customer Hardship Program and Financial Inclusion Action Plan • Transurban Road Safety Centre at Neuroscience Research Australia (NeuRA) research programs • Support for vehicle safety initiatives, such as the child car seat checks with KidSafe Australia and Safe Kids Worldwide in North America • Membership with Social Traders to identify opportunities to increase direct and indirect spend with certified social enterprises • Infrastructure Sustainability ratings for road assets • Research and pilots of new technologies to reduce environmental impacts of construction materials, as well as other initiatives to move toward carbon neutrality • Sustainability strategy tailored to Transurban's operating context, aligned to the relevant UN Sustainable Development Goals • Sustainable procurement program which seeks to actively reduce the risk of modern slavery in our supply chain • Climate change focus including reviews of supply chain • Development of opportunities to reduce carbon footprint, such as PPA, lighting and ventilation projects • CAVs research and testing
Operating model improvements Operating model changes, combined with the structural and non-structural changes to the way we do business, presents an opportunity to simplify the way we work, creating capacity for growth and long-term sustainable value for all our stakeholders.	↑	–	• Stakeholder engagement • Operating Model Project Team • Transurban Leadership Forum and adaptive change education • Strategic Development Groups

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Key risks – Opportunities and threats[1]

↑ *Up*
↓ *Down*
— *Neutral*

Threat	Trend	Change in threat within FY24	Example management responses
Changes in government policies or regulatory interpretations A change in government policy or expectations could impact on the ability to deliver the business strategy.	↑	Engagement with Governments and partners on toll reviews.	• Engagement on Toll Review and road user charging • Contributions to policy discussions through submissions to government inquiries and draft strategies • Engagement with at all levels of government to better understand policy positions and their potential implications • Monitoring potential changes to stakeholder and government policies, including alignment to ESG recommendations and transition to net zero • Continuous monitoring of Transurban's regulatory and compliance requirements through the established compliance management system, including automatic notification and escalation of compliance actions and regulatory changes • Compliance working group continues to oversee and report to Board on compliance activities
Unfavourable changes in the business environment or operating conditions Key assumptions relating to the operating environment (including potential disruption events) and/or budget forecasts may prove to be incorrect.	—	Continued focus due to current economic conditions.	• Stress testing and scenario analysis reflecting future outlook and economic uncertainties and other potential disruption events • Strategic and emerging risks and mitigations identified and managed as part of the Enterprise Risk Management Framework • Ongoing regional and asset traffic analysis supplemented by third party data and/or peer review • Continued review and management of cost base • Continuous financial model review and evaluation • Consideration of extreme and future weather events or land use changes
Delivering our major projects to meet agreed outcomes Contractor performance or behaviour, combined with ineffective contractor management, could lead to a failure to deliver projects on time and within budget, impacting our reputational standing and impact future growth opportunities.	↑	Challenges have been experienced as a result of current economic conditions and risk exposure for the construction industry.	• Due diligence throughout procurement and tender processes • Project Steering groups, Internal Audit Program and Program reviews • Consistent risk reviews performed to identify and manage risks throughout the project lifecycle • Ongoing proactive focus on relationship with current and potential contractors and suppliers including senior executive engagement with major contractors • Consideration of alternative contracting frameworks and commercial engagement models
Customer and road safety Failure to effectively manage road infrastructure and response to incidents could impact customer and road safety. Customer safety could also be impacted by an inability to consider the consequence of significant weather events and consequences of climate change.	—	Challenges continue to be experienced in driver behaviour across the broader national road networks in Australia and North America. These behaviours are also impacting on Transurban asset performance.	• Australian Road Research Board assessment of the Australian network to determine International/Australian Road/Assessment Program (iRAP) safety ratings • Monash University Accident Research Centre analysis of serious injury crashes on Australian roads • Road Safety Action Plans and related Community of Practice • Engagement across government agencies, transport, enforcement and road safety • Representation on Australasian college of road safety and US Department of Transportation committees • Road safety analytics platform, which integrates Transurban and third-party data (e.g., near miss data, weather and iRAP) • Development of road safety initiatives, such as Burnley Tunnel pacemaker lights and Express Lane access • Continued focus on emergency response capabilities and delivery of emergency management exercises • Transurban Road Safety Centre at NeuRA research program • Scenario analysis of weather events and their impact on road safety

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Key risks – Opportunities and threats[1]

↑ Up
↓ Down
— Neutral

Threat	Trend	Change in threat within FY24	Example management responses
Potential impacts of cost of living challenges Cost of living pressures could impact on business and customer confidence, thereby reducing economic activity. This could lead to reduced revenue and impacts on Transurban's social license to operate.	—	Reflects global economic uncertainties and challenges.	• Ongoing review of external trends and performance • Early identification of pressure points and action if changes identified. Responses include: • Review of cost base • Stress testing and scenario analysis • Implement early changes to spend plans • Ongoing approach to financing activities • Customer Hardship Programme
Cyber security and information protection Failure to appropriately manage, govern and protect customer and company data and systems from cyber threats could result in data loss, customer harm and operational disruption.	↑	Increase reflects the impact of the global geopolitical environment.	• Implementation and operation of a Cyber Security Framework aligned to industry standards to protect against cyber-attacks and disruption • Review and management of cyber risks and threats, and provided regular reporting on key cyber risks and cyber control metrics to executive and management • Funding of a cyber program in order to maintain security posture within risk appetite over time supported by training and awareness campaigns • Data assurance and privacy programmes • Exercising and scenario analysis
Operational disruption – failure of infrastructure or an inability to respond effectively to a disruption Failure to adequately maintain our infrastructure or respond adequately to an emerging incident or disruption, including significant weather events could impact on asset operations causing disruption and lead to breaches in concession, potential safety risks and/ or reputational damage.	—	Resilience programme and exercising across all levels of the organisation. Proactive Asset Management.	Preventative responses in place: • Transurban's asset management and operations programme and the associated systems and processes • Supplier and Contractor Management Framework outlines requirement for regular audits, inspections and quality assurance assessments of contractors and sub-contractors • Asset reviews and Internal Audit Program • Continued development and testing of climate change adaptation plans Resilience measures in place: • Scenario based response training • Scenario analysis of future weather events and/or changes in the operating environment on system/asset reliability and asset lifecycle planning • Business Continuity Plan and Incident Management and • Emergency Strategy Teams in place • Annual desktop exercises and field exercises with emergency services to coordinate response • Annual update and review of all corporate emergency procedures
Ensuring the safety and wellbeing of employees and contractors Due to the nature of some of our work activities and operating environment (including significant weather events), employees, workers and other stakeholders could be exposed to harm or suffer wellbeing issues if business controls fail to be adequate.	—	Positive HSE performance for FY24, roll out of enhanced wellbeing and psychosocial initiatives.	• Safety reporting and management systems that enable detailed analytics • Contractor management and engagement to ensure implementation of Transurban critical risk minimum requirements • Ongoing development and implementation of the Transurban HSE culture including delivery of psychosocial working group, wellbeing initiatives and support services • HSE training and awareness including practical exercises • Proactive HSE observation and HSE Action Plan activities linked to employee performance KPI • Roll out of initiatives to foster a physically and psychologically healthy workplace • Regular internal and external HSE reviews of our HSE frameworks and management system • Climate Change Adaptation Plans

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Key risks – Opportunities and threats[1]

Up	Down	Neutral
↑	↓	—

Threat	Trend	Change in threat within FY24	Example management responses
Dependency on third parties and critical supply chains Loss of a strategic supplier could lead to disruption to Transurban. The potential impact of third-party failure includes operational disruption, increased costs, and reputational damage. Delays and disruption could also be experienced with supply chains due to the impact of regional conflicts and significant weather events on supply chains and logistics.	↑	Increase reflects global economic and geopolitical challenges impacting global supply chains.	• Due diligence throughout procurement processes • Environmental scans and proactive industry engagement • Supplier and Contractor Management Framework which includes requirements for Supplier Performance Management • Ongoing delivery of Sustainable Procurement Program including acting in accordance with the Modern Slavery Act requirements, potential climate change obligations and collaboration with suppliers to respond to potential risks within our supply chain • Considerations of alternative risk sharing concepts including sharing of risk for supply impacts and cost escalations • Explore opportunities for engaging a broader range of contractors, through innovative and project-specific procurement packaging • Review of new industry procurement and contractual approaches
Inability to attract and retain the workforce capability required by the organisation for critical roles An inability to attract best talent as well as ensure that we retain the key critical people necessary to drive and grow the business could lead to the unavailability of critical key roles or capabilities.	↓	Risk has reduced based economic conditions.	• Strategically prioritising talent growth and development opportunities • Workforce planning • Regular talent reviews and succession planning • Employee engagement, belonging and wellbeing initiatives • Strategic sourcing for agreed roles • Tactical strategies including resourcing, retention, performance and remuneration to support acquisition and retention of critical skills • Key industry partnerships/memberships • Annual pay equity reviews to identify and address any gaps in pay
Treasury management of debt, liquidity, and balance sheet Volatility in interest rates, hedging and refinancing could impact financial exposure and funding for new projects.	—	Risk remains a focus in light of economic conditions to ensure that the existing business' funding and market risks are appropriately identified and managed, as well as ensuring that the balance sheet is positioned to deliver on the Group's growth strategy.	• Rating protections through Transurban's predictable cash flow from established concessions, which are supported by embedded Tarif escalations • Regular reporting of funding activities, performance against key metrics, compliance, operational issues/breaches • Annual review and approval of the Treasury Frameworks, Treasury Policy and Charter by the Board • Capital Strategy and annual review of the Funding Plan • Monthly reporting of compliance against debt limits, targets and covenants to ensure compliance with risk appetite • Debt book management • Stress testing of debt exposure based on market assumptions • Disciplined approach to opportunities • Effective management of costs, debt and balance sheet • Framework to prioritise our capital allocation and refreshing our distribution policy
CEO transition and operating model changes Failure to effectively manage CEO transition and operating model changes could impact on business performance and market confidence.	↓	With board transitions successfully completed risk is focus on CEO transition plan.	• Transition plan development and implementation • CEO and Board engagement • Operating model project management team

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395 Express Lanes, Greater Washington Area

Directors' Report

In this section

Directors' Report

The Directors of Transurban Holdings Limited ('the Company'), Transurban International Limited and Transurban Infrastructure Management Limited, as responsible entity of Transurban Holding Trust, present their Directors' Report on the Transurban Group for the financial year ended 30 June 2024 ('FY24').

The Directors' Report has been prepared in accordance with the requirements of the *Corporations Act 2001* (Cth) with the following information forming part of this Directors' Report:

- Operating and financial review (see right)
- Remuneration report on pages 91–111
- Directors' declaration on page 219
- Auditor's independence declaration on page 112.

Principal activities

The principal activities of the Group during the reporting period were the development, operation and maintenance of toll roads in Sydney, Melbourne and Brisbane in Australia, as well as investments in toll roads in Sydney in Australia, and in Montreal and the Greater Washington Area in North America. There has been no significant change in the nature of these activities during the reporting period.

Operating and financial review

A review of the Group's operations and the results of those operations during the year, including likely developments in future financial years and risk management, are on pages 79–86 of this Corporate Report. Other than the information included in the operating and financial review and throughout this report, information on other likely developments, business strategies and prospects for future financial years has not been included as it would be likely to result in unreasonable prejudice to the Group.

Details of the results of the Group's operations are in the financial statements (pages 113–219).

Directors' details

The Boards of Transurban Holdings Limited, Transurban Infrastructure Management Limited and Transurban International Limited have common Directors. The names of Directors who served during or since the end of FY24 are below. All Directors held their positions for the duration of FY24 unless otherwise stated.

- Craig Drummond (Chair)
- Michelle Jablko (Chief Executive Officer and Managing Director, from 19 October 2023)
- Mark Birrell
- Patricia Cross
- Marina Go
- Gary Lennon (from 18 March 2024)
- Timothy Reed
- Sarah Ryan (from 1 September 2023)
- Peter Scott
- Robert Whitfield
- Terence Bowen (until 19 October 2023)
- Scott Charlton (until 19 October 2023)
- Jane Wilson (until 18 October 2023)

Details of each Director's appointment, qualifications, experience and special responsibilities, together with their recent directorships, are set out in their biographies on pages 74–75.

Company secretary

Fiona Last is the Company Secretary of Transurban Holdings Limited, Transurban Infrastructure Management Limited and Transurban International Limited.

Fiona Last
LLB (Hons), BCom, FGIA

Fiona joined Transurban as Company Secretary in January 2020. Fiona is an experienced corporate lawyer and governance adviser with over 20 years relevant professional experience. Prior to joining Transurban, Fiona was Company Secretary at Treasury Wine Estates, and a Senior Corporate Lawyer at National Australia Bank. Prior to her in-house roles, Fiona worked as a corporate lawyer for legal firms in Australia, Asia and the United Kingdom.

Directors' meeting attendance

The Boards of Transurban Holdings Limited, Transurban Infrastructure Management Limited and Transurban International Limited have common Directors and meetings are held concurrently. The number of meetings of the Board and each Board Committee held during FY24, and the number of meetings attended by each Director, are set out below. The table below excludes the attendance of those Directors who attended Board Committee meetings of which they are not a member, other than the current Chair of the Board whose attendance at all Committee meetings is included below.

	Board of Directors		Audit and Risk Committee		Remuneration, People and Culture Committee		Nomination Committee		Board Sub-Committee[1]	
	Attended	Held[2]	Attended	Held[2]	Attended	Held[2]	Attended	Held[2]	Attended	Held[2]
Craig Drummond (Chair)	14	14	6	6	8		4	4	4	4
Michelle Jablko (CEO)[3]	9	9							3	3
Mark Birrell	14	14	6	6			4	4		
Patricia Cross[4]	14	14			7[5]	8	4	4		
Marina Go	14	14			8	8	4	4		
Gary Lennon[6]	5	5	1	1			1	1		
Timothy Reed	14	14			8	8	4	4		
Sarah Ryan[7]	11	11			3	3	3	3		
Peter Scott	14	14	6	6			4	4		
Robert Whitfield[8]	13[9]	14	6	6	7[9]	8	4	4		
Terence Bowen[10]	4[11]	5	2	2			1	1		
Scott Charlton[10]	4	4							1	1
Jane Wilson[10]	4[11]	5			2[11]	3	1	1		

Distributions

The Board determined a distribution of 32 cents per stapled security for the six months ended 30 June 2024 with a payment date of 13 August 2024. This takes the total distribution for FY24 to 62.0 cents per stapled security. Further details of FY24 distributions are provided in Note B9 to the financial statements.

Significant changes in the state of affairs

There were no significant transactions or events during the reporting period.

Further information is provided in the financial statements.

Events subsequent to the end of the financial year

Other than as disclosed in the financial statements, there has not arisen in the interval between the end of the financial year and the date of this report any matter or circumstance that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or the Group's state of affairs, in future years.

1 A number of Board Sub-Committees were formed during the year for special purposes

2 Number of meetings held during the year at which the Director was a member of the Board or respective Committee. Details of current Committee membership are set out in pages 74–75

3 M Jablko was appointed as Chief Executive Officer and Managing Director with effect from 19 October 2023

4 P Cross was appointed as Chair of the Remuneration, People and Culture Committee with effect from 19 October 2023

5 Reflects an unscheduled meeting held before P Cross was appointed Chair of the Remuneration, People and Culture Committee where she was unable to attend due to a prior commitment

6 G Lennon was appointed as a Director, member of the Audit and Risk Committee and member of the Nomination Committee with effect from 18 March 2024

7 S Ryan was appointed as a Director and member of the Nomination Committee with effect from 1 September 2023, and member of the Remuneration, People and Culture Committee with effect from 1 March 2024

8 R Whitfield was appointed as Chair of the Audit and Risk Committee with effect from 19 October 2023

9 Reflects unscheduled Board and Remuneration, People and Culture Committee meetings held on the same day where R Whitfield was unable to attend due to a prior commitment. R Whitfield was no longer Chair of the Remuneration, People and Culture Committee at this time

10 T Bowen and S Charlton ceased to be Directors on 19 October 2023 and J Wilson ceased to be a Director on 18 October 2023

11 Reflects an unscheduled meeting where the Director was unable to attend due to a prior commitment

Indemnification and insurance of Directors and officers

The Constitutions of the Group provide that the Group will indemnify each officer (including each Director) of the Group, on a full indemnity basis and to the extent permitted by law, against any liabilities incurred by them in their capacity as an officer of any member of the Group. Each officer is also indemnified against reasonable costs (whether legal or otherwise) incurred in relation to relevant proceedings in which the officer is involved because the officer is or was an officer.

The Group has entered into Deeds of Indemnity, Insurance and Access with each of its Directors and officers.

The Group has arranged to pay a premium for a directors and officers liability insurance policy to indemnify Directors and officers in accordance with the terms and conditions of the policy. This policy is subject to a confidentiality clause which prohibits disclosure of the nature of the liability covered, the name of the insurer, the limit of liability and the premium paid for this policy.

During FY24 and as at the date of this Directors' Report, no indemnity in favour of a current or former Director or officer of the Group or in favour of PwC, the external auditor, has been called on.

Environmental regulation

The Group's operations are subject to environmental regulation and legislation in each market. The Group is committed to achieving a high standard of environmental performance. This commitment is reflected in the Sustainability Policy and Health, Safety and Environment Policy which have both been approved by the Transurban Group Board. The Sustainability Strategy – available on our website transurban.com – outlines our objectives, while our risk management and assurance processes support environmental compliance and performance.

Based on the results of enquiries made, the Board is not aware of any significant breaches during the reporting period.

Proceedings on behalf of the Company

No proceedings have been brought or intervened in on behalf of the Company, nor any application made under section 237 of the *Corporations Act 2001* (Cth).

Non-audit services and auditor independence

PwC was appointed as the Group's external auditor on 12 October 2001. The Group has an External Auditor Independence Policy that is intended to support the independence of the external auditor by regulating the provision of services by the external auditor. The external auditor will not be engaged to perform any service that may impair or be perceived to impair the external auditor's judgement or independence.

The Board has considered the position and, in accordance with advice received from the Audit and Risk Committee, is satisfied that the provision of the non-audit services during the reporting period is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* (Cth). The Directors are satisfied that the provision of non-audit services by PwC did not compromise the auditor independence requirements of the *Corporations Act 2001* (Cth) for the following reasons:

- The Audit and Risk Committee reviewed the non-audit services to ensure they did not impact the impartiality and objectivity of the auditor.
- None of the services undermined the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, including reviewing or auditing the auditor's own work, acting in a management or a decision making capacity for the Group, acting as advocate for the Group or jointly sharing economic risk and rewards.

Details of the amounts paid for non-audit services are provided in Note B31 to the financial statements on page 182.

The Group's external auditor, PwC, has provided an independence declaration in accordance with section 307C of the *Corporations Act 2001* (Cth), which is set out on page 112 and forms part of this Directors' Report.

Rounding of amounts

The Group has applied the Australian Securities and Investments Commission ('ASIC') Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191 to this report, and amounts in the financial statements have been rounded to the nearest million dollars, unless stated otherwise.

This Directors' Report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors:

Craig Drummond
Director

Michelle Jablko
Director

Melbourne
8 August 2024

Remuneration report

Introduction from the Chair of the Remuneration, People and Culture Committee

On behalf of the Board, I am pleased to present Transurban's remuneration report for the year ended 30 June 2024.

FY24 has been a significant year for the business as we prepare for the next phase of growth under a new executive team.

Leadership and organisation changes

As announced in August 2023, the Board confirmed the appointment of Michelle Jablko as Chief Executive Officer (CEO) and Managing Director of Transurban, commencing in October to replace Scott Charlton. Previously Chief Financial Officer (CFO), Michelle's appointment led to Henry Byrne, formerly Group Executive Victoria and Strategy, taking over the CFO role.

A smooth leadership transition has been a key priority for the Board and we are pleased that the business has continued its growth momentum and focus on creating value for stakeholders for years to come.

Transurban is an exceptional business with world-class infrastructure serving more than 10.5 million customers. Increasing populations and advances in technology will present further opportunities for growth. However, we also recognise that customer, community and government expectations are evolving, as are solutions to meet mobility and transport needs. In response, we have undertaken a review of how we operate to ensure the business is structured in the most effective way to continue to deliver real and clear value to all of our stakeholders.

In May 2024, we announced a new operating model with changes to the Executive Committee and key management personnel (KMP). The changes aim to simplify our structure, increase alignment and drive efficiencies across the Group to support our strategic growth agenda (see page 93 for KMP changes).

FY24 business performance

Within this context of substantial change, the business proved its resilience by continuing to deliver strongly for all stakeholders during FY24.

Safety – both on and off the road – is a major priority for our business and in FY24 we were pleased to record a 13.5% decline in our Road Injury Crash Index, which is 10.4% below our threshold of 4.15 serious injury crashes per 100 million kilometres travelled.

Our Linkt Rewards program continued to expand and we now have over one million members. We have introduced new partners including Booking.com and Europcar, and this year offered our frequent customers significant fuel discounts.

The importance of diversity, equity and inclusion in shaping our culture is well understood at Transurban and remains an ongoing priority for the Board. During FY24, we continued to promote gender balance across our workforce and were ranked number one globally on gender equality performance in Equileap's 2024 annual ranking program. We also maintained our position as an Employer of Choice by the Workplace Gender Equality Agency (WGEA) for the 2023-2025 period, making 2024 the 11th consecutive year to have held this recognition. Our gender pay gaps continue to reduce reflecting our ongoing focus on this important issue. As publicly reported by WGEA during the year, our median gaps are well below the national average.

Furthermore, over 43% of employees currently identify as having culturally diverse backgrounds. We have also made good progress against our reconciliation action plan including the appointment of a First Nations Program Manager to ensure our reconciliation efforts are First Nations led.

Significant progress has also been made in our work around Environmental, Social and Governance (ESG) and sustainability initiatives including preparing for increasingly sophisticated regulatory and voluntary disclosure requirements. We achieved a 30% absolute reduction in our scope 1 and 2 greenhouse gas emissions and continued to promote the benefits of electric vehicles through community campaigns and support for the Parliamentary Friends of Electric Vehicles and Future Fuels Transport Group.

In NSW, we continue to engage with the government and its appointed Independent Toll Review to create a more efficient, fairer, simpler and more transparent tolling system for motorists. We share the NSW Government's focus on an approach that better suits the needs of Sydney motorists.

Group traffic grew in all markets in FY24, up 1.7% for the year. Growth in North America was particularly strong with ADT increasing by 5.5% to 157,000 trips. This flowed through to proportional toll revenue growth of 6.7% and proportional EBITDA growth of 7.5%.

We also achieved a number of milestones across our major projects including beginning construction to widen Sydney's M7 motorway. In Melbourne, the West Gate Tunnel Project is on schedule to open in 2025 and the 95 Express Lanes extension opened in the US. We also recently announced a partnership with the Queensland state government to develop plans to widen the eastern section of the Logan Motorway.

Our workforce

Our success also relies on our ability to attract and retain talented people, offering meaningful work and the opportunity to learn and grow within an inclusive and collaborative culture.

This includes ensuring our workplace experience is safe and engaging, where our people are inspired to do their best work. Given the substantial organisational change over the past year, we have increased our focus on two-way communication with the CEO so employees can get to know Michelle and to provide context for our strategic direction and changes to our approach and operating model. This has included a program of regular, informal CEO updates where employees have the opportunity to ask questions of the CEO.

We were pleased that our annual employee Our Voice survey showed continued positive overall engagement, particularly during a period of such significant change, with 85% of employees feeling proud to work for Transurban, and nearly 80% feeling confident about Transurban's future.

Our culture is key to engagement and we actively review our business and related governance practices, including our Respect@ Work program, taking action when issues are identified and considering this in the context of performance outcomes.

We also continued to focus on building capabilities for the future and investing in leadership and talent through extensive programs designed for various levels of leaders. Creating development opportunities for the broader workforce is also fundamental to how we retain an engaged workforce. Nearly 85% of respondents in this year's Our Voice survey agreed that they felt supported to achieve their career goals.

Remuneration outcomes in FY24

The success of our business is tied to the value we create for all our stakeholders. This approach is reflected in our Group Performance Scorecard, which we use to determine the Short Term Incentive (STI) pool. The scorecard's financial and non-financial measures assess our performance in terms of Financials (Proportional EBITDA and Proportional Net Cost); Health, Safety and Environment (HSE); Customer and Delivery; and Sustainability, Reputation and Leadership (see page 97 for details).

The FY24 remuneration outcomes are outlined below and, in the Board's opinion, fairly reflect individual and Group performance, taking into consideration market conditions and security holder experience.

Fixed remuneration

Fixed annual remuneration reviews were conducted, with adjustments being made to the FY24 fixed remuneration of five Executive KMP. This was made in recognition of role scope including change in roles, accountability, experience and performance of the individual, and to remain competitive against the ASX30 market benchmark.

Details can be found in the Executive KMP remuneration table on page 109.

Short Term Incentive (STI)

FY24 performance

The FY24 Group Performance Scorecard provides the Board with important additional context in assessing overall Group performance for STI purposes, including financial and non-financial measures.

In assessing overall Group performance, the Board also takes into consideration alignment with security holder outcomes.

The overall FY24 STI outcome as assessed by the Board is 92.9% (61.9% of maximum).

Details are provided on page 97.

Executive STI outcomes

In determining the STI outcomes of the CEO and Executive KMP, the Board considered both individual performance and all factors that have contributed to the overall Group result.

The Board approved STI outcomes:

- The CEO received a final STI outcome of 61% of maximum opportunity (92% of target opportunity)
- Other Executive KMP received between 0% and 71% of maximum opportunity (0% to 107% of target opportunity)
- The former CEO ceased employment on 30 November 2023 and received a pro-rated FY24 STI cash award calculated up to that date (see page 104 for further details in relation to the former CEO's FY24 remuneration).

Long Term Incentive (LTI)

During FY24, the FY21 LTI plan vested, FY22 and FY23 plans were on foot and grants were made under the FY24 LTI plan.

FCF was also reintroduced to the FY23 LTI plan along with relative TSR (see page 100).

FY21 LTI plan vesting

The FY21 LTI plan (performance period 1 July 2020 to 30 June 2023) vested on 31 August 2023 at 0%. The FY21 LTI Plan had a single performance measure of relative TSR.

Vesting outlook for FY22 LTI plan

The FY22 LTI plan was the first award following the Board approval to extend the performance period from three years to four years. To support the transition to a four-year performance period, the FY22 LTI plan consisted of two tranches. Tranche 1 (50% of awards granted) has a three-year performance period (1 July 2021 to 30 June 2024) and Tranche 2 (50% of awards granted) has a four-year performance period (1 July 2021 to 30 June 2025). This plan has a single performance measure of relative TSR, with testing of the performance hurdle for Tranche 1 indicating that 0% of awards will vest for eligible participants.

Non-executive Director remuneration

An annual review of Non-executive Director fees (base Director and Committee fees) was undertaken during FY24 which included benchmarking against other publicly listed entities of a similar size and complexity to Transurban. The Remuneration, People and Culture Committee recommended, and the Board approved, an increase to Non-executive Director fees effective 1 January 2024.

Details of Non-executive Director remuneration arrangements can be found on page 105.

FY25 CEO Fixed Remuneration

The Board determined that the CEO's fixed remuneration would increase by 3%, effective 1 July 2024. In making this decision, consideration was given to external remuneration benchmarking and the external market demand for global senior talent to ensure CEO remuneration remains competitive.

Remuneration framework

The Board continues to review the effectiveness of the Group's Remuneration Framework in supporting the Group's strategy. This includes alignment between executive remuneration outcomes and the experience of stakeholders.

Summary

Transurban commenced an important phase of change in FY24. The orderly management of executive changes has been a priority for the Committee and Board, helping the business to remain disciplined and focused on delivering value for all stakeholders.

Thank you for your ongoing support of Transurban.

Patricia Cross

Chair, Remuneration, People and Culture Committee

This report has been prepared and audited in accordance with section 300A of the Corporations Act 2001 (Corporations Act)

Who is covered by the report

This report covers Transurban's key management personnel (KMP) who have the authority and responsibility for planning, directing and controlling the Group's activities, either directly or indirectly. This includes Executive KMP and Non-executive Directors.

In FY24, KMP were as follows:

Current Non-executive Directors

Craig Drummond, Chair

Mark Birrell

Patricia Cross

Marina Go

Gary Lennon (from 18 March 2024)

Timothy Reed

Sarah Ryan (from 1 September 2023)

Peter Scott

Robert Whitfield

Former Non-executive Directors

Terence Bowen (until 19 October 2023)

Jane Wilson (until 18 October 2023)

Current Executive KMP

Executive Director and Chief Executive Officer (CEO) (from 19 October 2023, formerly Chief Financial Officer)
Michelle Jablko

Chief Financial Officer (from 19 October 2023, formerly Group Executive Victoria and Strategy)
Henry Byrne

Group Executive Australian Markets (from 1 June 2024)
Nicole Green

Group Executive Customer and Technology
Simon Moorfield

Chief Commercial Officer (from 1 June 2024, formerly Group Executive Partners, Delivery and Risk)
Hugh Wehby

Former Executive KMP

Executive Director and Chief Executive Officer (CEO) (until 19 October 2023)
Scott Charlton

Group Executive New South Wales (until 31 May 2024)
Michele Huey

Group Executive Queensland (until 31 May 2024)
Sue Johnson

All KMP held their positions for the duration of FY24 unless otherwise stated.

Our remuneration governance framework at a glance[1]

Board

Sets and oversees remuneration policy implementation.

Remuneration, People and Culture Committee

Assists the Board in fulfilling its responsibilities in relation to the remuneration of the Chairman and other Non-executive Directors, performance and remuneration of, and incentives for, the CEO and Senior Executives, remuneration strategies, practices and disclosures, and management programs to develop the capability of Transurban's workforce and align to the Group's purpose, strategy and culture.

The Committee may request additional information from Management or external advisors where required. The Committee uses a range of inputs when assessing performance and outcomes of Executive KMP, including both what and how results have been achieved. Detailed performance assessments as well as audited financial results, external remuneration benchmarking and an overarching view to the organisation's values and risk profile are taken into account. The Committee and the Board review relevant information and exercise discretion, and may adjust remuneration outcomes, including application of malus and clawback.

Management

Provide management information on financial, customer, employee, safety, ESG and risk matters which may impact remuneration.

The CEO and the Group Executive, People and Culture attend Committee meetings, however they do not participate in formal decision making or in discussions involving their own remuneration.

External Advisors

The Committee may seek and consider advice from independent remuneration consultants where appropriate.

Protocols are in place for the independent engagement of remuneration consultants and the provision of remuneration recommendations.

During FY24, remuneration consultants only provided benchmarking data and insights on market practices to the Committee. No remuneration recommendations relating to KMP were provided by consultants.

1 *Refer to Governance and risk section of the Corporate Report on page 71 for details of Transurban's Governance Framework*

Our executive remuneration approach

Our remuneration policy and strategy are designed to enable and drive our business strategy and sustainable long-term growth with consideration being given to the interests of all our stakeholders. The remuneration components that are at risk require the successful execution of that strategy in both the short and long term. Our strategic drivers are reflected in our STI and LTI performance measures so that business performance, security holder outcomes and senior executive remuneration are directly aligned. The remuneration report is presented to security holders annually showing how the Board has applied the Remuneration Framework.

Our purpose	To strengthen communities through transport			
Our strategy	By understanding what matters to our stakeholders, we create road transport solutions that make us a partner of choice			
Remuneration strategy	A total remuneration framework designed to attract, motivate and retain the most skilled, experienced and capable senior executives by rewarding them for delivering on our business strategy and creating long-term, sustainable value for stakeholders			
Governance	The Board holds discretion with regard to the setting of targets and hurdles, as well as decisions regarding performance and remuneration outcomes; this includes taking into account any relevant significant events	Minimum security holding requirements for Group CEO and KMP (equal in value to annual fixed remuneration excluding superannuation; five-year period to accumulate)	Strict protocols for engaging independent remuneration consultants and advisors	
Remuneration principles	Aligns the interests of our people with stakeholders, particularly security holders and partners, and importantly considers the impact on the community	Attracts, motivates and retains the best talent with capabilities that enable our competitive value proposition	Balances financial and non-financial performance which aligns to our purpose, values and risk appetite	Pays fairly and appropriately for operational performance and long-term value creation
Remuneration policy, including components and delivery mechanisms	**Fixed remuneration** Salary including statutory superannuation	**Short term incentive** Target performance, defined by a combination of group and individual Key Performance Indicators (KPIs), could achieve a 100% of STI target, with the potential, based on outperformance against group and individual KPIs, to earn a maximum of 150% of STI target Annual incentive awarded 50% in cash and 50% as two-year deferred Transurban securities	**Long term incentive** Long-term business performance measures determine opportunity for vesting of security grants Performance Rights with a four-year performance period	
Purpose	**Fixed component** Designed to provide market competitive remuneration to attract and retain the best talent in Australia and internationally for Transurban's current and future priorities, taking into consideration roles and experience Key role accountabilities, size and complexity are weighed up against individual responsibilities, knowledge, skills and experience to determine the appropriate level of fixed remuneration	**Current year performance** Designed as a lever to deliver our strategic and operational priorities, with a level of outperformance that reflects our values and supports our purpose Rewards for strong collective and individual contributions to overall performance of Transurban and where deferral applies provides an additional retention incentive and enables clawback optionality	**Long term sustainable performance** Designed to focus on the achievement of sustainable longer-term value creation; the performance period better reflects security holder expectations and enables the application of malus and clawback	

Executive remuneration mix

The remuneration mix is designed to achieve a balanced reward for achievement of short-term objectives and the creation of long-term sustainable value. The amount of remuneration received by Executive KMP each year depends on the achievement of business and individual performance.

Fixed remuneration (TEC) was set with reference to the market median, using the ASX30 companies as the primary reference. Remuneration packages (including TEC levels) are reviewed by the Remuneration, People and Culture Committee taking into consideration an individual's role, experience and performance, as well as relevant comparative market data provided by remuneration consultants. TEC levels are also reviewed after a change in role.

The following diagrams show the minimum, target and maximum total remuneration opportunity for CEO and other Executive KMP. Each component is determined as a percentage of the total remuneration package. Base salary and superannuation received by each Executive KMP are disclosed on page 109.

The maximum opportunity represented below is the most that can be awarded to any individual under the Group's STI Plan and is only achieved in exceptional circumstances.

Remuneration mix

	TEC	STI		LTI
CEO and Other Executive KMP				
Fixed	100%			
CEO[1]				
Target	29%	14.5%	14.5%	42%
Maximum	25%	19%	19%	37%
Other Executive KMP				
Target	41%	13.5%	13.5%	32%
Maximum	36%	18%	18%	28%

KMP Remuneration

Opportunity	Base salary and statutory superannuation	CEO: Target[2] 100% of TEC, Maximum[2] 150% of TEC Other KMP: Target[2] 67% of TEC, Maximum[2] 100.5% of TEC		CEO: Maximum[2] (face value) 147% of TEC Other KMP: Maximum[2] (face value) 80% of TEC
Delivery	Cash	50% – Cash	50% – Securities deferred for two years	Performance awards tested end of year four; 50% relative TSR; and 50% FCF

Executive KMP remuneration outcomes

STI outcomes

STI awards are determined with reference to an assessment of performance against individual KPIs and Group performance measures.

When the Board and the Remuneration, People and Culture Committee consider the performance against each element, several factors are considered that may result in the exercise of Board discretion for the benefit or detriment of the executives. For example:

- prevailing external business and economic factors beyond the control of the business and which may impact performance.
- unforeseen factors that may not have been known at the beginning of the performance period, but which are relevant to performance over the performance period.
- whether budgetary assumptions that were made when setting performance targets remain appropriate and whether conditions are potentially better or worse when compared with those assumptions.
- the degree of difficulty and complexity associated with achieving the targets, as related to both the internal and external environment.

In assessing whether to exercise discretion for any of these factors, the Board will have regard for the interests of all stakeholders including security holders.

Transurban's strategic priorities are cascaded via the CEO's KPIs to other Executives, along with other functional measures. The Board assessed the Group's and CEO's performance as follows (KPIs that are commercially sensitive have been excluded).

1 *As at the date Scott Charlton ceased to be Executive KMP, Scott had a target remuneration mix comprising 29% fixed remuneration, 29% STI and 42% LTI. Prior to her appointment as CEO, Michelle Jablko held the role of CFO and had a target remuneration mix comprising 41% fixed remuneration, 27% STI and 32% LTI*

2 *The potential impact of future security price movements is not included in the value of deferred STI awards or LTI awards*

Our business performance

Financial highlights for FY24

FY24 fundamentals remained strong as the Group focused on transitioning to a new operating model that will better support our future growth agenda as well as unlocking operating efficiencies and value for investors.

Traffic increased across all markets, flowing through to proportional toll revenue growth of 6.7% and a strong proportional EBITDA of $2,631 million, up 7.5% on FY23. Weekend traffic was up 1%, while weekday traffic was stronger, up 2% across the Group. Large vehicle traffic remained resilient, up 0.6% despite some softness in NSW and Queensland.

Our full-year distribution of 62 cents per stapled security was up approximately 7% on FY23, and 102% covered by Free Cash.

Transurban has continued to actively manage our balance sheet, maintaining a broadly stable weighted average cost of debt at 4.5%, while our disciplined and active approach to cost management saw cost growth of 3.6%, outperforming guidance of 4-6% growth.

Our strong balance sheet offers us the support and flexibility we need to take advantage of future growth opportunities.

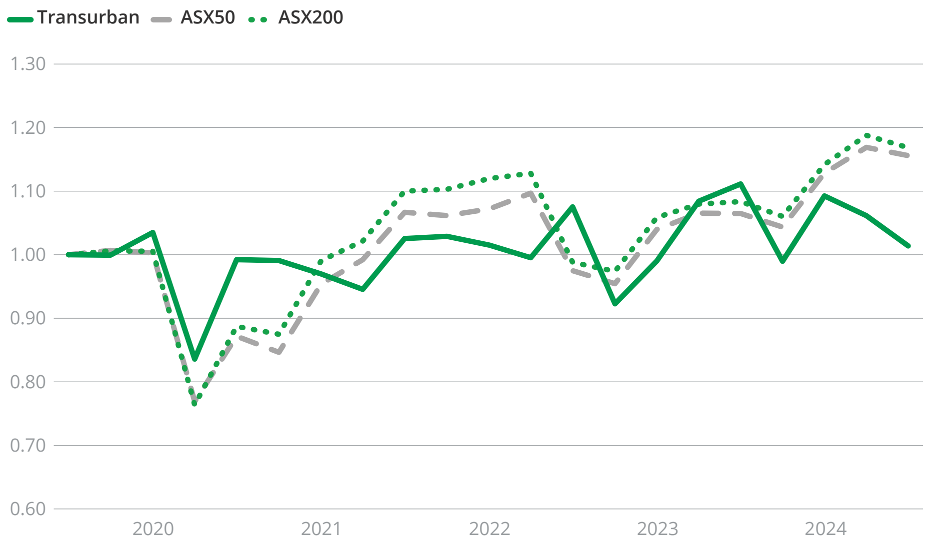
Overview of Group performance

The following table shows the Group's performance over the past five financial years.

Five-year performance		FY20	FY21	FY22	FY23	FY24
Proportional EBITDA[1,2]	$M	1,888	1,836	1,900	2,448	2,631
Free Cash per security[1,3]	Cents	54.0[5]	46.7[6]	49.9[7]	56.0[8]	79.6[9]
Distribution paid per security	Cents	47.0	36.5	41.0	58.0	62.0
Security price at 30 June[4]	$	14.13	14.23	14.38	14.25	12.40
TSR at 30 June	%	(1.0)	3.4	4.9	3.4	(8.8)
Market capitalisation	$b	38.65	38.96	44.16	43.90	38.34

Transurban's five year TSR performance against ASX indices

Further details of our Group performance are provided in the Business Performance section on pages 48–53.



1 These are non-IFRS disclosures
2 Refer to Note B4 of the audited financial statements
3 Refer to Note B9 of the audited financial statements
4 The opening security price in FY20 was $14.74
5 The FY20 FCF of 54.0 cents per security included 5.9 cents per security relating to capital releases from Lane Cove Tunnel, 2.7 cents per security from NorthWestern Roads Group, 1.9 cents per security from Hills M2 and 1.2 cents per security from Transurban Queensland. Excluding these capital releases, the FY20 FCF was 42.3 cents per security
6 The FY21 FCF of 46.7 cents per security included 10.1 cents per security relating to a capital release from WestConnex. Excluding this capital release, the FY21 FCF was 36.6 cents per security
7 The FY22 FCF of 49.9 cents per security included 8.4 cents per security relating to a capital release from WestConnex and 3.2 cents per security from NorthWestern Roads Group. Excluding these capital releases, the FY22 FCF was 38.3 cents per security
8 The FY23 FCF of 56.0 cents per security included 0.8 cents per security relating to a capital release from WestConnex. Excluding these capital releases, the FY23 FCF was 55.2 cents per security
9 The FY24 FCF of 79.6 cents per security included 16.4 cents per security relating to capital releases from Transurban Queensland, WestConnex and NWRG. Excluding these capital releases, the FY24 FCF was 63.2 cents per security

FY24 Group Performance Scorecard

KPI / Measure	Commentary	Outcome		
		Below	Met	Above
Financials (55%)				
Proportional EBITDA[1] (40%)	• Proportional EBITDA was $2,663m. While this was lower than budget, average daily traffic (ADT) increased YoY across all regions. However, toll-only revenue in Sydney, Melbourne and Brisbane was softer than anticipated and North America outperformed due to a combination of higher average tolls and higher ADT. • Proportional EBITDA excludes the impact of the NSW government's early opening of the Rozelle Interchange which resulted in additional costs (such as maintenance and tolling) being incurred and diversion of traffic across the NSW network in FY24 which was not included in the financial targets.			
Proportional Net Costs[1] (15%)	• Proportional Net Costs was $723m. This was lower than to budget as a result of lower software costs, lower spend on strategic initiatives, vacancy management activities and lower consulting costs. This was partially offset by higher net tolling expenses due to higher volumes of non-arranged travel, lower collection rates and higher maintenance expense due to M5SW. • Proportional Net Costs excludes the impact of the NSW government's early opening of the Rozelle Interchange which resulted in additional costs (such as maintenance and tolling) being incurred which was not included in the financial targets.			
Non-financial Measures (45%)				
HSE measures (15%)	• Transurban has had a strong year in relation to HSE outcomes, outperforming on our HSE Action Plans. Performance relative to road safety targets continues to be impacted by the increased risk associated with higher traffic volumes and changes in driver patterns. Transurban's roads have continued to perform significantly better than comparable road networks over the period. The Group's ongoing commitment to building a strong HSE and road safety culture is reflected in the number of HSE observations reported and action plans completed by our people.			
Customer and Delivery (15%)	• Our commitment to Customers has been focused on ongoing enhancements to the digital channel experience, ensuring core system stability and service availability and adoption and expansion of the Linkt Rewards program. This has resulted in improved Net Promotor Score (NPS) outcomes. • Fredericksburg Extension achieved service commencement ahead of budget and schedule. All other major projects are progressing and in line with budget.			
Sustainability, Reputation and Leadership (15%)	• Transurban's Scope 1 and 2 GHG emissions reduction remains ahead of the near-term FY30 target (70% absolute reduction against FY19 baseline). This includes an absolute reduction in emissions of 30% in FY24. This has been achieved through a continued focus on energy efficiency initiatives and an increase in renewable electricity use (from 80% in FY23 to 87% in FY24), despite the new inclusion of Rozelle to the reporting boundary. • Transurban has continued a program of initiatives that have built trust, awareness and understanding in the business. Specifically, ongoing community investments including child-car seat safety education, First Nations driver safety programs, charity fun runs, continuation of our six-year partnership with NeuRA to deliver critical road safety research into occupant injury prevention and fuel discount offers such as 'Fuel up your savings' to address the increasing concern about cost-of-living pressures. • With the focus on a smooth leadership transition, the emphasis has been on maintaining confidence in Transurban leadership, employee connection and inclusion and wellbeing. Through the transition, we have seen strong employee survey results maintained in these areas.			
Overall				
	The overall outcome takes into consideration the achievement against the KPIs as well as alignment with securityholder outcomes over the year and fairly reflects the performance of the Group.	**Overall STI outcome:** 92.9% of Target 61.9% of Maximum		

1 *Excluding specific major development and legal project spend, transaction and integration costs and the incremental impact of unbudgeted new assets*

FY24 CEO Performance

Priority	Performance
Strategy and Development	• Refreshed strategy to support next phase of growth endorsed by the Board • Significant engagement undertaken with all key stakeholder groups and primary relationships • Ongoing engagement in relation to NSW toll reform and the Westgate Tunnel project • Continued strong progress against 2030 GHG emissions reductions targets • Portfolio expansion, enhancement and development opportunities progressing in all markets
Customer and Delivery	• Enhancements to the customer value proposition and digital experience resulting in higher adoption rates of the Linkt app and expansion of Linkt Rewards program • Major projects on budget and ahead on delivery including new projects such as the M7/M12 Integration Project
People and Leadership	• Refreshed operating model and executive committee announced • Active review of culture-related business and governance practices • Ongoing investment in leadership capability with a particular focus on resilience and leading through change; stable overall employee engagement through period of significant change • Continued focus on positive workplace equity including maintaining 40:40:40 gender representation and gender pay parity target, and number one ranking on Equileap's 2024 Gender Equality Global Report
Operations	• Renewed focus on importance of operational excellence and a strong safety and risk culture • Constructive support provided to the NSW government on Rozelle Interchange challenges • Delivered significant operational improvements across WCX
Financials	• FY24 distribution of 62 cents per share represents a growth of 6.9% from prior year and is 102% covered by Free Cash • Proportional toll revenue and proportional EBITDA grew by 6.7% and 7.5% respectively, whilst proportional total cost growth was limited to 3.6% • The balance sheet has remained strong with robust debt covenants, credit ratings and liquidity levels. The Group's weighted average cost of debt is 4.5%

Michelle Jablko transitioned from her former role as Group CFO into the role of CEO on 19 October 2023, at the closing of the 2023 AGM. Through the transition period, Michelle maintained full focus and attention on her responsibilities as CFO. She additionally took on key transitional accountabilities including progressing the appointment of the President of North America and her CFO replacement. A positive legacy of effective financial management practices and investor engagement also ensured a smooth transition for the incoming CFO.

Since taking up her role as CEO, Michelle has spent considerable time engaging with and listening to key stakeholders. This has informed a refreshed strategy, since endorsed by the Board, as well as a new operating model and executive line up. Other key areas of focus have been on improving value for customers, establishing effective relationships with government, construction and joint venture partners and undertaking culture and governance reviews across the organisation.

The Board assessed the CEO's performance against the overall Group results as well as her individual KPIs, with a view to ensuring alignment with the experience and expectations of Transurban's security holders and other stakeholders. This has resulted in a final STI outcome of 61% of her maximum opportunity (or 92% of her target opportunity).

Former CEO FY24 STI

Former CEO, Scott Charlton ceased his role as KMP on 19 October 2023 and departed Transurban on 30 November 2023. Individual KPIs were established for the time he served during the FY24 performance period, leading to eligibility to receive an FY24 STI. These KPIs were designed to reflect the different transition phases and shifting role requirements during the period, in addition to overall group performance.

The STI opportunity included two components;

a) an 'at target' component to be assessed against the KPIs at the end of 1H24, and

b) a 'stretch' component to be assessed against the KPIs once the full financial year performance results are finalised, at the end of FY24.

This approach was designed to best reflect the timing of departure and the opportunity for outperformance.

The Board assessed the former CEO's performance for the period served against individual FY24 KPIs both at the end of 1H24 and again at the end of FY24. In its assessment at the end of 1H24 regarding the first STI component, the Board determined that the former CEO had met expectations and approved a prorated 'at target' cash payment of $648,733, equivalent to 93% of his target opportunity for the period he was a KMP. This was awarded as a cash payment in February 2024. No further awards were made to the former CEO.

FY24 Executive KMP STI outcomes

The STI performance outcomes and awards for the CEO and Executive KMP, are provided in the following table.

	STI Outcome ($)		STI Cash ($)		STI Deferred equity[1] ($)	STI as a % of maximum opportunity	STI as a % of target opportunity
Current Executive KMP							
M Jablko	1,547,700	=	773,850	+	773,850	61%	92%
H Byrne	639,000	=	319,500	+	319,500	58%	86%
N Green[2]	47,400	=	23,700	+	23,700	58%	86%
S Moorfield	703,600	=	351,800	+	351,800	71%	107%
H Wehby	837,500	=	418,750	+	418,750	71%	107%
Former Executive KMP							
S Charlton[3]	648,733	=	648,733	+	0	62%	93%
M Huey[4]	402,300	=	201,150	+	201,150	50%	74%
S Johnson[4]	0	=	0	+	0	0%	0%

LTI outcomes

Value of FY21 LTI plan performance awards vested and lapsed in FY24

The FY21 LTI plan performance awards, which were granted on 22 October 2020 with a single performance measure of relative TSR and covered the performance period from 1 July 2020 to 30 June 2023, vested on 31 August 2023. The overall vesting outcome of the performance tests was as follows:

Performance measure	Results	Vesting outcome %
TSR (100%)	Transurban ranked 18th out of 29 companies (39th percentile)	0%
Overall vesting		0%

Value of FY22 LTI plan performance awards to vest/lapse in FY25

First tranche (50%) of the FY22 LTI plan (1 July 2021 to 30 June 2024) is scheduled to vest in August 2024. This plan has a single performance measure of relative TSR, with testing of the performance hurdle indicating that 0% of awards will vest for eligible participants.

Details of vesting for each Executive KMP will be included in next year's Remuneration Report.

LTI grants

Performance awards granted in FY24

The FY24 LTI Plan has a four-year performance period (1 July 2023 to 30 June 2027), with 50% subject to relative TSR and 50% subject to FCF (excluding Capital Releases) per security growth rate. This grant is allocated based on a full-face value methodology.

The former CEO, Scott Charlton, did not receive an LTI award for FY24.

Looking ahead – performance awards to be granted in FY25

LTI awards to be granted in FY25 will have a four-year performance period (1 July 2024 to 30 June 2028), with 50% subject to relative TSR and 50% subject to FCF[5] per security growth rate. This grant is allocated based on a full-face value methodology.

The FY25 LTI Performance awards for the FCF[5] tranche will have a compound annual growth rate (CAGR)[6] range which determines 50% and 100% vesting. The annual growth rate may be higher or lower in a given year however translates to an aggregate FCF[5] as shown below.

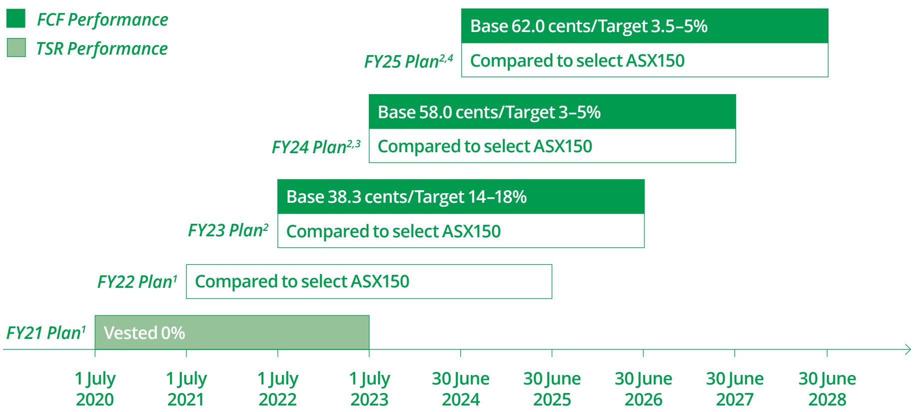
	FCF growth based on FY24 distribution	FCF growth based on FY24 distribution[7] excluding Cash Reserve Releases	Aggregate FCF (cps)
Base	62.0 cps	58.9 cps	
50% vesting	3.5% CAGR	5.6% CAGR	270.5
100% vesting	5.0% CAGR	7.1% CAGR	280.6

1 *Securities are subject to a two-year restriction period following the end of the performance year. Securities will be granted in October 2024*
2 *N Green's STI outcome reflects the period she was an Executive KMP*
3 *Scott Charlton's STI was delivered February 2024. The value represents the pro-rata amount earned during the period he was Executive KMP, being 1 July – 19 October 2023*
4 *M Huey and S Johnson's STI reflects the period they were Executive KMP*
5 *References to FCF in relation to FY25 LTI Plan exclude Capital and Cash Reserve Releases*
6 *The FCF (excluding Capital and Cash Reserve Releases) per security target range is calculated by adding each of the FCF (excluding Capital and Cash Reserve Releases) budget and forecasts over the four year performance period and determining the CAGR required to achieve the four year aggregate FCF (excluding Capital and Cash Reserve Releases). Capital Releases refer to the injection of debt into Transurban assets, thereby releasing equity. Cash Reserve Releases refer to the permanent movement in a cash reserves that were required under relevant concession and / or loan agreements*
7 *The FY24 distribution included 3.1 cps of Cash Reserve Releases*

The FCF growth associated with the FY25 LTI plan includes matters that have already been disclosed. These relate to the expected commencement of corporate tax payments from FY27 and the reduced contribution from the M5 West concession to 50% ownership from 100% after it transfers to WCX in FY27.

The target growth range will require management action in order to offset the matters noted above and is therefore considered appropriately challenging for Management. It should be noted that there are a number of potential sources of uncertainty such as unanticipated changes in traffic patterns, as well as macro-economic factors and potential new growth opportunities that may impact FCF results each year.

Should Management achieve these outcomes and deliver growth in FCF in line with the target range, the Board considers the outcomes for Management and security holders would be strongly aligned.



Remuneration received in FY24

This table sets out the actual remuneration realised by Executive KMP during FY24. This is a voluntary disclosure and is not prepared in accordance with Australian Accounting Standards. The value Executive KMP actually receive depends on Transurban's security price and whether the equity vests. The statutory remuneration tables (prepared in accordance with the Australian Accounting Standards) can be found on pages 107–109.

	TEC	Cash STI	Total Cash	Value of deferred STI vested during the year[5]	Value of LTI vested during the year[5]	Total Actual Remuneration received during the year	Value of Forfeited / Lapsed LTI during year[5,6]
Current Executive KMP							
M Jablko[7]	1,835,417	773,850	2,609,267	110,079	0	2,719,346	0
H Byrne	1,104,243	319,500	1,423,743	240,416	0	1,664,159	579,131
N Green[8]	83,333	23,700	107,033	0	NA	107,033	0
S Moorfield	983,000	351,800	1,334,800	184,652	0	1,519,452	678,978
H Wehby	1,170,076	418,750	1,588,826	226,525	0	1,815,351	878,687
Former Executive KMP							
S Charlton[9]	701,951	648,733	1,350,684	1,264,845	0	2,615,529	3,375,916
M Huey[10]	820,366	201,150	1,021,516	267,132	0	1,288,648	579,131
S Johnson[10]	820,366	0	820,366	268,239	0	1,088,605	581,531

1 Single performance measure of Relative TSR for the FY21 and FY22 plans. FY22 LTI plan consisted of two tranches. Tranche 1 (50% of awards granted) has a three-year performance period (1 July 2021 to 30 June 2024) and Tranche 2 (50% of awards granted) has a four-year performance period (1 July 2021 to 30 June 2025)

2 FCF Target: compound annual growth rate range

3 The CAGR in FCF per security will be calculated using the FY23 distribution as the base which includes Capital Releases

4 The CAGR in FCF per security will be calculated using the FY24 distribution as the base which includes Capital and Cash Reserve Releases

5 The point in time value of securities based on the security price at the date of vesting/lapse multiplied by the number of securities

6 The forfeited / lapsed LTI values relate to 0% of the performance awards which lapsed in August 2023 due to the performance hurdles not being met

7 M Jablko did not have any LTI vest in FY24

8 The actual remuneration for N Green is for the period she was an Executive KMP and did not have any STI or LTI vest while a KMP

9 The actual remuneration for Scott Charlton is for the period 1 July – 19 October 2023, being the period he was Executive KMP

10 The actual remuneration for M Huey and S Johnson is for the period they were Executive KMP

How variable remuneration is structured

Short Term Incentive (STI)—how does it work?

Description	Eligible permanent employees, including the CEO and other Executive KMP, participate in the annual STI plan, which puts a proportion of remuneration 'at risk' subject to meeting specific pre-determined Group and individual performance measures linked to Group objectives.
Performance period	The performance period is the financial year preceding the payment date.
Opportunity	For 'at-target' performance, the CEO has the opportunity to receive an STI payment of 100% of TEC and all other Executive KMP have the opportunity to receive 67% of TEC. The minimum STI outcome is 0% (if targets are not met) and the maximum is capped at 150% of the 'at-target' STI opportunity, which is only awarded for exceptional performance.
Payment and deferral	STI awards for the CEO and other Executive KMP are delivered 50% in cash and 50% is deferred into Transurban stapled securities for two years following the performance year. The deferred securities are subject to service conditions except in certain circumstances (refer to Cessation of Employment section below) and participate in dividends and/or distributions paid during the deferral period. The number of deferred securities allocated is determined by dividing the amount to be deferred by a 10-day Volume Weighted Average Price (VWAP) of Transurban securities over the 10 business days immediately preceding the STI deferred plan offer.
Annual pool	The Board determines the total STI pool to be distributed. The total pool will not exceed 125% of the aggregate STI target opportunity for all participants. The pool is allocated to individuals based on individual and Group performance in accordance with the following formula: (Individual STI outcome % x Group outcome %). This approach is designed such that higher performing employees receive a greater portion of the Group STI outcome than those who do not perform as well and aligns individual performance with overall Group performance.
Performance measures	Individual measures (KPIs) are unique to the individual's area of accountability. Individuals have a clear line of sight to KPIs and are able to directly affect outcomes through their own actions. These measures are aligned to security holder returns and value creation. Executive KPIs consist of similar categories to those of the CEO (as disclosed on page 98 of this report). Group measures comprise the following categories: • Financials (55%), consisting of: – Proportional EBITDA[1] (40%): is one of the primary measures the Board uses to assess the operating performance of the Group. It reflects the contribution from individual assets to the Group's operating performance and focuses on elements of the result that management can influence to drive improvements in short term earnings. This measure provides a better reflection of the performance of the Group's assets than statutory EBITDA. – Proportional Net Costs[2] (15%): reflects management's ability to influence the expenditure of the business. Strong cost management throughout the business drives an increase in proportional EBITDA and FCF and ultimately security holder value. – For STI purposes, both Proportional EBITDA and Proportional Net Costs, exclude significant events, specific major development and legal project spend, transaction and integration costs and the impact of unbudgeted new assets or divestments. • HSE (15%): measures focus on improving the Group's HSE culture and reducing workplace injuries for employees and contractors, as well as customer safety. The HSE measure is a combination of lead indicators and lag indicators. – The 'Lead' HSE KPI focuses on enhancing HSE culture, behaviours and accountability at Transurban. – The 'Lag' KPIs focus on recordable incidents, planning and tracking, including injury and crash rates. • Customer and Delivery (15%): measures focus on customer outcomes and major project delivery. • Sustainability, Reputation and Leadership (15%): measures focus on our commitment to climate change action, Transurban's reputation and people leadership and engagement.
Vesting	The Board assesses Group performance against Group Performance Scorecard. The Board confirms final outcomes for individual and Group performance and has discretion to adjust the performance conditions and outcomes. These methods for assessing performance are used because they provide the Board with discretion as to assessment of conditions and outcomes, with the use of an independent overlay where considered appropriate.
Cessation of employment	If employment ceases before performance is assessed, generally there is no entitlement to receive any STI award. If employment ceases due to resignation or for cause before the end of the two-year restriction period, any unvested deferred securities will be forfeited, unless the plan rules provide otherwise, or the Board otherwise resolves. If employment ceases in other circumstances (`good leaver'), unless the Board determines otherwise, unvested deferred securities will remain on foot and subject to the original terms and the deferred securities may vest at the end of the deferral period.
Clawback	Grants prior to FY21: Fraudulent or dishonest behaviour will result in the forfeiture or clawback of any unvested awards. Further, at the discretion of the Board, awards are subject to forfeiture or clawback where there is a financial misstatement circumstance or the allocation of awards was made in error, on the basis of a misrepresentation or an omission, or on the basis of facts or circumstances that were later proven to be untrue or inaccurate (applicable to both STI and LTI plans). FY21 and future grants: In December 2019 Transurban adopted new Equity Incentive Plan Rules. Under the new Equity Plan Rules, in addition to the above, the Board has discretion to clawback vested securities or require the participant repay cash proceeds from the sale of vested securities. Circumstances for clawback have also been expanded to include: breach of duties or obligation to the Group, acts which have a negative impact on Transurban's reputation, in circumstances where vesting is not justified or supportable and the possibility of an employee who departed as a 'good leaver' but then behaves inappropriately.

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Long Term Incentive (LTI)—how does it work?

Description	Participation in the LTI plan is offered to the CEO and other Executive KMP and a very limited number of other employees nominated by the CEO and approved by the Board.
Instrument	Grants are made in the form of performance awards at no cost to the recipient. Each performance award is an entitlement to receive a Transurban stapled security, or at the Board's discretion, an equivalent cash payment, on terms and conditions determined by the Board, subject to the achievement of vesting conditions. Performance awards do not carry dividend, distribution or voting entitlements prior to vesting.
Performance period	LTI grants have a four-year performance period.
Opportunity	The CEO's opportunity is 147% of TEC and the opportunity for all other Executive KMP is 80% of TEC. The minimum vesting outcome an individual can receive is 0% of the award (if the performance measures are not achieved) and the maximum vesting outcome an individual can receive is capped at 100% of the award (if performance measures are achieved).
Performance measures	Two performance measures are ordinarily used to determine the number of awards that will vest at the end of the performance period; relative Total Shareholder Return (TSR) against a bespoke comparator group and FCF (each with an equal 50% weighting).
Targets	Relative TSR is measured against a bespoke comparator group comprising companies in the transport, utilities, real estate, construction and infrastructure Global Industry Classification standards sectors of the ASX150. The companies in this group for grants made during FY24 were: *Abacus Property Group, AGL Energy Limited, APA Group, Atlas Arteria, Auckland International Airport Limited, Aurizon Holdings Limited, BWP Trust, Centuria Industrial, Charter Hall Group, Charter Hall Long, Charter Hall Retail, Chorus Limited, Dexus, Goodman Group, GPT Group, Growthpoint Properties Australia, Homeco Daily Needs, Lendlease Group, Mirvac Group, National Storage REIT, Origin Energy Limited, PEXA Group Ltd, Qantas Airways Limited, Qube Holdings Limited, Region Re Ltd, Scentre Group, Spark New Zealand Limited, Stockland, Telstra Corporation Limited, TPG Telecom Limited, Transurban Group, Vicinity Centres, Worley Ltd* Changes to the comparator group in FY24 are as follows: • Excluded (moved out of ASX150): Cromwell Property Group • Included (moved into ASX150): Spark New Zealand Limited
	FCF[3] per security targets are set by the Board utilising the annual budget and forecasts as the primary inputs (consistent with the approach taken for STI measures of Proportional EBITDA and Proportional Net Costs). Once the budget and forecast has been finalised, the Board determines the FCF targets by analysing the cash flow outcomes, ensuring sufficient stretch is incorporated. The actual FCF outcomes are reviewed in detail against targets to consider key reasons for variance and assess whether any adjustments should be made in determining management's performance. The Board may adjust where a decision has been made, in the interests of the Transurban Group and its security holders that differs from the original budgeted assumptions. This may include factors such as significant equity raisings to fund growth opportunities or changes to the timing or quantum of anticipated capital releases. Factors that may cause FCF growth to fluctuate from year to year include activities that are intended to generate long-term value for the business but may negatively impact FCF growth in the near term. The FCF calculation is included in Note B9 of the audited financial statements.
Why are these performance measures used?	TSR is a relative, external, market-based performance measure against those companies with which the Group competes for capital. It provides a direct link between executive reward and security holder return. TSR measures total return on investment of a security, taking into account both capital appreciation and distributed and/or dividend income that was reinvested on a pre-tax basis. Growth in FCF per security reflects the Group's continued focus on maximising available free cash. The Group seeks to consistently grow its distributions year on year and to align security holder distributions with FCF per security.
Allocation	Face value[4] allocation methodology.
Vesting	Following the end of the performance period, the performance measures are tested, and the Board assesses the LTI outcome. **TSR component** The Group uses an independent report that sets out the Group's TSR growth and that of each company in the bespoke comparator group. A VWAP of securities for the 20 trading days up to and including the testing date is used to calculate TSR. The level of TSR growth achieved by the Group is given a percentile ranking in relation to the Group's performance compared to the performance of other companies in the comparator group (the highest-ranking company is ranked at the 100th percentile). The TSR performance is tested at the end of the performance period, and this ranking determines the extent to which performance awards subject to this component vest. Following testing, any awards that do not vest lapse, and any awards that vest are automatically exercised into Transurban stapled securities or settled in cash at the discretion of the Board. No price is payable on exercise. **TSR vesting schedule** The TSR component of performance awards vest on a straight-line basis in accordance with the following table:

The Group's relative TSR ranking in the comparator group	% of performance awards that vest
At or below the 50th percentile	Zero
Above the 50th percentile but below the 75th percentile	Straight line vesting between 50 and 100
At or above the 75th percentile	100

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Long Term Incentive (LTI)—how does it work? (continued)

Vesting (continued)	**FCF component** The Group's FCF1 per security percentage growth rate is calculated over the four-year performance period.[5] The FCF per security component of performance awards granted will vest based on the Group's compound annual growth targets translated into annual FCF (excluding Capital Releases) per security over the four-year performance period. The Board uses its discretion to determine whether the performance awards are settled in Transurban stapled securities or a cash payment of equivalent value. Following testing, any awards that do not vest, lapse and any awards that vest are automatically exercised into Transurban stapled securities or settled in cash at the discretion of the Board. No price is payable on exercise. **FCF vesting schedule** The FCF component of performance awards vest on a straight-line basis in accordance with the following table:

FCF per security over the performance period	% of performance awards that vest
Below minimum threshold	Zero
Between minimum threshold and maximum target	Straight line vesting between 50 and 100
At or above maximum target	100

Cessation of employment	If employment ceases due to resignation or for cause before the performance measures are tested, generally there is no entitlement to unvested performance awards and any unvested awards will lapse, unless the plan rules provide otherwise, or the Board otherwise resolves. If employment ceases in other circumstances (`good leaver'), unless the Board determines otherwise, a pro rata number of unvested performance awards (calculated based on the portion of the performance period that has elapsed) will remain on foot and subject to the original terms and will be tested for vesting in the ordinary course.
Clawback	Same treatment as per STI

Minimum security holding

The Board has endorsed minimum security holding guidelines for Non-executive Directors, the CEO and Executive KMP. The guidelines recommend that Non-executive Directors, the CEO and Executive KMP build and maintain a minimum security holding of Transurban stapled securities equal to 100% of their fixed remuneration or base fees (excluding superannuation). The minimum stapled security holding can be accumulated over a five-year period.

All KMP have either achieved their minimum security holding or, for those new to the Group, are on track to meet the five year accumulation period.

Service agreements

The remuneration and other terms of employment for the CEO and other Executive KMP are formalised in service agreements that have no specified term. Under these agreements, the CEO and other Executive KMP are eligible to participate in STI and LTI plans. The notice periods in place for FY24 are outlined below:

	Period of notice to terminate by the Executive KMP	Period of notice to terminate by the Group[6]
CEO[7]	6 months	12 months
Other Executive KMP	3 months	6 months
Other Executive KMP – commencing post 6 Oct 2020	6 months	6 months

1 *Proportional EBITDA is the aggregation of EBITDA from each asset multiplied by the Group's percentage ownership, as well as any contribution from Group functions. Proportional EBITDA figures used to assess performance are included in Note B4 of the audited financial statements*

2 *Proportional Net Costs is the aggregation of total costs less fee and other revenues from each asset multiplied by the Group's percentage ownership, as well as any contribution from Group functions*

3 *References to FCF in relation to FY24 LTI Plan exclude Capital Releases*

4 *Face value is the equity value based on the Transurban share price at the date of grant. This differs to the fair value of equity which is the expensing value in accordance with the accounting standards. The fair value takes into consideration factors including: the probability of vesting based on the performance hurdles, share price volatility, life of the instrument, dividend yield, and share price at grant date*

5 *The FCF (excluding Capital Releases) per security target range is calculated by adding each of the FCF (excluding Capital Releases) budget and forecasts over the four-year performance period, and determining the CAGR required to achieve the 4-year aggregate FCF (excluding Capital Releases)*

6 *Payment in lieu of the notice period may be provided (based on the executive's fixed remuneration). The Group may also terminate at any time without notice for serious misconduct*

7 *Applies to the current CEO and former CEO. On ceasing employment, the entitlements of the former CEO, Scott Charlton, are in accordance with his employment contract and the terms of the STI and LTI plans that Scott participated in as Executive KMP*

CEO transition arrangements

Current CEO

As previously disclosed, in August 2023, the Board confirmed the appointment of Michelle Jablko to the position of Chief Executive Officer and Managing Director of Transurban. Michelle officially commenced in the role following the 2023 AGM on 19 October 2023.

The Board confirmed the following remuneration arrangements in relation to the incoming CEO, with effect from 19 October 2023:

- Fixed remuneration of $2,000,000 per annum
- STI target opportunity (at risk) of $2,000,000 (100% of fixed remuneration)
- LTI target opportunity (at risk) of $2,940,000 (147% of fixed remuneration)
- CEO notice period remains unchanged from that disclosed earlier in this report.

The Remuneration, People and Culture Committee received advice from an independent external remuneration consultant in relation to the incoming CEO's remuneration arrangements, including benchmarking data and details of current remuneration practices in the Australian market.

Former CEO

As previously disclosed, Scott Charlton stepped down as CEO on 19 October 2023, and ceased employment on 30 November 2023 ('employment end date'). He has received his contractual entitlements and benefits outlined below:

- Payment of his fixed remuneration up to and including his employment end date;
- Payment of statutory accrued leave entitlements;
- A pro-rated FY24 STI award calculated up until 30 November 2023;
- STI Securities held at the time of cessation were retained and will be released in accordance with the terms of the applicable STI plan;
- Performance Rights held at the time of cessation will be pro-rated based upon the employment end date with vesting subject to the original performance and vesting conditions in the applicable LTI plan; and
- No LTI awards were granted for FY24.

Non-executive Director remuneration

Remuneration policy

The following diagram sets out the key objectives of the Group's Non-executive Director remuneration policy and how they are achieved through the Group's remuneration framework:

Securing and retaining talented, qualified Directors

Director fee levels are set with regard to: the responsibilities and risks attached to the role, the time commitment and workload expected, the Director's experience and expertise, and market benchmark data.

Preserving independence and impartiality

Director remuneration consists of base (Director) fees and Committee fees. No element of Director remuneration is 'at risk' (i.e. fees are not based on the performance of the Group or individual Directors).

Aligning Director and security holder interests

Directors are encouraged to hold Transurban securities and the Board has endorsed minimum security holding guidelines for Directors.

Remuneration arrangements

Maximum aggregate remuneration

The aggregate remuneration that may be paid to Non-executive Directors in any year is capped at a level approved by security holders. Security holders at the 2023 Annual General Meeting approved the current aggregate fee pool of $3,500,000 per year (inclusive of superannuation contributions).

Non-executive Director fees

A review of Non-executive Director fees (base Director and Committee fees) was undertaken during FY24. This review included benchmarking against other publicly listed entities of a similar size and complexity to Transurban. Directors' performance, duties and responsibilities were all considered as part of the review process.

As a result of that review, the Remuneration, People and Culture Committee recommended, and the Board approved, an increase to Non-executive Director fees effective 1 January 2024. Based on FY24 Board composition, the fee increases can be accommodated within the current Non-executive Director aggregate fee pool.

FY24 Director and Committee fees (per annum) are set out (right):

	1 Jul 2023 – 31 Dec 2023	From 1 Jan 2024
Board fees		
Chair	$650,000	$670,000
Member	$220,000	$227,000
Committee fees		
Audit and Risk Committee		
Chair	$55,000	$61,000
Member	$28,000	$29,000
Remuneration, People and Culture Committee		
Chair	$50,000	$52,000
Member	$25,000	$26,000

There are no fees for membership of the Nomination Committee.

The Chair of the Board does not receive any additional fees for Committee responsibilities.

The Chair of each Committee only receives the Chair fee (and not a member fee).

Non-executive Directors are permitted to be paid additional fees for special duties or exertions. No such fees were paid during FY24. Non-executive Directors are also entitled to be reimbursed for all business-related expenses, including travel, as may be incurred in the discharge of their duties.

Non-executive Directors are not entitled to any retirement benefits other than statutory superannuation contributions.

Non-executive Director additional information

All Non-executive Director relationships outlined below are based on normal commercial arm's length terms. None of the Non-executive Directors were, or are, involved in any procurement of these products and services.

The Group is not required to make the following disclosures but for transparency reasons notes the following relationships and transactions.

Director	Related party	Services provided
R Whitfield	Robert Whitfield is a Non-executive Director of Commonwealth Bank of Australia (CBA)	During FY24 CBA provided transactional banking products and agency services to Transurban on normal commercial terms. CBA also participates as lender in numerous debt facilities, all on commercial terms.
M Go	Marina Go is a Non-executive Director of Energy Australia	During FY24 Energy Australia was one of Transurban's energy providers. This relationship is on normal commercial terms.

Statutory tables

Dealing in securities

In accordance with the Group's Dealing in Securities Policy, Directors, members of the Executive Committee and their related parties must not enter into hedging arrangements in relation to Transurban stapled securities. In addition, employees who have equity awards under the Group equity plan must not hedge against those equity awards. Directors and employees are also prohibited from entering into margin lending arrangements using Transurban stapled securities as security.

LTI performance awards granted in FY24

Eligible Executive KMP received LTI performance awards with a grant date of 6 October 2023, except for the CEO and CFO with a grant date of 19 October 2023. The FY24 LTI Plan is subject to a four-year performance period over the period from 1 July 2023 through to 30 June 2027. LTI awards were granted in two equal tranches, 50% of the LTI award may vest subject to achieving the relative TSR performance hurdle and 50% of the LTI award may vest subject to achieving the FCF per security performance hurdle.

The former CEO, Scott Charlton, did not receive LTI performance awards for FY24.

Securities held by Executive KMP as at 30 June 2024

	Balance at start of year	Received during the year from equity vesting	Other changes during the year	Balance at end of year[1,2]
Current Executive KMP				
M Jablko	67,169	8,352	–	75,521
H Byrne[3]	52,390	18,241	(5,000)	65,631
N Green	153	0	–	153
S Moorfield	10,200	14,010	–	24,210
H Wehby	17,370	17,187	–	34,557
Former Executive KMP				
S Charlton	781,693	95,967	–	NA
M Huey	263,262	20,268	–	NA
S Johnson	121,148	20,352	3,450	NA

The relevant values of the grants are as follows:

		Fair Value[4] of awards at grant date			
	Grant date	Relative TSR	FCF per security	Security price at grant date	Face Value[5] of awards at allocation date
Other KMP	6 Oct 2023	$5.46	$10.47	$12.51	$14.39
CEO and CFO	19 Oct 2023	$4.74	$10.10	$12.05	$14.39

The following table shows the number of LTI awards granted to Executive KMP during FY24:

	Number of performance awards granted[9]	Maximum (fair value) value[10] of grant ($)	Maximum (face value) value[11] of grant ($)
Current Executive KMP			
M Jablko[6]	204,309	1,515,973	2,461,923
H Byrne	66,713	495,010	803,892
N Green[7]	NA	NA	NA
S Moorfield	49,646	395,430	621,071
H Wehby	61,154	487,092	765,037
Former Executive KMP			
S Charlton[8]	NA	NA	NA
M Huey	48,923	389,672	612,027
S Johnson	48,923	389,672	612,027

1 *Balance at the date of this Report is the same as the balance at the end of FY24*

2 *For S Charlton the balance at the end of the year is as at 19 October 2023 and for M Huey and S Johnson the balance at the end of the year is as at 31 May 2024, being the date they ceased to be an Executive KMP*

3 *In the FY23 Remuneration Report, balance at end of year was reported as 53,290; this should have been 52,390*

4 *Fair value in accordance with AASB 2 – share-based payments*

5 *Security price as at 1 July 2023 (allocation date)*

6 *Michelle Jablko was granted 204,309 performance awards as part of her 2024 remuneration package as approved at the 2023 Annual General Meeting, under ASX Listing Rule 10.14*

7 *N Green did not receive an LTI award while a KMP for FY24*

8 *S Charlton did not receive an LTI award for FY24*

9 *The minimum value of the grant, if the applicable performance measures are not met, is zero*

10 *Maximum value of the grant has been calculated based on a fair value approach as at the grant date. The fair value considers the probability that the Executive KMP may not derive value from the LTI award, along with other factors, including difficulty of achieving performance hurdles and anticipated security price volatility*

11 *Maximum value of the grant based on security price at grant date. The maximum LTI opportunity for each Executive KMP is the face value of the award (i.e. the value the Executive KMP would receive if all of their performance awards vested, based on Transurban's security price at the time the award was granted)*

Summary of Executive KMP allocated, vested or lapsed equity

Type of equity[1,2]	Allocation date	Grant date	Vesting date	Balance at start of year	Granted during year	Vested and exercised in FY24[6]	% of total vested & exercised in FY24	Lapsed/ forfeited in FY24	% Lapsed/ forfeited in FY24	Balance at end of year[7]	Fair value of equity ($)[8,9]
Current Executive KMP											
M Jablko[3]											
Performance awards	01 Jul 21	04 Oct 21	Aug 24	43,479	–	–	–	–	–	43,479	285,222
Performance awards	01 Jul 21	04 Oct 21	Aug 25	44,927	–	–	–	–	–	44,927	308,199
Performance awards	01 Jul 22	07 Oct 22	Aug 26	92,652	–	–	–	–	–	92,652	813,485
Performance awards	01 Jul 23	19 Oct 23	Aug 27	–	204,309	–	–	–	–	204,309	204,309
Total performance awards				**181,058**	**204,309**	**0**	**0**	**0**	**0**	**385,367**	**2,922,879**
Deferred securities	15 Oct 21	04 Oct 21	Aug 23	8,352	–	(8,352)	100	–	0	0	119,183
Deferred securities	21 Oct 22	07 Oct 22	Aug 24	23,398	–	–	–	–	–	23,398	295,985
Deferred securities	27 Oct 23	06 Oct 23	Aug 25	–	47,250	–	–	–	–	47,250	591,098
Total deferred securities				**31,750**	**47,250**	**(8,352)**	**100**	**0**	**0**	**70,648**	**1,006,266**
H Byrne											
Performance awards	01 Jul 20	22 Oct 20	Aug 23	43,675	–	–	0	(43,675)	100	0	288,692
Performance awards	01 Jul 21	04 Oct 21	Aug 24	24,438	–	–	–	–	–	24,438	160,313
Performance awards	01 Jul 21	04 Oct 21	Aug 25	25,252	–	–	–	–	–	25,252	173,229
Performance awards	01 Jul 22	07 Oct 22	Aug 26	52,077	–	–	–	–	–	52,077	457,236
Performance awards	01 Jul 23	17 Oct 23	Aug 27	–	66,713	–	–	–	–	66,713	495,010
Total performance awards				**145,442**	**66,713**	**0**	**0**	**(43,675)**	**100**	**168,480**	**1,574,480**
Deferred securities	15 Oct 21	04 Oct 21	Aug 23	18,241	–	(18,241)	100	–	0	0	260,299
Deferred securities	21 Oct 22	07 Oct 22	Aug 24	13,284	–	–	–	–	–	13,284	168,043
Deferred securities	27 Oct 22	06 Oct 23	Aug 25	–	24,325	–	–	–	–	24,325	304,306
Total deferred securities					**24,325**	**(18,241)**	**100**	**0**	**0**	**37,609**	**732,648**
N Green[3]											
Performance awards	01 Jul 22	07 Oct 22	Aug 26	6,000	–	–	–	–	–	6,000	52,680
Performance awards	01 Jul 23	19 Oct 23	Aug 27	–	6,000	–	–	–	–	6,000	47,790
Total performance awards				**6,000**	**6,000**	**0**	**0**	**0**	**0**	**12,000**	**100,470**
Deferred securities	21 Oct 22	07 Oct 22	Aug 24	6,328	–	–	–	–	–	6,328	80,049
Deferred securities	27 Oct 23	06 Oct 23	Aug 25	–	24,106	–	–	–	–	24,106	301,566
ShareLink Share Offer	07 Dec 22	07 Dec 22	07 Dec 25	73	–	–	–	–	–	73	989
ShareLink Share Offer	06 Dec 23	06 Dec 23	06 Dec 26	–	80	–	–	–	–	80	993
Total deferred securities				**6,401**	**24,186**	**–**	**–**	**–**	**0**	**30,587**	**383,597**
S Moorfield											
Performance awards	01 Jul 20	22 Oct 20	Aug 23	51,205	–	–	0	(51,205)	100	0	338,465
Performance awards	01 Jul 21	04 Oct 21	Aug 24	25,488	–	–	–	–	–	25,488	167,201
Performance awards	01 Jul 21	04 Oct 21	Aug 25	26,337	–	–	–	–	–	26,337	180,672
Performance awards	01 Jul 22	07 Oct 22	Aug 26	60,703	–	–	–	–	–	60,703	532,972
Performance awards	01 Jul 23	06 Oct 23	Aug 27	–	49,646	–	–	–	–	49,646	395,430
Total performance awards				**163,733**	**49,646**	**0**	**0**	**(51,205)**	**100**	**162,174**	**1,614,740**
Deferred securities	15 Oct 21	04 Oct 21	Aug 23	14,010	–	(14,010)	100	–	0	0	199,923
Deferred securities	21 Oct 22	07 Oct 22	Aug 24	17,925	–	–	–	–	–	17,925	226,751
Deferred securities	27 Oct 23	06 Oct 23	Aug 25	–	23,413	–	–	–	–	23,413	292,897
Total deferred securities				**31,935**	**23,413**	**(14,010)**	**100**	**0**	**0**	**41,338**	**719,571**
H Wehby											
Performance awards	01 Jul 20	22 Oct 20	Aug 23	66,266	–	–	0	(66,266)	100	0	438,018
Performance awards	01 Jul 21	04 Oct 21	Aug 24	32,984	–	–	–	–	–	32,984	216,375
Performance awards	01 Jul 21	04 Oct 21	Aug 25	34,083	–	–	–	–	–	34,083	233,809
Performance awards	01 Jul 22	07 Oct 22	Aug 26	70,288	–	–	–	–	–	70,288	617,129
Performance awards	01 Jul 23	06 Oct 23	Aug 27	–	61,154	–	–	–	–	61,154	487,092
Total performance awards				**203,621**	**61,154**	**0**	**0**	**(66,266)**	**100**	**198,509**	**1,992,423**
Deferred securities	15 Oct 21	04 Oct 21	Aug 23	17,187	–	(17,187)	100	–	0	0	245,258
Deferred securities	21 Oct 22	07 Oct 22	Aug 24	15,779	–	–	–	–	–	15,779	199,604
Deferred securities	27 Oct 23	06 Oct 23	Aug 25	–	35,845	–	–	–	–	35,845	448,421
Total deferred securities				**32,966**	**35,845**	**(17,187)**	**100**	**0**	**0**	**51,624**	**893,283**

Footnotes on following page

Summary of Executive KMP allocated, vested or lapsed equity (continued)

Type of equity[1,2]	Allocation date	Grant date	Vesting date	Balance at start of year	Granted during year	Vested and exercised in FY24	% of total vested & exercised in FY24	Lapsed/ forfeited in FY24	% Lapsed/ forfeited in FY24[6]	Balance at end of year[7]	Fair value of equity ($)[8,9]
Former Executive KMP											
S Charlton											
Performance awards	01 Jul 20	22 Oct 20	Aug 23	254,594	–	–	0	(254,594)	100	0	1,682,866
Performance awards	01 Jul 21	04 Oct 21	Aug 24	126,725	–	–	–	(24,628)	19	102,097	698,255
Performance awards	01 Jul 21	04 Oct 21	Aug 25	130,946	–	–	–	(51,805)	40	79,141	771,272
Performance awards	01 Jul 22	07 Oct 22	Aug 26	270,048	–	–	–	(174,302)	65	95,746	2,438,533
Total performance awards				**782,313**	**0**	**0**	**0**	**(505,329)**	**65**	**276,984**	**5,590,926**
Deferred securities	15 Oct 21	04 Oct 21	Aug 23	95,967	–	(95,967)	100	–	0	0	1,369,449
Deferred securities	21 Oct 22	07 Oct 22	Aug 24	34,973	–	–	–	–	–	34,973	442,408
Deferred securities	27 Oct 23	06 Oct 23	Aug 25	–	102,462	–	–	–	–	102,462	1,281,800
Total deferred securities				**130,940**	**102,462**	**(95,967)**	**100**	**0**	**0**	**137,435**	**3,093,657**
M Huey[5]											
Performance awards	01 Jul 20	22 Oct 20	Aug 23	43,675	–	–	0	(43,675)	100	0	288,692
Performance awards	01 Jul 21	04 Oct 21	Aug 24	24,438	–	–	–	(669)	3	23,769	160,313
Performance awards	01 Jul 21	04 Oct 21	Aug 25	25,252	–	–	–	(6,827)	27	18,425	173,229
Performance awards	01 Jul 22	07 Oct 22	Aug 26	52,077	–	–	–	(27,090)	52	24,987	457,236
Performance awards	01 Jul 23	06 Oct 23	Aug 27	–	48,923	–	–	(37,672)	77	11,251	389,672
Total performance awards				**145,442**	**48,923**	**0**	**0**	**(115,933)**	**60**	**78,432**	**1,469,142**
Deferred securities	15 Oct 21	04 Oct 21	Aug 23	20,268	–	(20,268)	100	–	0	0	289,224
Deferred securities	21 Oct 22	07 Oct 22	Aug 24	15,276	–	–	–	–	–	15,276	193,241
Deferred securities	27 Oct 23	06 Oct 23	Aug 25	–	24,325	–	–	–	–	24,325	304,306
Total deferred securities				**35,544**	**24,325**	**(20,268)**	**100**	**0**	**0**	**39,601**	**786,771**
S Johnson[5]											
Performance awards	01 Jul 20	22 Oct 20	Aug 23	43,856	–	–	0	(43,856)	100	0	289,888
Performance awards	01 Jul 21	04 Oct 21	Aug 24	24,438	–	–	–	(669)	3	23,769	160,313
Performance awards	01 Jul 21	04 Oct 21	Aug 25	25,252	–	–	–	(6,827)	27	18,425	173,229
Performance awards	01 Jul 22	07 Oct 22	Aug 26	52,077	–	–	–	(27,090)	52	24,987	457,236
Performance awards	01 Jul 23	06 Oct 23	Aug 27	–	48,923	–	–	(37,672)	77	11,251	389,672
Total performance awards				**145,623**	**48,923**	**0**	**0**	**(116,114)**	**60**	**78,432**	**1,470,338**
Deferred securities	15 Oct 21	04 Oct 21	Aug 23	20,352	–	(20,352)	100	–	0	0	290,423
Deferred securities	21 Oct 22	07 Oct 22	Aug 24	11,690	–	–	–	–	–	11,690	147,879
Deferred securities	27 Oct 23	06 Oct 23	Aug 25	–	20,087	–	–	–	–	20,087	251,288
Total deferred securities				**32,042**	**20,087**	**(20,352)**	**100**	**0**	**0**	**31,777**	**689,590**

1 *Additional information regarding the prior year incentive awards that are on foot, can be found in the remuneration report of the relevant year in which the grant was made*

2 *Performance awards granted prior to December 2019 expire 7 years from the date of allocation and Performance awards granted after December 2019 have an expiry of 15 years from the date of allocation. Deferred securities do not have an expiry date*

3 *N Green has not been granted performance awards or deferred securities while a KMP*

4 *For the former CEO, Scott Charlton, the balance at the end of the year reflects the balance at the date he ceased to be Executive KMP, being 19 October 2023. S Charlton forfeited a prorated portion of his unvested performance awards upon termination*

5 *M Huey and S Johnson, the balance at the end of the year reflects the balance at the date they ceased to be Executive KMP, being 31 May 2024. M Huey and S Johnson forfeited a prorated portion of their unvested performance awards upon termination*

6 *Performance awards granted in FY21 did not vest during FY24 at the end of the three-year performance period as it did not meet the relative TSR performance hurdle*

7 *No closely related parties of Executive KMP held any performance awards or deferred securities during FY24*

8 *Fair value at grant date for performance awards. Deferred securities represent the fair value of the STI deferred component*

9 *In accordance with the requirements of AASB 2 Share-based Payment, the fair value of performance awards as at their date of grant. The fair value has been independently determined. The fair value of the performance awards with a TSR performance measure has been valued applying a Monte Carlo simulation (using a Black-Scholes framework) to model Transurban's security price and the TSR performance against the comparator group's TSR performance. The fair value of performance awards with a FCF performance measure (grants made prior to October 2020) has been determined by reference to Transurban's security price at the grant date discounted for dividends and distributions forgone throughout the performance period. The amount included is not related to or indicative of the benefit (if any) that individual executives may ultimately realise should these equity instruments vest*

Executive KMP remuneration

	Short-term employee benefits			Post-employment benefits	Long-term benefits	Share-based benefits[5, 6]			
	Cash salary and fees[1]	Cash STI[2]	Non-monetary benefits[3]	Superannuation	Annual and Long Service Leave	Deferred STI[4]	LTI Awards	Termination payments[6]	Total[7]
Current Executive KMP									
M Jablko									
2024	1,808,018	773,850	844	27,399	51,995	524,864	727,148		3,914,118
2023	1,424,708	624,300	2,865	25,292	19,362	332,229	717,873		3,146,629
H Byrne									
2024	1,076,844	319,500	1,583	27,399	145,381	255,213	338,040		2,163,960
2023	789,708	321,400	3,379	25,292	34,500	239,628	295,527		1,709,434
N Green[8]									
2024	81,050	23,700	170	2,283	1,153	17,364	1,985		127,705
S Moorfield									
2024	955,601	351,800	844	27,399	(1,192)	279,330	339,034		1,952,816
2023	924,708	309,350	2,019	25,292	10,168	235,244	343,201		1,849,982
H Wehby									
2024	1,142,677	418,750	806	27,399	63,194	340,344	415,288		2,408,458
2023	1,074,708	473,600	2,334	25,292	(23,898)	293,554	430,606		2,276,196
Total for Current Executive KMP									
2024	**5,064,190**	**1,887,600**	**4,247**	**111,879**	**260,531**	**1,417,115**	**1,821,495**		**10,567,057**
2023	4,213,832	1,728,650	10,597	101,168	40,132	1,100,655	1,787,207	0	8,982,241
Former Executive KMP									
S Charlton[9]									
2024	688,667	648,733	472	13,284	(412,197)	466,752	457,259	0	1,862,970
2023	2,274,708	1,353,800	12,146	25,292	(196,795)	1,413,430	1,572,310		6,454,891
M Huey									
2024	781,551	201,150	1,385	38,815	(125,604)	470,461	325,774	704,798	2,398,330
2023	789,708	321,400	5,092	25,292	23,124	256,927	295,527		1,717,070
S Johnson									
2024	781,551	0	1,438	38,815	(193,335)	220,127	325,836	803,175	1,977,607
2023	789,708	265,400	8,751	25,292	(51,029)	224,913	295,909		1,558,944
Total									
2024	**7,315,959**	**2,737,483**	**7,542**	**202,793**	**(470,605)**	**2,574,455**	**2,930,364**	**1,507,973**	**16,805,964**
2023	8,067,956	3,669,250	36,586	177,044	(184,568)	2,995,925	3,950,953	0	18,713,146

1 *Cash salary and fees does not include unpaid leave taken during the year*

2 *For current and former Executive KMP (other than S Charlton), the amounts represent the cash STI payment to Executive KMP for FY24, which will be paid in September 2024. For former CEO, S Charlton, his FY24 STI award was paid in February 2024. FY23: cash component of STI paid in September 2023*

3 *Non-monetary benefits include Group employee insurance*

4 *A component of STI award is deferred into Transurban stapled securities. In accordance with accounting standards, the deferred component is recognised over the three-year service period. In accordance with the requirements of the accounting standards, the Deferred STI share-based benefits of S Charlton, M Huey and S Johnson include an acceleration of expense for all remaining unvested awards on foot upon departure*

5 *In accordance with the requirements of the accounting standards, remuneration includes a proportion of the fair value of equity compensation granted or outstanding during the year (i.e. performance awards under the LTI plan). The fair value of the awards is determined as at the grant date and is progressively allocated over the performance period. The amount included, as remuneration may be different to the benefit (if any) that the KMP may ultimately realise should the awards vest. The fair value of performance awards with a TSR performance measure has been determined by applying a Monte Carlo simulation (using a Black-Scholes framework) to model Transurban's security price and the TSR performance against the comparator group performance. The fair value of performance awards with a FCF performance measure has been determined by reference to Transurban's security price at the grant date discounted for dividends and distributions forgone throughout the performance period. As the FCF performance measure is a non-market performance condition, amounts recognised are adjusted based on the best available estimate of the number of equity instruments expected to vest*

6 *Termination payments represents contractual payments made on termination, does not include statutory payments such as annual leave and long service leave paid out on termination*

7 *The percentage of FY24 remuneration related to performance was M Jablko 52%, H Byrne 42%, N Green 34%, S Moorfield 50%, H Wehby 49%, S Charlton 84%, M Huey 42%, S Johnson 28%*

8 *N Green remuneration reflects the period as KMP from 1 June 20249. In FY24, S Charlton was an Executive KMP from 1 July 2023 – 19 October 2023 and ceased employment on 30 November 2023. The values in the table represent remuneration earned for the period he was Executive KMP*

Remuneration paid to Non-executive Directors

	Short-term benefits Fees	Termination benefits[1]	Post-employment benefits Superannuation[2]	Total
Current Non-executive Directors				
C Drummond[3]				
2024	632,601		27,399	660,000
2023	488,980		24,433	513,413
M Birrell				
2024	227,027		24,973	252,000
2023	216,290		22,710	239,000
P Cross[3]				
2024	240,683		26,336	267,019
2023	212,670		22,666	235,336
M Go[4]				
2024	224,324		24,676	249,000
2023	203,620		21,380	225,000
G Lennon[3]				
2024	66,810		7,349	74,159
T Reed				
2024	224,324		24,676	249,000
2023	212,670		22,330	235,000
S Ryan[4]				
2024	176,126		19,374	195,500
P Scott				
2024	227,027		24,973	252,000
2023	216,290		22,710	239,000
R Whitfield				
2024	279,003		27,399	306,402
2023	261,208		25,292	286,500
Former Non-executive Directors				
T Bowen[5]				
2024	75,075	1,701	8,258	85,034
2023	240,238		24,762	265,000
J Wilson[6]				
2024	66,049	1,483	7,265	74,797
2023	212,670		22,330	235,000
Total[7]				
2024	**2,439,049**	**3,184**	**222,678**	**2,664,911**
2023[8]	2,264,636	0	208,613	2,473,249

1 The amount of $1,701 for T Bowen comprises a termination benefit (farewell gift on retirement) of $860 and FBT of $841 and the amount of $1,483 for J Wilson comprises a termination benefit (farewell gift on retirement) of $750 and FBT of $733

2 Superannuation contributions made on behalf of Non-executive Directors to satisfy Transurban's obligations under applicable superannuation guarantee legislation. Excludes Australian Taxation Office approved exemptions

3 G Lennon commenced as Non-executive Director on 18 March 2024 and the period reported is from that date for FY24

4 S Ryan commenced as Non-executive Director on 1 September 2023 and the period reported is from that date for FY24

5 T Bowen ceased to be a Non-executive Director on 19 October 2023 and remuneration reported is until that date

6 J Wilson ceased to be a Non-executive Director on 18 October 2023 and remuneration reported is until that date

7 The current maximum aggregate amount approved by security holders in 2023 to be paid as remuneration to all Non-executive Directors is $3,500,000 per year (previously $3,000,000), inclusive of superannuation contributions. The total remuneration paid to Non-executive Directors in FY24 represents approximately 76% (FY23: approximately 89%) of the approved maximum aggregate amount

8 The total disclosed in the FY23 Remuneration Report ($2,667,085) includes remuneration of former Non-executive Directors, which are excluded from the above disclosure, comprising L Maxsted ($193,836)

Securities held by Non-executive Directors as at 30 June 2023 and at the date of this Report

	Balance at start of year	Changes during year	Balance at end of year[1,2]
Current Non-executive Directors			
C Drummond	42,000	12,117	54,117
M Birrell	16,500	–	16,500
P Cross	34,329	–	34,329
M Go	11,470	4,359	15,829
G Lennon	0	4,000	4,000
T Reed	22,500	–	22,500
S Ryan	0	4,000	4,000
P Scott	37,068	1,673	38,741
R Whitfield	26,112	–	26,112
Former Non-executive Directors			
T Bowen	44,691	–	N/A
J Wilson	22,223	–	N/A

Loans with KMP

No loans have been made between Transurban and any KMP (including their related parties) at any time during the year.

Other transactions with KMP

Distributions provided for as at 30 June 2024 but payable after reporting date for the CEO and other Executive KMP in relation to unvested Deferred STI are set out in the following table.

There were no other transactions with the CEO, Executive KMP and Non-executive Directors during the year.

	# Unvested DSTI	Distribution provision as at year end[3,4]
Current Executive KMP		
M Jablko		
2024	70,648	22,607
2023	31,750	10,001
H Byrne		
2024	37,609	12,035
2023	31,525	9,930
N Green[5]		
2024	30,587	9,788
S Moorfield		
2024	41,338	13,228
2023	31,935	10,060
H Wehby		
2024	51,624	16,520
2023	32,966	10,384

1 *Balance at the date of this Report is the same as the balance at the end of FY24*
2 *As at 30 June 2024, all of the securities held by M Birrell, P Cross, G Lennon, S Ryan and P Scott were held indirectly, and 12,098 of the securities held by M Go were held indirectly*
3 *2024 based on $0.32 distribution declared on 21 June 2024. The distribution has a record date of 28 June 2024 and its payment date is on 13 August 2024*
4 *2023 based on $0.315 distribution declared on 19 June 2023. The distribution has a record date of 29 June 2023 and its payment date is on 21 August 2023*
5 *N Green reflects the period as KMP from 1 June 2024*

Auditor's Independence Declaration

As lead auditor for the audits of Transurban Holdings Limited, Transurban Holding Trust and Transurban International Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Transurban Holdings Limited, Transurban Holding Trust and Transurban International Limited and the entities they controlled during the period.

E A Barron
Partner
PricewaterhouseCoopers

Melbourne
8 August 2024

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Financial statements

Gateway Motorway, Brisbane

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Section A: Group financial statements

Transurban Holdings Limited
Consolidated statement of comprehensive income for the year ended 30 June 2024

	Note	2024 $M	2023 $M
Revenue	B5	**4,119**	**4,157**
Expenses			
Employee benefits expense		(386)	(347)
Road operating costs		(421)	(392)
Construction costs		(964)	(1,142)
Transaction and integration costs		—	(2)
Corporate and other expenses		(147)	(166)
Total operating expenses		**(1,918)**	**(2,049)**
Amortisation		(931)	(962)
Depreciation		(138)	(149)
Total depreciation and amortisation		**(1,069)**	**(1,111)**
Net finance costs	B12	(404)	(645)
Share of loss of equity accounted investments, inclusive of impairments	B22	(349)	(327)
Gain on disposal of interest in subsidiary	B21	—	41
Profit before income tax		**379**	**66**
Income tax (expense)/benefit	B6	(3)	26
Profit for the year		**376**	**92**
Profit attributable to:			
Ordinary security holders of the stapled group			
— Attributable to Transurban Holdings Limited (THL)		(154)	(381)
— Attributable to THT/TIL		480	445
Profit attributable to ordinary security holders of the stapled group	B8	326	64
Non-controlling interests—other	B23	50	28
Profit for the year		**376**	**92**
Other comprehensive income			
Gains reclassified on disposal of subsidiary, net of tax	B21	—	(63)
Items that may be reclassified to profit and loss in the future			
Changes in the fair value of cash flow hedges, net of tax		(13)	(253)
Changes in the fair value of cost of hedging, net of tax		(35)	(4)
Share of other comprehensive loss of equity accounted investments, net of tax	B22	(68)	(59)
Exchange differences on translation of North American operations, net of tax		—	84
Other comprehensive loss for the year, net of tax		**(116)**	**(295)**
Total comprehensive income/(loss) for the year		**260**	**(203)**
Total comprehensive income/(loss) for the year is attributable to:			
Ordinary security holders of the stapled group			
— Attributable to THL		(139)	(586)
— Attributable to THT/TIL		354	385
Non-controlling interests—other		45	(2)
Total comprehensive income/(loss) for the year		**260**	**(203)**
		Cents	Cents
Earnings per security attributable to ordinary security holders of the stapled group	B8	**10.6**	**2.1**

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

Section A: Group financial statements for the year ended 30 June 2024

Transurban Holdings Limited
Consolidated balance sheet as at 30 June 2024

	Note	2024 $M	2023 $M
Assets			
Current assets			
Cash and cash equivalents	B7	2,041	2,081
Current tax assets		4	—
Trade and other receivables	B7	628	407
Derivative financial instruments	B14	137	5
Total current assets		**2,810**	**2,493**
Non-current assets			
Equity accounted investments	B22	9,820	10,677
Trade and other receivables		1	3
Financial assets at amortised cost	B29	2,007	1,980
Derivative financial instruments	B14	1,036	1,253
Property, plant and equipment		498	532
Deferred tax assets	B6	950	965
Goodwill	B15	466	466
Other intangible assets	B16	19,106	19,351
Total non-current assets		**33,884**	**35,227**
Total assets		**36,694**	**37,720**
Liabilities			
Current liabilities			
Trade and other payables	B7	487	482
Current tax liabilities		8	35
Borrowings	B13	1,395	367
Derivative financial instruments	B14	5	—
Maintenance provision	B17	164	143
Distribution provision	B9	1,015	1,004
Other provisions		99	104
Construction obligation liability	B18	152	335
Other liabilities	B19	375	778
Total current liabilities		**3,700**	**3,248**
Non-current liabilities			
Borrowings	B13	18,332	18,191
Derivative financial instruments	B14	270	146
Deferred tax liabilities	B6	1,385	1,439
Maintenance provision	B17	1,004	971
Other provisions		9	7
Construction obligation liability	B18	—	111
Other liabilities	B19	316	327
Total non-current liabilities		**21,316**	**21,192**
Total liabilities		**25,016**	**24,440**
Net assets		**11,678**	**13,280**
Equity			
Contributed equity	B10	4,002	3,968
Reserves	B11	(446)	(462)
Accumulated losses		(5,502)	(5,348)
Equity attributable to other members of the stapled group (THT/TIL)		12,985	14,416
Equity attributable to security holders of the stapled group		**11,039**	**12,574**
Non-controlling interests—other	B23	639	706
Total equity		**11,678**	**13,280**

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

Section A: Group financial statements for the year ended 30 June 2024

Transurban Holdings Limited
Consolidated statement of changes in equity for the year ended 30 June 2024

	Attributable to security holders of the stapled group							
	Number of securities	Contributed equity	Reserves	Accumulated losses	Equity attributable to other members—THT & TIL	Total	Non-controlling interests—other	Total equity
	M	$M	$M	$M	$M	$M	$M	$M
Balance at 1 July 2023	**3,081**	**3,968**	**(462)**	**(5,348)**	**14,416**	**12,574**	**706**	**13,280**
Comprehensive income/(loss)								
Profit/(loss) for the year	—	—	—	(154)	480	326	50	376
Other comprehensive income/(loss)	—	—	15	—	(126)	(111)	(5)	(116)
Total comprehensive income/(loss)	**—**	**—**	**15**	**(154)**	**354**	**215**	**45**	**260**
Transactions with owners in their capacity as owners:								
Employee performance awards issued[1]	1	2	—	1	9	12	—	12
Distributions provided for[2]	—	—	—	—	(1,916)	(1,916)	(112)	(2,028)
Distribution reinvestment plan[3]	10	32	—	—	122	154	—	154
Transactions with non-controlling interests	—	—	1	(1)	—	—	—	—
	11	**34**	**1**	**—**	**(1,785)**	**(1,750)**	**(112)**	**(1,862)**
Balance at 30 June 2024	**3,092**	**4,002**	**(446)**	**(5,502)**	**12,985**	**11,039**	**639**	**11,678**
Balance at 1 July 2022	**3,071**	**3,939**	**(258)**	**(4,936)**	**15,676**	**14,421**	**807**	**15,228**
Comprehensive income/(loss)								
Profit/(loss) for the year	—	—	—	(381)	445	64	28	92
Other comprehensive loss	—	—	(205)	—	(60)	(265)	(30)	(295)
Total comprehensive income/(loss)	**—**	**—**	**(205)**	**(381)**	**385**	**(201)**	**(2)**	**(203)**
Transactions with owners in their capacity as owners:								
Employee performance awards issued[1]	1	2	1	—	12	15	—	15
Distributions provided for[2]	—	—	—	(31)	(1,754)	(1,785)	(99)	(1,884)
Distribution reinvestment plan[3]	9	27	—	—	97	124	—	124
	10	**29**	**1**	**(31)**	**(1,645)**	**(1,646)**	**(99)**	**(1,745)**
Balance at 30 June 2023	**3,081**	**3,968**	**(462)**	**(5,348)**	**14,416**	**12,574**	**706**	**13,280**

1. *It is the Group's policy that a portion of all Short-Term Incentives issued to the CEO and other executives are deferred for a period of 2 years. In addition to the Short-Term Incentives, stapled securities were issued to senior executives and other employees under the Group's Long-Term Incentive share based payment plans. These securities are held by the employees but will only vest in accordance with the terms of the plans.*
2. *Refer to Note B9 for further details of dividends and distributions provided for. Dividends and distributions were declared during the reporting and comparative period to the non-controlling interest partners in the Eastern Distributor and Transurban Queensland.*
3. *Under the Distribution Reinvestment Plan (DRP), holders of stapled securities may elect to have all or part of their distribution entitlements satisfied by the issue of new stapled securities rather than by cash. The DRP applied for the final distribution for FY23 and the interim distribution for FY24, paid in August 2023 and February 2024, respectively. The DRP applies for the final FY24 distribution. The DRP applied for the final distribution for FY22 and the interim distribution for FY23, paid in August 2022 and February 2023, respectively.*

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

Section A: Group financial statements for the year ended 30 June 2024

Transurban Holdings Limited
Consolidated statement of cash flows for the year ended 30 June 2024

	Note	2024 $M	2023 $M
Cash flows from operating activities			
Receipts from customers		3,201	3,057
Payments to suppliers and employees		(1,094)	(1,001)
Payments for maintenance of intangible assets		(152)	(134)
Transaction and integration costs		—	(9)
Other cash receipts		336	199
Interest received		80	49
Interest paid		(694)	(672)
Income taxes paid		(46)	(30)
Net cash inflow from operating activities	(a)	**1,631**	**1,459**
Cash flows from investing activities			
Payments for financial assets at amortised cost		(722)	(65)
Repayment of financial assets at amortised cost		683	159
Capital contribution to equity accounted investments	B22	(96)	(201)
Payments for intangible assets		(1,012)	(1,056)
Payments for property, plant and equipment		(104)	(119)
Distributions received from equity accounted investments	B22	518	276
Proceeds from disposal of subsidiaries, net of cash disposed	B21	—	330
Income taxes refunded/(paid) related to the disposal of subsidiaries		(27)	9
Net cash outflow from investing activities		**(760)**	**(667)**
Cash flows from financing activities			
Proceeds from borrowings (net of costs)	(b)	2,828	1,735
Net (repayments)/proceeds from loan facilities	(b)	(384)	289
Principal repayment of leases	B28	(10)	(10)
Repayment of borrowings	(b)	(1,482)	(1,160)
Dividends and distributions paid to the Group's security holders	B9	(1,743)	(1,489)
Distributions paid to non-controlling interests	B9	(120)	(104)
Net cash outflow from financing activities		**(911)**	**(739)**
Net (decrease)/increase in cash and cash equivalents		**(40)**	**53**
Cash and cash equivalents at the beginning of the year		2,081	2,020
Effects of exchange rate changes on cash and cash equivalents		—	8
Cash and cash equivalents at end of the year	B7	**2,041**	**2,081**

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

Section A: Group financial statements for the year ended 30 June 2024

Transurban Holdings Limited
Consolidated statement of cash flows for the year ended 30 June 2024 (continued)

(a) Reconciliation of profit after income tax to net cash inflow from operating activities

		2024	2023
		$M	$M
Profit for the year		**376**	**92**
Depreciation and amortisation		1,069	1,111
Gain on disposal of interest in subsidiary	B21	—	(41)
Non-cash employee benefit expense—share based payments		14	12
Non-cash net finance (income)/costs		(200)	7
Share of loss of equity accounted investments, inclusive of impairments	B22	349	327
Non-cash road operating costs—Power Purchase Agreements[1]	B14	1	(10)
Change in operating assets and liabilities:			
Increase in trade and other receivables		(8)	(47)
Increase in concession and promissory note liability		—	10
Increase in operating creditors and accruals		2	16
Increase in other operating provisions		17	15
Movement in deferred and current taxes		(43)	(56)
Increase in maintenance provision		54	23
Net cash inflow from operating activities		**1,631**	**1,459**

1. *Relates to fair value movements in the Group's derivative financial instruments relating to its Power Purchase Agreements, which are recorded on the balance sheet at their fair values with movements recorded in the profit and loss (refer to Note B14).*

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

Section A: Group financial statements for the year ended 30 June 2024

Transurban Holdings Limited
Consolidated statement of cash flows for the year ended 30 June 2024 (continued)

(b) Reconciliation of liabilities arising from financing activities

	Borrowings current	Borrowings non-current	Debt principal related derivatives (included in assets / liabilities)[1]	Other loan facilities (included in other liabilities)	Total debt related financial instruments
	$M	$M	$M	$M	$M
Balance at 1 July 2023	**367**	**18,191**	**(1,596)**	**561**	**17,523**
Proceeds from borrowings (net of costs)	—	2,828	—	—	2,828
Repayment of borrowings	(367)	(1,115)	—	—	(1,482)
Repayment of other loan facilities	—	—	—	(384)	(384)
Total cash flows	(367)	1,713	—	(384)	962
Non-cash changes					
Net present value of principal	—	—	(175)	—	(175)
Foreign exchange movements	—	(185)	178	—	(7)
Transfer	1,395	(1,395)	—	—	—
Amortisation of borrowing costs and other remeasurement adjustments	—	8	—	—	8
Total non-cash changes	1,395	(1,572)	3	—	(174)
Balance at 30 June 2024	**1,395**	**18,332**	**(1,593)**	**177**	**18,311**

1. *Net derivatives balance as at 30 June 2024 is an asset of $898 million. The difference in carrying amount to the table above relates to interest rate swap contracts, forward exchange contracts, the interest portion of cross-currency interest rate swap contracts and credit valuation and debit valuation adjustments which are excluded from the balances above as they do not relate to financing activities.*

	Borrowings current	Borrowings non-current	Debt principal related derivatives (included in assets / liabilities)[1]	Other loan facilities (included in other liabilities)	Total debt related financial instruments
	$M	$M	$M	$M	$M
Balance at 1 July 2022	**1,063**	**16,580**	**(1,408)**	**207**	**16,442**
Proceeds from borrowings (net of costs)	10	1,725	—	—	1,735
Repayment of borrowings	(1,083)	(135)	58	—	(1,160)
Proceeds from other loan facilities	—	—	—	512	512
Repayment of other loan facilities	—	—	—	(223)	(223)
Total cash flows	(1,073)	1,590	58	289	864
Non-cash changes					
Net present value of principal	—	—	145	—	145
Disposals through loss of control of subsidiary[2]	—	(376)	—	—	(376)
Foreign exchange movements	4	755	(391)	—	368
Transfer	373	(373)	—	—	—
Amortisation of borrowing costs	—	15	—	—	15
West Gate Tunnel settlement adjustments[3]	—	—	—	65	65
Total non-cash changes	377	21	(246)	65	217
Balance at 30 June 2023	**367**	**18,191**	**(1,596)**	**561**	**17,523**

1. *Net derivatives balance as at 30 June 2023 is an asset of $1,112 million. The difference in carrying amount to the table above relates to interest rate swap contracts, forward exchange contracts, the interest portion of cross-currency interest rate swap contracts and credit valuation and debit valuation adjustments which are excluded from the balances above as they do not relate to financing activities.*
2. *Relates to the sale of the Group's controlling interest in A25 upon divestment of 50% ownership interest (refer to Note B21).*
3. *The amount of $65 million relates to advance payments initially funded and paid by the State of Victoria to the West Gate Tunnel Design & Construct (D&C) Subcontractor in FY22 which were offset against the State Loan during FY23.*

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

Section B: Notes to the Group financial statements

Basis of preparation and significant changes

B1 Corporate information

Transurban Holdings Limited (the Company, the Parent or THL) is a Company incorporated in Australia and limited by shares that are publicly traded on the Australian Securities Exchange. These financial statements have been prepared as a consolidation of the financial statements of THL and its controlled entities (Transurban, Transurban Holdings Limited Group, Transurban Group or the Group). The controlled entities of THL include the other members of the stapled group being Transurban Infrastructure Management Limited (TIML) as the responsible entity of Transurban Holding Trust and its controlled entities (THT) and Transurban International Limited and its controlled entities (TIL). The equity securities of THL, THT and TIL are stapled and cannot be traded separately. The Group is a for-profit entity. Entities within the Group are domiciled and incorporated in Australia, the United States of America and Canada.

The consolidated financial statements of the Transurban Group for the year ended 30 June 2024 (FY24) were authorised for issue in accordance with a resolution of the Directors on 8 August 2024. Directors have the power to amend and reissue the financial statements.

B2 Summary of significant changes in the current reporting period

There were no significant transactions or events during the year ended 30 June 2024.

B3 Basis of preparation

The Group financial statements are general purpose financial statements which:

- Have been prepared in accordance with the *Corporations Act 2001* (Cth), Australian Accounting Standards (AAS) and other authoritative pronouncements of the Australian Accounting Standards Board (AASB)
- Have applied all accounting policies in accordance with AAS and, where a standard permits a choice in accounting policy, the policy applied by the Group has been disclosed in these financial statements
- Have applied the option under *ASIC Corporations (Stapled Group Reports) Instrument 2015/838* to present the consolidated financial statements in one section (Section A) and all other reporting group members in a separate section (Section C)
- Comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)
- Have been prepared under the historical cost convention, as modified by the revaluation of other financial assets and liabilities (including derivative financial instruments)
- Are presented in Australian dollars, which is the Group's functional and presentation currency
- Have been rounded to the nearest million dollars, unless otherwise stated, in accordance with *ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2016/191*
- Have restated the presentation of comparative amounts, where applicable, to conform to the current period presentation.

B3 Basis of preparation (continued)

Going concern

The financial statements have been prepared on a going concern basis, which assumes the continuity of normal operations, in particular over the next 12 months from the financial statements release date of 8 August 2024. This is notwithstanding that the Group's consolidated balance sheet indicates a net current liability position as at 30 June 2024 of $890 million (2023: $755 million).

In determining the appropriateness of the going concern basis of preparation, the Directors have considered the uncertainties related to the macroeconomic environment on the Group's liquidity and operations. The Directors consider near-term interest rate fluctuations to be primarily limited to new borrowing facilities due to the Group's hedging policy and profile. In addition, a number of the Group's toll roads have toll escalations of CPI or greater which provides revenue protection in an inflationary environment.

The Group has assessed cash flow forecasts and its ability to fund its net current liability position as at 30 June 2024. This assessment indicates that the Group is expected to be able to continue to operate within available liquidity levels and the terms of its borrowing facilities, and to fund its net current liability position as at 30 June 2024, for the 12 months from the date of this report.

The Group has also forecast that it does not expect to breach any financial covenants within the 12 months from the date of this report. Financial covenant forecasts utilised the same underlying cash flow forecasts as those used in the going concern assessment.

Furthermore, the Directors have also taken the following matters into consideration in forming the view that the Group is a going concern:

- The Group has cash and cash equivalents of $2,041 million as at 30 June 2024
- The Group has available a total of $2,650 million of undrawn working capital and general purpose borrowing facilities and $212 million letter of credit facilities across a number of financial providers with a maturity beyond 12 months
- The Group is expected to have the ability to fund its net current liability position through the generation of free cash and the use of undrawn borrowing facilities in the 12 months from the date of this report
- Payment of future dividends and distributions remains at the discretion of the Board.

Foreign currency translation accounting policy

Transactions and balances

Transactions and monetary items denominated in foreign currencies are translated into the functional currency as follows:

Foreign currency item	Exchange rate
Transactions	Date of transaction
Monetary assets and liabilities	Reporting period-end rate
Non-monetary items measured at fair value	Historical rate (when fair value was determined)

Translation differences on transactions and monetary assets and liabilities are recognised in the profit and loss, except for qualifying cash flow hedges and qualifying net investment hedges or that are attributable to part of the net investment in a foreign operation (which are deferred in equity).

Translation differences on non-monetary items measured at fair value are reported as part of the fair value gain or loss.

Foreign operations

Transactions related to the Group's foreign operations are conducted in a number of foreign currencies, where the foreign operations have determined US dollars or Canadian dollars as the functional currency.

On consolidation, the income, expenses, assets and liabilities of foreign operations with non-Australian dollar functional currencies are translated into Australian dollars (the Group's presentation currency) using the following applicable exchange rates:

Foreign currency amount	Exchange rate
Income and expenses	Average rate (or dates of transactions, where average rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates)
Assets and liabilities	Reporting period-end rate
Equity and reserves	Historical rate

The resulting exchange differences are initially recognised in other comprehensive income and subsequently transferred to the income statement on disposal of a foreign operation.

On consolidation, exchange differences arising from the translation of any net investment in foreign operations and of borrowings and other financial instruments designated as hedges of such investments, are taken to other comprehensive income.

B3 Basis of preparation (continued)

New and amended standards and interpretations

The Group has adopted the following new and amended accounting standards and interpretations which became effective for the annual reporting period commencing 1 July 2023. The Group's assessment of the impact of these new and amended standards and interpretations is set out below.

Reference	Description and impact on the Group
AASB 2021-2 *Amendments to Australian Accounting Standards—Disclosure of Accounting Policies and Definition of Accounting Estimates*	The standard amends AASB 7 *Financial Instruments: Disclosures*, AASB 101 *Presentation of Financial Statements*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 134 *Interim Financial Reporting* and AASB Practice Statement 2 *Making Materiality Judgements* to: • Improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements, which requires disclosure of material accounting policy information that is entity specific, where possible, rather than significant accounting policies which are generic • Distinguish changes in accounting estimates from changes in accounting policies. Application of the amendments has not resulted in any change to the Group's accounting policies or accounting estimates. There are a number of accounting policies that were previously disclosed in the Group's Corporate Report for 30 June 2023, which are no longer disclosed, as they are not considered 'material accounting policy information'. Also, where possible, the material accounting policy information disclosures have been tailored so that they are Transurban specific.
AASB 2021-5 *Amendments to Australian Accounting Standards—Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	AASB 2021-5 makes amendments to AASB 1 *First-time Adoption of Australian Accounting Standards* and AASB 112 *Income Taxes* which require companies in specified circumstances to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. Transactions captured by the amendments include leases where the entity is a lessee and decommissioning obligations. The application of the amendments has had no impact on the Group as the Group has already recognised deferred tax on lease arrangements where the Group is a lessee and there are no other transactions captured within the amendments.
AASB 2022-7 *Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards*	This standard makes editorial corrections to various Australian Accounting Standards (AAS) and AASB Practice Statement 2 *Making Materiality Judgements*. The corrections include those made by the IASB to IFRS Standards since June 2021. This Standard also repeals AAS that: • Have been superseded by either subsequent principal versions of the Standard or by other Standards without being formally repealed at the time • Made amendments to other Standards, being amending Standards that have passed their Parliamentary disallowance period and their legal commencement date but have not been formally repealed. The application of the amendments has had no impact on the Group.
AASB 2023-2 *Amendments to Australian Accounting Standards—International Tax Reform—Pillar Two Model Rules*	The standard amends AASB 112 *Income Taxes* and introduces targeted disclosure requirements in a company's annual financial statements relating to the new Pillar Two global tax rules to help investors better understand a company's exposure to income taxes arising from the reform, particularly before legislation implementing the rules is in effect. The application of the amendments has resulted in additional disclosures in the Group's financial statements for the year ended 30 June 2024. Refer to Note B6 for the disclosures.

B3 Basis of preparation (continued)

New and amended accounting standards and interpretations issued but not yet effective

Certain new and amended accounting standards and interpretations have been published but are not mandatory for the year ended 30 June 2024. The Group's assessment of the expected impact of these new and amended accounting standards and interpretations is set out below.

Reference	Description and impact on the Group	Application of the standard	Application by the Group
AASB 2014-10 *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* **AASB 2021-7** *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*	The AASB has made limited scope amendments to AASB 10 *Consolidated Financial Statements* and AASB 128 *Investments in Associates and Joint Ventures*. The amendments clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. They confirm that the accounting treatment depends on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a 'business' (as defined in AASB 3 *Business Combinations*). Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's interest in the associate or joint venture. AASB 2021-7 mainly defers application date of AASB 2024-10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2025 instead of 1 January 2022. Application of the amendments is prospective and is not expected to materially impact the Group.	1 January 2025	1 July 2025
AASB 2020-1 *Amendments 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 – Deferral of Effective Date* **AASB 2022-6** *Amendments to Australian Accounting Standards—Non-current Liabilities with Covenants*	AASB 2020-1 amends AASB 101 *Presentation of Financial Statements* to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. AASB 2020-6 deferred the application date of AASB 2020-1 by one year to 1 January 2023. AASB 2022-6 further deferred the application date of AASB 2020-1 by another year to 1 January 2024. AASB 2022-6 also amends AASB 101 *Presentation of Financial Statements* and AASB Practice Statement 2 *Making Materiality Judgements.* The amendments specify that covenants to be complied with after reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the entity is required to disclose information about these covenants in the notes to the financial statements. The amendments also clarify the situations that are considered settlement of a liability. All of these amendments are applicable to the Group on a retrospective basis from 1 July 2024. They are not expected to have a material impact and may result in additional disclosures in the financial statements.	1 January 2024	1 July 2024
AASB 2022-5 *Amendments to Australian Accounting Standards—Lease Liability in a Sale and Leaseback*	The standard amends AASB 16 *Leases* which changes the manner in which the seller-lessee measures its gain or loss based on their proportionate share transferred to the buyer-lessor in the right of use asset from a sale and leaseback transaction. The seller-lessee will be required to further remeasure their lease liability, so that any gain or loss previously recognised will now be removed by way of the lease liability adjustment. The amendments are applicable to the Group on a retrospective basis from 1 July 2024 and are not expected to have a material impact as the Group has not had any sale and leaseback transactions.	1 January 2024	1 July 2024
AASB 2023-1 *Amendments to Australian Accounting Standards—Supplier Finance Arrangements*	This standard amends AASB 107 *Statement of Cash Flows* and AASB 7 *Financial Instruments: Disclosures* and requires additional disclosures addressing supplier finance arrangements. The additional information will enable users of financial statements to assess how supplier finance arrangements affect an entity's liabilities, cash flows and exposure to liquidity risk. Application of the amendments is prospective and is not expected to materially impact the Group.	1 January 2024	1 July 2024

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B3 Basis of preparation (continued)

New and amended accounting standards and interpretations issued but not yet effective (continued)

Reference	Description and impact on the Group	Application of the standard	Application by the Group
AASB 2023-5 *Amendments to Australian Accounting Standards—Lack of Exchangeability*	This Standard amends AASB 121 *The Effects of Changes in Foreign Exchange Rates* and AASB 1 *First-time Adoption of Australian Accounting Standards* (severe hyperinflation) to improve the usefulness of information provided to users of financial statements. The amendments require entities to apply a consistent approach to determining whether a currency is exchangeable into another currency and the spot exchange rate to use when it is not exchangeable. The amendments also add new disclosures relating to non-exchangeable currencies affecting an entity's financial statements. Application of the amendments is prospective and is not expected to materially impact the Group.	1 January 2025	1 July 2025
AASB 18 *Presentation and Disclosure in Financial Statements*	AASB 18 replaces AASB 101 *Presentation of Financial Statements* and sets out requirements for the presentation and disclosure of information in general purpose financial statements. The key changes include: • on the face of the statement of profit and loss - newly defined 'operating profit' and 'profit before financing and income taxes' subtotals and a requirement for all income and expenses to be allocated between operating, investing and financing activities; • in the notes to the financial statements - disclosure of management-defined performance measures (MPMs) which will form part of the audited financial statements; and • aggregation and disaggregation – enhanced requirements for the aggregation and disaggregation of information (presented in the primary financial statements and in the notes) which focus on grouping items based on their shared characteristics. The amendments are applicable to the Group on a retrospective basis from 1 July 2027 and are expected to have an impact on how the Group presents and discloses information in its financial statements.	1 January 2027	1 July 2027

B3 Basis of preparation (continued)

Key accounting estimates and judgements

Accounting estimates and judgements are regularly made by the Group and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

The accounting estimates and assumptions that have the most significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

• Potential impacts of climate-related threats and opportunities	Note B3
• Provision for income taxes and recoverability of deferred tax assets	Note B6
• Fair value of derivatives and other financial instruments	Note B14
• Recoverability of goodwill, other intangible assets and equity accounted investments	Concession Summary and Note B22
• Determination of CityLink and West Gate Tunnel cash generating unit	Note B16
• Measurement of the maintenance provision	Note B17
• Measurement of the construction obligation liability	Note B18
• Measurement of promissory notes and concession notes	Note B19
• Assessment of control of A25, NorthWestern Roads Group (NWRG), STP JV and Transurban Chesapeake (TC)	Note B22
• Contingencies.	Note B25

KEY ACCOUNTING ESTIMATE AND JUDGEMENT

Climate-related risks (threats and opportunities)

The Group continues to progress its assessment of the potential impacts of climate-related risks (threats and opportunities) on its business over the short, medium and long term.

Progress made in FY24

In FY24, additional Climate Change Adaptation Plans (CCAPs) were developed resulting in climate-related risk assessments and adaptation pathways substantially in place for most of the Group's assets.

The Group has also begun to refresh climate scenarios and conducted workshops with internal stakeholders to review Group-wide physical and transitional climate-related risks. The outcomes of these workshops are expected in FY25.

A new Steering Committee was also established to oversee the implementation of the expected mandatory climate-related disclosures under Australian Sustainability Reporting Standards. This includes overseeing the integration of measures of climate-related risks into the Group's disclosure and reporting framework.

To date, the focus of the financial reporting implications has been on acute and chronic physical climate-related risks, which may be more impactful over time. The assessment of potential climate-related financial reporting implications has also been largely qualitative, informed by asset specific indicators identified from the Group's CCAPs.

Learnings to date around climate-related risks continue to indicate that the key potential financial impact areas may include the carrying amount of concession intangible assets, maintenance provisions and expenses.

Based on the qualitative risk data from the Group's CCAPs and the continued focus on asset resilience and business continuity programs, the Group is not currently aware of any material near term financial reporting impacts from climate-related risks at the date of this report. However, further analysis of climate-related risks is planned in FY25 to determine the associated financial impact projections across the Group's assets and value chain, including additional analysis of transitional climate-related risks.

With respect to the carrying amount of the Group's concession intangible assets, the potential impacts of climate-related risks on future cash flows are not expected to be significant enough to erode the excess in recoverable amount due to the existing valuation headroom over carrying amount (which is also reducing over time through amortisation).

With respect to the maintenance provision and expense, while financial analysis performed to date has not identified material near term financial impacts, without further quantitative data, and given the uncertainty over insurance cover into the future, it is possible that climate-related risks could impact the maintenance expense or maintenance provision particularly in the medium to long term.

Plan from FY25 and beyond

From FY25, the Group's priority is to build on the scenario analysis and CCAP work and integrate the potential medium and long-term impacts of climate-related risks into asset adaptation strategies and forward planning.

The Group will continue the assessment of climate-related financial impacts, using qualitative risk data from the Group's CCAPs and the latest science-based climate assumptions relating to the incidence and severity of acute and chronic climate related events.

The Group also intends to investigate transitional climate-related risk drivers and scenario-based assumptions, such as changing commodity prices, new technologies or shifting travel patterns, for incorporation into the Group's financial forecasts in line with expected mandatory climate-related disclosure requirements.

Given the complexity of physical climate-related risk modelling, the ongoing risk assessment process and changes and evolution of the Group's response to climate-related risks, there may be material changes to the Group's financial results and the carrying amount of assets and liabilities in future reporting periods. As the Group better understands the potential financial reporting impacts of climate-related risks, the Group will update the assumptions underlying the financial models to reflect any material climate-related risks.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

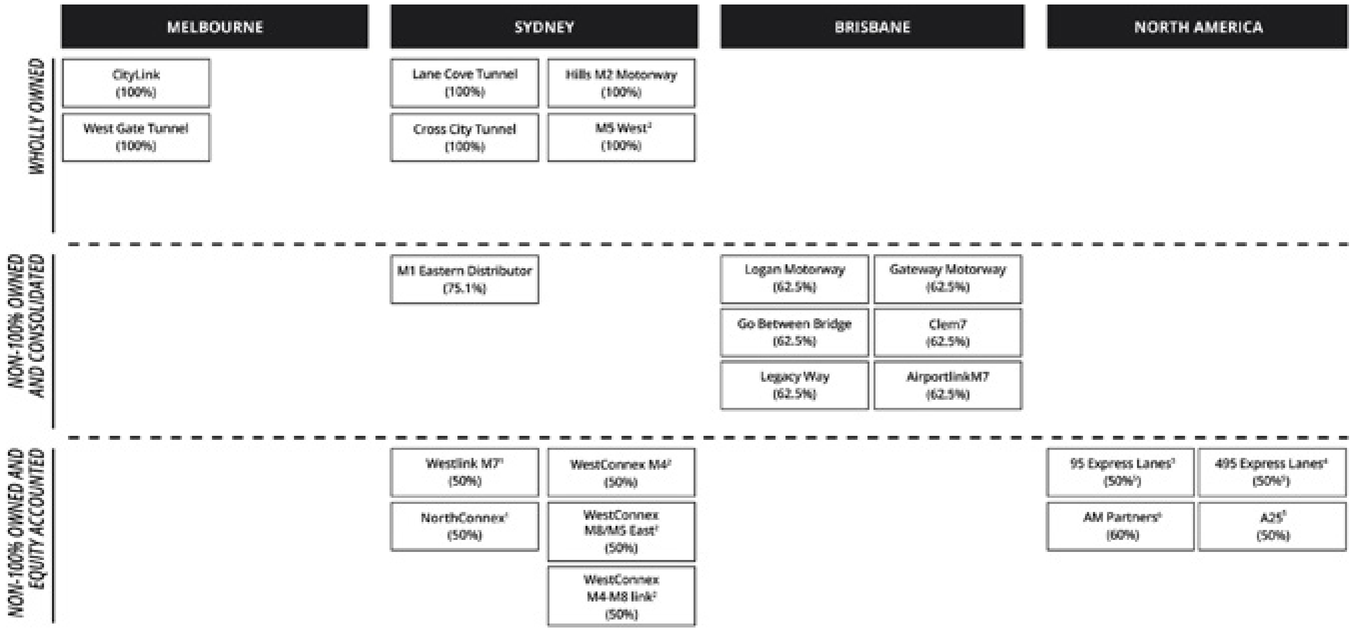
Operating performance

B4 Segment information

In the segment information provided to the Transurban Group Executive Committee (certain members of which act as the chief operating decision maker), segments are defined by the geographical region in which the Group operates being Melbourne, Sydney, Brisbane and North America. The Group's corporate function is not an operating segment under the requirements of AASB 8 *Operating Segments* as its revenue generating activities are only incidental to the business.

The Executive Committee assesses the performance of each geographical region based on a measure of proportional earnings before depreciation, amortisation, net finance costs and income taxes (Proportional EBITDA). This reflects the contribution of each geographical region in the Group in the proportion of Transurban's equity ownership.

The diagram below shows the concession assets included in each geographical region, together with the ownership interests held by the Group as at 30 June 2024:



1. *Westlink M7 and NorthConnex (NCX) together form NWRG.*
2. *The M4, M8/M5 East and M4-M8 link together form WestConnex (Sydney Transport Partners (STP JV)). The M8/M5 East includes the M8, the M5 East and will include the M5 West from December 2026. The M4-M8 link includes M4-M8 link and Rozelle Interchange.*
3. *The 95 Express Lanes concession is inclusive of the 395 Express Lanes and the Fredericksburg Extension.*
4. *The 495 Express Lanes concession is inclusive of the 495 Express Lanes Northern Extension Project and the Capital Beltway Accord Project.*
5. *During FY23, the Group divested 50% of its equity interest in A25 (refer to Note B21).*
6. *Accelerate Maryland Partners' (AM Partners) role was to be the Maryland Department of Transportation's long-term partner to build, finance and operate new Express Lanes in Maryland, USA. During FY23, Transurban announced that AM Partners decided not to proceed with the Maryland Express Lanes Project and as a result terminated the predevelopment agreement with the Maryland Department of Transportation.*

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B4 Segment information (continued)

Segment information—proportional income statement

2024

$M	Melbourne	Sydney	Brisbane	North America	Corporate and other	Total
Toll revenue	948	1,767	568	252	—	3,535
Other revenue	27	30	4	7	(5)	63
Total proportional revenue	**975**	**1,797**	**572**	**259**	**(5)**	**3,598**
Proportional EBITDA	**801**	**1,377**	**415**	**168**	**(130)**	**2,631**

2023

$M	Melbourne	Sydney	Brisbane	North America[1]	Corporate and other	Total
Toll revenue	894	1,668	520	232	—	3,314
Other revenue[2]	25	29	4	13	(3)	68
Total proportional revenue[2]	**919**	**1,697**	**524**	**245**	**(3)**	**3,382**
Proportional EBITDA	**756**	**1,328**	**380**	**129**	**(145)**	**2,448**

1. *Proportional segment information includes the results of A25 at proportional ownership, being 100% for the period 1 July 2022 to 28 February 2023 and 50% from 1 March 2023 to 30 June 2023.*
2. *Comparatives for other revenue and total proportional revenue have been restated to align with the current year presentation, so that the reimbursement of management and/or tolling services provided to Joint Ventures is offset against the underlying cost.*

Reconciliation of segment information to statutory financial information

The proportional results presented above are different from the statutory financial results of the Group due to the proportional presentation of each asset's contribution to each geographical region and corporate and other.

Segment revenue

Revenue from external customers comprises toll and fee revenues earned on toll roads. Segment revenue reconciles to total statutory revenue as follows:

	Note	2024 $M	2023 $M
Total segment revenue (proportional)		**3,598**	**3,382**
Add:			
Revenue attributable to non-controlling interests		385	356
Construction revenue from road development activities		964	1,142
Intragroup elimination[1]		157	126
Less:			
Proportional revenue of non-100% owned equity accounted assets		(985)	(829)
Toll revenue receipts relating to the A25 concession financial asset[2]		—	(10)
Other revenue receipts relating to the A25 concession financial asset[2]		—	(10)
Total statutory revenue	B5	**4,119**	**4,157**

1. *Statutory revenue recognised in relation to arrangements with the equity accounted investments that are eliminated for segment purposes.*
2. *The Executive Committee members acting as the chief operating decision maker assess the performance of the Group using proportional results that include A25 income streams relating to availability payments and guaranteed toll income which are classified as revenue within the proportional results. These revenues form part of the ordinary activities of the A25 and are reflective of its underlying performance. Up to the date of sale of the Group's controlling interest in A25 on 28 February 2023 (refer to Note B21), for statutory accounting purposes, these income streams offset the related concession financial asset receivable recorded on acquisition of the original controlling interest in A25, which has been disposed of as part of the sale of A25.*

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B4 Segment information (continued)

Proportional EBITDA

Proportional EBITDA reconciles to statutory profit before income tax as follows:

	2024 $M	2023 $M
Proportional EBITDA	**2,631**	**2,448**
Add: EBITDA attributable to non-controlling interests	281	260
Add: Intragroup elimination[1]	(2)	11
Less: Proportional EBITDA of non-100% owned equity accounted assets	(709)	(591)
Less: Toll and other revenue receipts relating to the A25 concession financial asset[2]	—	(20)
Statutory depreciation and amortisation	(1,069)	(1,111)
Statutory net finance costs	(404)	(645)
Share of loss of equity accounted investments, inclusive of impairments	(349)	(327)
Gain on disposal of interest in subsidiary	—	41
Statutory profit before income tax	**379**	**66**

1. *Earnings before depreciation, amortisation, net finance costs, equity accounted investments, income taxes and gain on disposal of subsidiary recognised in relation to arrangements with equity accounted investments that are eliminated for segment purposes. For statutory purposes an offsetting adjustment is recognised within the share of loss of equity accounted investments.*
2. *The Executive Committee members acting as the chief operating decision maker assess the performance of the Group using proportional results that include A25 income streams relating to availability payments and guaranteed toll income which are classified as revenue within the proportional results. These revenues form part of the ordinary activities of A25 and are reflective of its underlying performance. Up to the date of sale of the Group's controlling interest in A25 on 28 February 2023 (refer to Note B21), for statutory accounting purposes, these income streams offset the related concession financial asset receivable recorded on acquisition of the original controlling interest in A25, which has been disposed of as part of the sale of A25.*

B5 Revenue

	2024 $M	2023 $M
Toll revenue	2,941	2,831
Construction revenue	964	1,142
Other revenue	214	184
Total revenue from operations	**4,119**	**4,157**

The Group's service concession arrangements are accounted for in accordance with AASB Interpretation 12 *Service Concession Arrangements* (AASB Interpretation 12) and can fall into two types of models, the intangible asset model and the financial asset model as discussed below.

Service concession arrangements—intangible asset model

The revenue streams covered by this model are Toll revenue and Construction revenue.

Toll and construction revenue accounting policy

The Group's principal revenue generating activities are accounted for in accordance with AASB Interpretation 12 and AASB 15 *Revenue from Contracts with Customers* (AASB 15). These accounting pronouncements specify that operations and maintenance services and construction services provided under the Group's service concession arrangements are two distinct types of services, which are provided in exchange for Toll revenue and Construction revenue, respectively.

Revenue type	Accounting policy
Toll revenue	The customer of the operations and maintenance services is the user of the infrastructure. Each use made of the toll road by users is considered a performance obligation. The related revenue is recognised at the point in time that the individual service is provided and the amount is probable of being collected by the Group. Total toll revenue is net of any revenue share arrangements that the Group has triggered during the reporting period.
Construction revenue	The customer with respect to construction services is the concession grantor. Construction services are accounted for as one performance obligation and revenue is recognised in line with the progress of construction services provided over time. The progress of construction is measured by reference to costs incurred to date. Revenue is measured at fair value by reference to the stand-alone selling price.

Service concession arrangements—financial asset model

As at 30 June 2024, the Group does not have any concession financial assets, as the Group's only concession financial asset related to A25 which was disposed of as part of the sale of the Group's controlling interest in A25 on 28 February 2023 (refer to Note B21).

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B5 Revenue (continued)

Other revenue

Other revenue includes management fee revenue, roaming fee revenue, advertising revenue and tolling services provided to third parties.

Other revenue accounting policies

Revenue type	Accounting policy
Management fee, roaming fee and advertising revenue	Management fee revenue, roaming fee revenue and advertising revenue is recognised at the point in time the service is provided.
Tolling services provided to third parties	Other revenue from tolling services provided to third parties is recognised over the period the service is provided.

B6 Income tax

Income tax expense/(benefit)

	2024 $M	2023 $M
Current tax	189	119
Deferred tax	(193)	(151)
Under provision in prior years	7	6
Income tax expense/(benefit)	**3**	**(26)**
Deferred income tax expense/(benefit) included in income tax benefit comprises:		
Increase in deferred tax assets	(72)	(88)
Decrease in deferred tax liabilities	(121)	(63)
	(193)	**(151)**

Reconciliation of income tax expense/(benefit) to prima facie tax payable

	2024 $M	2023 $M
Profit before income tax	**379**	**66**
Tax at the Australian tax rate of 30% (2023: 30%)	114	20
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Trust income not subject to tax[1]	(211)	(243)
Equity accounted results	101	83
Non-assessable interest	(20)	(19)
Non-deductible depreciation	7	7
Under provision in prior years	7	6
Tax effect on disposal of controlling interest in A25	—	109
Sundry items	5	11
	3	**(26)**
Tax expense/(benefit) relating to items of other comprehensive income and equity		
Cash flow hedges	15	(105)
Foreign currency translation	4	(11)
Cost of hedging	(15)	(2)
	4	**(118)**

1. THT operates as a flow-through trust, and is not liable to pay tax. Security holders, therefore, pay tax on the distributions they receive from THT at their individual marginal tax rates. The Group is structured in this way because the initial heavy capital investment and associated debt funding required for infrastructure investments results in accounting losses being generated in the initial years which would otherwise prevent the Group from paying dividends. THT allows distributions to be made to security holders throughout the life of the assets.

Current tax assets and liabilities

As at 30 June 2024, the current tax liabilities of the Group relate to income tax payable for the Airport Motorway Pty Limited (AML) tax consolidated group and current tax assets of the Group relate to income tax receivable for Transurban Cardinal Holdings Ltd as a standalone entity.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B6 Income tax (continued)

Deferred tax assets and liabilities

	Assets		Liabilities	
	2024 $M	2023[2] $M	2024 $M	2023[2] $M
The balance comprises temporary differences attributable to:				
Provisions	428	434	(16)	(16)
Current and prior year losses	537	668	—	—
Fixed assets/intangibles	620	607	(945)	(1,081)
Concession fees and promissory notes	—	—	(206)	(220)
Derivatives and foreign exchange	432	424	(369)	(358)
Lease liabilities	41	42	—	—
Equity accounted investments	—	—	(985)	(995)
Other	28	21	—	—
Tax assets/(liabilities)	2,086	2,196	(2,521)	(2,670)
Set-off of tax	(1,136)	(1,231)	1,136	1,231
Net tax assets/(liabilities)	**950**	**965**	**(1,385)**	**(1,439)**
Movements:				
Opening balance at 1 July	**2,196**	**2,072**	**(2,670)**	**(2,989)**
Credited to profit or loss	72	88	121	169
(Charged)/credited to equity	(10)	174	6	(56)
Disposed through other comprehensive income[1]	—	(52)	—	316
Acquired[1]	—	—	—	(106)
Foreign exchange movements	—	2	6	(33)
Transfer from deferred tax assets/liabilities	(3)	(47)	3	47
Current year losses recognised/(prior year losses utilised) and under/(over) provision in prior years	(169)	(41)	13	(18)
Closing balance at 30 June	**2,086**	**2,196**	**(2,521)**	**(2,670)**
Deferred tax assets/(liabilities) to be recovered/(paid) after more than 12 months	**2,086**	**2,196**	**(2,521)**	**(2,670)**

1. *Relates to the net impact of the sale of the Group's controlling interest in A25 and recognition of an equity accounted investment in A25 upon divestment of a 50% ownership interest (refer to Note B21).*
2. *Prior year amounts have been restated to align with the current year presentation.*

The Group has $36 million of unrecognised tax losses as at 30 June 2024 (2023: $35 million).

Income tax accounting policy

Recognition and measurement

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not recognised for temporary differences relating to the following:

- the initial recognition of goodwill
- the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit and loss (single transactions where both deductible and taxable temporary differences arise on initial recognition that result in deferred tax assets and liabilities of the same amount are excluded from this exemption)
- investments in subsidiaries, joint ventures and associates where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax is recognised in the profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case the tax effect is also recognised in other comprehensive income or equity.

Right to offset income taxes

Deferred tax assets and liabilities are offset in the consolidated balance sheet when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Investment allowances

Companies within the Group may be entitled to claim special tax deductions for investments in qualifying assets (investment allowances). The Group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward as tax losses.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

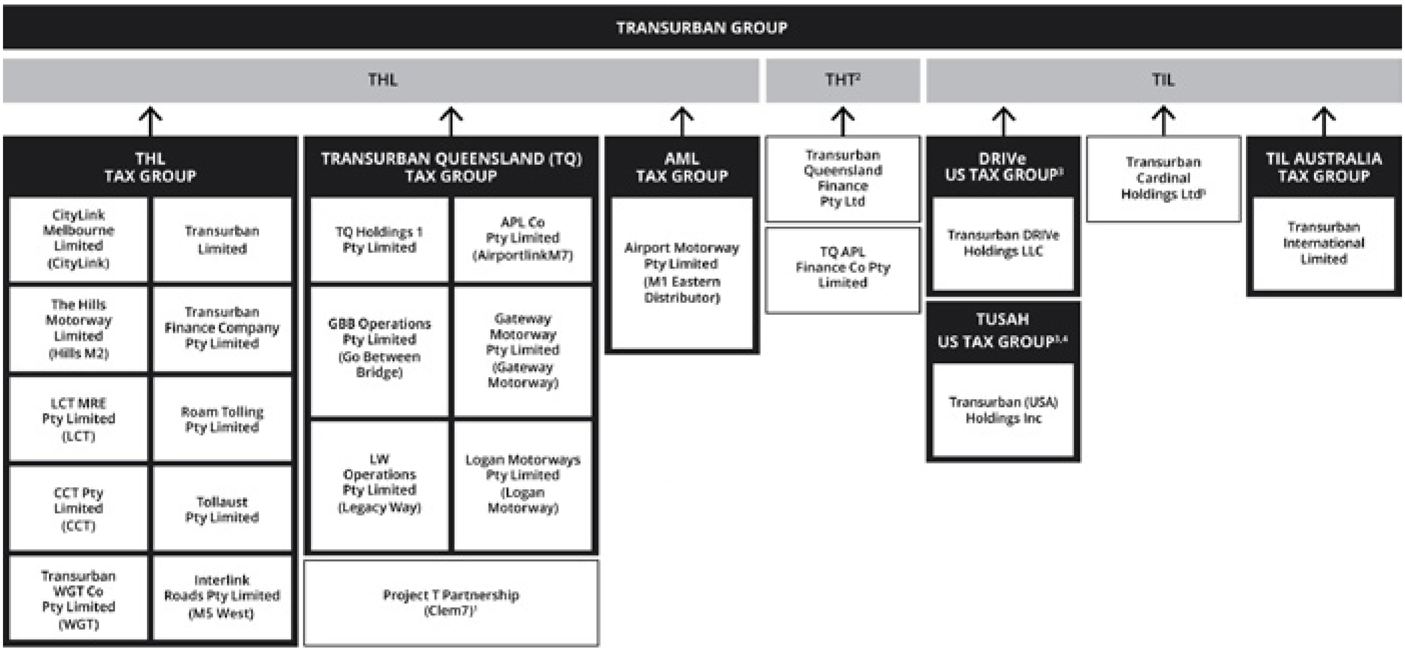
B6 Income tax (continued)

Tax consolidation legislation

The Transurban Group adopted the Australian tax consolidation legislation across its Australian entities from 1 July 2005.

All entities within the Australian tax consolidated groups continue to account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidation group is a separate taxpayer within the tax consolidated group.

The tax consolidated groups within the Group are summarised as follows:



1. Entity is classified as a partnership for tax purposes.
2. There are no tax consolidated groups under THT.
3. TC is treated as a partnership for US tax purposes and owns all of the membership interests in both 495 Express Lanes and 95 Express Lanes. Taxable income and losses of TC, inclusive of 495 Express Lanes and 95 Express Lanes, flow to the partners of TC for inclusion in their respective US tax returns. The DRIVe and TUSAH tax groups collectively own 50% of the membership interests in TC.
4. AM Partners is treated as a partnership for US tax purposes. Taxable income and losses of AM Partners flow to the partners of AM Partners for inclusion in their respective US tax returns. The TUSAH tax consolidated group own 60% of the membership interests in AM Partners.
5. Skawanoti Holdings Limited Partnership (LP) is treated as a partnership for Canadian tax purposes and owns all of the membership interests in Concession A25 LP. Taxable income and losses of Skawanoti LP flow to the partners of Skawanoti LP for inclusion in their respective Canadian tax returns. Transurban Cardinal Holdings Ltd owns 50% of the membership interests in Skawanoti LP.

B6 Income tax (continued)

THL tax consolidated group

The entities in the THL tax consolidated group entered into a tax sharing agreement (TSA) effective from 29 April 2009, with amendments executed on 30 June 2020 to cover various administrative changes in tax legislation.

The entities in the THL tax consolidated group entered into a tax funding agreement (TFA) effective from 1 July 2008, with amendments executed on 30 June 2020 to cover various administrative changes in tax legislation. Under the TFA the wholly-owned entities fully compensate THL for any current tax payable assumed and are compensated by THL for any current tax receivable and deferred tax assets relating to tax losses. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

The amount receivable/payable under the TFA is calculated at the end of the financial year for each wholly-owned entity. THL determines and communicates the amount payable/receivable to each wholly-owned entity along with the method of calculation and any other information deemed necessary.

Transurban Queensland tax consolidated group

The entities in the Transurban Queensland Holdings 1 Pty Ltd (TQH1) tax consolidated group entered into a TSA effective from 2 July 2014. The entities in the TQH1 tax consolidated group entered into a TFA effective from 2 July 2014. APL Hold Co Pty Ltd (AirportlinkM7) and its controlled entities entered the TQH1 tax consolidated group effective from 23 November 2015.

Under the TFA the wholly-owned entities fully compensate TQH1 for any current tax payable assumed and are compensated by TQH1 for any current tax receivable and deferred tax assets relating to tax losses. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities financial statements.

The amount receivable/payable under the TFA is calculated at the end of the financial year for each wholly-owned entity. TQH1 determines and communicates the amount payable/receivable to each wholly-owned entity along with the method of calculation and any other information deemed necessary.

Airport Motorway tax consolidated group

The entities in the Airport Motorway Holdings (AMH) tax consolidated group entered into a TSA and TFA effective from 2 July 2009, with amendments executed on 23 May 2022 to cover various administrative changes in the tax legislation.

Under the TFA the wholly-owned entities fully compensate AMH for any current tax payable assumed and are compensated by AMH for any current tax receivable and deferred tax assets relating to tax losses. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities financial statements.

The amount receivable/payable under the TFA is calculated at the end of the financial year for each wholly-owned entity. AMH determines and communicates the amount payable/receivable to each wholly-owned entity along with the method of calculation and any other information deemed necessary.

TIL Australia tax consolidated group

The entities in the TIL Australia tax consolidated group entered into a TSA effective from 1 July 2018. The entities in the TIL Australia tax consolidated group entered into a TFA effective from 1 July 2018.

Under the TFA the wholly-owned entities fully compensate TIL for any current tax payable assumed and are compensated by TIL for any current tax receivable and deferred tax assets relating to tax losses. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities financial statements.

The amount receivable/payable under the TFA is calculated at the end of the financial year for each wholly-owned entity. TIL determines and communicates the amount payable / receivable to each wholly-owned entity along with the method of calculation and any other information deemed necessary.

Transurban DRIVe tax group

Transurban DRIVe Holdings LLC (DRIVe) and its 100% owned subsidiaries (which are disregarded from DRIVe for US Federal Income Tax (FIT) purposes) own membership interests in TC which is classified as a partnership for USFIT purposes. DRIVe includes its respective share of the TC partnerships' profits or losses in its US tax return.

B6 Income tax (continued)

Transurban (USA) Holdings tax consolidated group

Transurban (USA) Holdings Inc (TUSAH) is the parent company of the TUSAH tax consolidated group. The TUSAH tax consolidated group includes the affiliated group of US corporations that are responsible for providing management services to the Group's North American operations. The TUSAH tax consolidated group also owns membership interests in TC and AM Partners partnerships which are classified as partnerships for USFIT purposes. The TUSAH tax consolidated group includes its respective share of the TC and AMP partnerships' profits or losses in its US tax return.

Transurban Cardinal Holdings Ltd

Transurban Cardinal Holdings Ltd (TCH) owns membership interests in Skawanoti Holdings LP (SKHLP) which is classified as a partnership for Canadian income tax purposes. TCH includes its respective share of the SKHLP partnerships' profits or losses in its Canadian tax return.

All entities within the Canadian structure are standalone entities for tax purposes.

Pillar Two model rules

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) published the Pillar Two model rules designed to address the tax challenges arising from the digitalisation of the global economy. The Pillar Two rules introduce a number of taxing mechanisms under which multinational enterprises with annual consolidated revenue equal to or above €750 million in at least two out of the immediate prior four years would pay a minimum level of tax. The new taxing mechanisms impose a top-up tax whenever the Pillar Two effective tax rate in a jurisdiction is below a 15% minimum rate. Various governments around the world have issued, or are in the process of issuing, legislation on this.

The Group is within scope of the Pillar Two model rules as it is an applicable multinational enterprise group with annual consolidated revenue in excess of €750 million. The Pillar Two legislation has not been enacted or substantively enacted in the jurisdictions in which the Group operates, except for in Canada, which has an application date from 1 July 2024. Since the Pillar Two legislation was not effective as at 30 June 2024, the Group has no related current tax exposure. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided by AASB 2023-2 *Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules*, which was adopted in FY23.

The Group has performed an assessment of the Group's potential exposure to Pillar Two income taxes based on the current status of the Pillar Two model rules and on the most recent information available regarding the financial performance of the constituent entities in the Group. Based on the assessment, the Group does not currently expect any material exposure to Pillar Two top-up taxes. However, the Group will continue to monitor and evaluate the domestic implementation by relevant countries of the Pillar Two model rules, which continue to evolve to assess potential future implications.

KEY ACCOUNTING ESTIMATE AND JUDGEMENT

The Group is subject to income taxes in Australia, the United States of America and Canada. Significant judgement is required in determining the provision for income taxes. There are various transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for tax audit issues based on whether it is anticipated that additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

The Group has recognised deferred tax assets relating to carried forward tax losses to the extent there are sufficient taxable temporary differences relating to the same taxation authority against which the unused tax losses can be utilised.

The utilisation of tax losses also depends on the ability of the Group to satisfy certain tests at the time the losses are recouped, including:

- In Australia, tax losses are generally carried forward indefinitely, subject to satisfaction of loss integrity measures;
- In the United States of America, all tax losses relate to periods post 30 June 2018, and are generally carried forward indefinitely, subject to an 80 per cent utilisation limit on taxable income in any given year; and
- In Canada, tax losses generally expire after a 20 year period.

Management have reviewed deferred tax assets with reference to the potential impact of the macroeconomic environment on forecast taxable income and have determined that it is probable that future taxable income will be available to utilise against deferred tax assets recognised as at 30 June 2024 in relation to deductible temporary differences and unused tax losses.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B7 Working capital

The Group's working capital balances are summarised as follows:

	2024 $M	2023 $M
Current assets		
Cash and cash equivalents	2,041	2,081
Trade and other receivables		
Prepayments	41	31
Trade receivables	189	184
Other receivables	143	148
Bank term deposits	255	44
	628	**407**
Current liabilities		
Trade and other payables	(487)	(482)
Net working capital	**2,182**	**2,006**

Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities. All cash balances are interest bearing.

The amount shown in cash and cash equivalents includes $11 million not available for general use as at 30 June 2024 (2023: $22 million). This comprises amounts required to be held in maintenance and funding reserves and prepaid tolls.

Trade receivables

Trade receivables accounting policy

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components in which case they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less expected credit losses. Trade receivables are generally due for settlement no more than 30 days from revenue recognition.

The Group applies the simplified approach to measuring expected credit losses which uses a lifetime of expected loss allowance for all trade receivables. The expected loss rates are based on the payment profiles of toll revenue over historical periods and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of customers to settle the receivables.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B7 Working capital (continued)

Trade receivables (continued)

The loss allowance for trade receivables was determined as follows:

2024

	Current	Up to 90 days past due	More than 90 days past due	Total
Expected loss rate	1%	13%	69%	NA[1]
Gross carrying amount ($M)	143	39	43	225
Loss allowance ($M)	(1)	(5)	(30)	(36)

2023

	Current	Up to 90 days past due	More than 90 days past due	Total
Expected loss rate	1%	4%	61%	NA[1]
Gross carrying amount ($M)	135	35	41	211
Loss allowance ($M)	(1)	(1)	(25)	(27)

1. NA—Not applicable.

The closing loss allowances for trade receivables reconciles to the opening loss allowance as follows:

	2024 $M	2023 $M
Opening loss allowance	**27**	**26**
Increase in loss allowance recognised in the profit and loss during the year	21	5
Receivables written off during the year as uncollectible	(12)	(2)
Disposals through loss of control of subsidiary[1]	—	(2)
Closing loss allowance	**36**	**27**

1. Relates to the sale of the Group's controlling interest in A25 (refer to Note B21).

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for an extended period.

Other receivables

Other receivables are financial assets at amortised cost and include other receivables and bank term deposits.

Other receivables accounting policy

The Group initially recognises other receivables at fair value and subsequently at amortised cost using the effective interest method, less expected credit losses. The Group applies the general approach to measuring expected credit losses which uses 12 months of expected credit losses after reporting date. However, if at reporting date the credit risk of a financial asset has significantly increased since its initial recognition, the loss allowance is calculated based on the lifetime of expected credit losses.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

Security holder outcomes

B8 Earnings per stapled security

	2024	2023
Profit attributable to ordinary security holders of the stapled group ($M)	**326**	**64**
Weighted average number of securities (M)	3,089	3,076
Basic and diluted earnings per security attributable to the ordinary security holders of the stapled group (cents)	**10.6**	**2.1**

B9 Dividends/distributions and free cash

Dividends/distributions payable by the Group

	Total $M	Paid in cash $M	Settled in securities $M	Cents	Date paid/payable
Declared 21 June 2024[1]					
Franked THL	—	—	—	—	
Partly franked THT	989	—	—	32.0	
	989	**—**	**—**	**32.0**	**13 August 2024**

Dividends/distributions paid by the Group

	Total $M	Paid in cash $M	Settled in securities $M	Cents	Date paid/payable
2024					
Declared 2 December 2023[1]					
Franked THL	—	—	—	—	
Unfranked THT	927	875	52	30.0	
	927	**875**	**52**	**30.0**	**13 February 2024**
Declared 19 June 2023[2]					
Franked THL	31	28	3	1.0	
Partly franked THT	939	840	99	30.5	
	970	**868**	**102**	**31.5**	**21 August 2023**
Total	**1,897**	**1,743**	**154**	**61.5**	
2023					
Declared 2 December 2022[2]					
Franked THL	—	—	—	—	
Unfranked THT	815	742	73	26.5	
	815	**742**	**73**	**26.5**	**13 February 2023**
Declared 20 June 2022					
Franked THL	61	58	3	2.0	
Partly franked THT	737	689	48	24.0	
	798	**747**	**51**	**26.0**	**23 August 2022**
Total	**1,613**	**1,489**	**124**	**52.5**	

1. *Total declared FY24 was $1,916 million.*
2. *Total declared FY23 was $1,785 million.*

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B9 Dividends/distributions and free cash (continued)

Distribution policy and free cash calculation

The Group typically aligns distributions with free cash generated. The Group calculates free cash as follows:

	2024 $M	2023 $M
Cash flows from operating activities	**1,631**	**1,459**
Add back transaction and integration costs[1]	—	9
Add back payments for maintenance of intangible assets	152	134
Less debt amortisation of 100% owned assets[2]	—	(10)
Less cash flow from operating activities related to non-100% owned entities	(556)	(518)
Less allowance for maintenance of intangible assets for 100% owned assets[3]	(61)	(60)
Less cash flow from operating activities related to maintenance obligations[4]	(62)	—
Adjust for distributions and interest received from non-100% owned entities		
M1 Eastern Distributor distributions	25	47
Transurban Queensland distributions and shareholder loan note payments[5]	559	232
NWRG distributions and shareholder loan note payments[5]	320	212
STP JV distributions and shareholder loan note payments[5]	400	176
TC distributions	30	33
A25 distributions	21	12
Free cash	**2,459**	**1,726**
Weighted average securities on issue (M)[6]	**3,090**	**3,081**
Free cash per security (cents)—weighted average securities	**79.6**	**56.0**

1. *For the year ended 30 June 2023, transaction and integration costs include transaction costs related to the sale of the Group's controlling interest in A25.*
2. *From the date of the initial WestConnex acquisition in 2018, debt amortisation from M5 West has been added back to this figure due to the M5 West concession arrangement being transferred to the WestConnex ownership consortium at the end of the current M5 West concession agreement in 2026. Debt amortisation of 100% owned assets has been adjusted by $108 million (2023: $98 million).*
3. *Includes tag purchases.*
4. *Relates to commercial payments received from third parties in connection with the Group's construction contracts, to be used for future remediation activities (refer to Note B17).*
5. *Distributions and shareholder loan note payments include capital releases received from Transurban Queensland of $275 million (2023: $nil), NWRG of $96 million (2023: $nil) and STP JV of $134 million (2023: $27 million). Excluding these capital releases, free cash per security is 63.2 cents (2023: 55.2 cents).*
6. *The weighting applied to securities is based on their eligibility for distributions during the year and consequently can be different from the weighted average number of securities calculated in Note B8 Earnings per stapled security.*

Franking credits

	2024 $M	2023 $M
Franking credits available for subsequent periods based on a tax rate of 30% (2023: 30%)	150	128

Franking credits available for subsequent periods relate to Airport Motorway Holdings Pty Ltd $147 million (2023: $112 million) and Transurban Holdings Limited $3 million (2023: $16 million).

Distribution provision accounting policy

A provision for distribution is recognised for any distribution declared and authorised on or before the end of the reporting period, but not distributed by the end of the reporting period. These distributions are declared and authorised once they are approved by the Board, are announced to equity holders and are no longer at the discretion of the entity.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B9 Dividends/distributions and free cash (continued)

Distribution provision (continued)

Movements in distribution provision

Movements in the distribution provision during the financial year are set out below:

	Distribution to security holders	Distributions to non-controlling interest—other	Total
	$M	$M	$M
Balance at 1 July 2023	**970**	**34**	**1,004**
Additional provision recognised	1,916	112	2,028
Amounts paid	(1,743)	(120)	(1,863)
Amounts reinvested	(154)	—	(154)
Balance at 30 June 2024	**989**	**26**	**1,015**
Balance at 1 July 2022	**798**	**39**	**837**
Additional provision recognised	1,785	99	1,884
Amounts paid	(1,489)	(104)	(1,593)
Amounts reinvested	(124)	—	(124)
Balance at 30 June 2023	**970**	**34**	**1,004**

Section B: Notes to the Group financial statements for the year ended 30 June 2024

Capital and borrowings

Capital management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain an optimal capital structure to reduce the cost of capital, so that it can continue to provide returns to security holders and benefits for other stakeholders. The approach to capital management seeks to balance growth in distributions to investors and investments to create long-term value. The Group's cash flows support security holder distributions and funding of opportunities through a combination of debt and equity funding. The Group monitors covenants and forecast cash flows to ensure ongoing compliance with its obligations which supports capital management decisions including distributions.

B10 Contributed equity

	2024 $M	2023 $M
Fully paid stapled securities	4,002	3,968

Stapled securities

Stapled securities entitle the holder to participate in distributions and share in the proceeds upon winding up of the Group in proportion to the number of securities held. Every holder of a stapled security present at a meeting, in person or by proxy, is entitled to one vote. The issued securities of the Group are made up of a parcel of stapled securities, each parcel comprising one share in THL, one unit in THT and one share in TIL. The individual securities comprising a parcel of stapled securities cannot be traded separately.

Other contributed equity and issued units attributable to security holders of the Group relating to THT and TIL of $19,559 million and $1,057 million, respectively (2023: $19,448 million and $1,042 million respectively) is included within non-controlling interests. Refer to Note B23.

B11 Reserves

	Cash flow hedges $M	Cost of hedging $M	Share based payments $M	Foreign currency translation $M	Transactions with non-controlling interests $M	Total $M
Balance at 1 July 2023	**(89)**	**4**	**2**	**(81)**	**(298)**	**(462)**
Revaluation—gross	48	(36)	—	14	—	26
Deferred tax	(15)	11	—	(4)	—	(8)
Share of other comprehensive income of equity accounted investments, net of tax	(3)	—	—	—	—	(3)
Transactions with non-controlling interests	—	—	—	—	1	1
Balance at 30 June 2024	**(59)**	**(21)**	**2**	**(71)**	**(297)**	**(446)**
Balance at 1 July 2022	**93**	**8**	**1**	**(62)**	**(298)**	**(258)**
Revaluation—gross	(258)	(6)	—	(37)	—	(301)
Deferred tax	76	2	—	11	—	89
Gains reclassified on disposal of subsidiary, net of tax	—	—	—	7	—	7
Employee performance awards issued	—	—	1	—	—	1
Balance at 30 June 2023	**(89)**	**4**	**2**	**(81)**	**(298)**	**(462)**

Nature of reserves	Purpose of reserves
Cash flow hedges	Used to record gains or losses on cash flow hedging instruments (to the extent these are part of an effective hedge relationship), which are used by the Group to mitigate the risk of movements in exchange rates and interest rates, as outlined in Note B14.
Cost of hedging	Used to record changes in the fair value of the Group's hedging instruments attributable to movements in currency basis spread (where this element is excluded from the designated hedge relationship) as outlined in Note B14.
Share based payments	Used to recognise the grant date fair value of securities issued to employees and deferred securities granted to employees but not yet vested.
Foreign currency translation	Used to record exchange differences, including gains or losses relating to the effective component of net investment hedges, arising on translation of the United States and Canadian operations of the Group, as outlined in Note B14.
Transactions with non-controlling interests	Used to record differences which may arise as a result of transactions with non-controlling interests that do not result in a loss of control.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B12 Net finance costs

	Note	2024 $M	2023 $M
Finance income			
Income from concession financial asset		—	16
Interest income on financial assets at amortised cost		85	67
Interest income on bank deposits held at amortised cost		85	54
Net remeasurement gains on derivative financial instruments[1]		51	—
Net remeasurement gains on borrowings designated in fair value hedges[2]		24	—
Unwind of discount and remeasurement of financial assets at amortised cost[3]	B29	130	84
Unwind of discount and remeasurement of liabilities—promissory and concession notes		9	—
Unwind of discount and remeasurement of liabilities—shareholder loan note commitments	B29	8	1
Total finance income		**392**	**222**
Finance costs			
Interest and finance charges paid/payable		(705)	(706)
Net remeasurement losses on derivative financial instruments[1]		—	(56)
Net remeasurement losses on derivative financial instruments designated in fair value hedges[2]		(37)	—
Unwind of discount and remeasurement of liabilities—maintenance provision	B17	(29)	(24)
Unwind of discount and remeasurement of liabilities—construction obligation liability	B18	(14)	(27)
Unwind of discount and remeasurement of liabilities—promissory and concession notes		—	(1)
Unwind of discount and remeasurement of liabilities—lease liabilities	B28	(6)	(6)
Unwind of discount and remeasurement of liabilities—other liabilities		(5)	(9)
Net foreign exchange losses		—	(38)
Total finance costs		**(796)**	**(867)**
Net finance costs[4]		**(404)**	**(645)**

1. *Relates to gains and losses on derivative financial instruments in cash flow hedges transferred from other comprehensive income (OCI) and derivatives not designated in accounting hedge relationships. These include net unrealised gains or losses which arise from changes in the fair value of derivative financial instruments to the extent that hedge accounting is not achieved or is ineffective. Fair values increase or decrease because of changes in market rates over which the Group does not have control. The periodic remeasurement of cross-currency interest rate swap contracts to fair value includes an element of foreign currency basis spread. For those cross-currency interest rate swap contracts that designate the entire fair value of the cross-currency interest swap contract as the hedging instrument (including the foreign currency basis spread component), this can result in hedge accounting ineffectiveness in the hedging relationship that is recognised in finance costs.*
2. *Remeasurement gains of $24 million (2023: $nil) are offset by remeasurement losses of $37 million (2023: $nil) resulting in a net remeasurement loss of $13 million (2023:$nil).*
3. *Relates to the unwind of discount and remeasurement of shareholder loan notes (SLNs) with STP JV and NWRG (refer to Note B29).*
4. *In addition to the net finance costs that are included in the profit and loss, $145 million (2023: $92 million) of finance costs have been capitalised and included in the carrying amount of assets under construction (refer to Note B16).*

Interest income on financial assets and bank deposits held at amortised cost accounting policy

Interest income on financial assets and bank deposits held at amortised cost is recognised using the effective interest method.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B13 Borrowings

The following table shows the carrying amounts of borrowings included in the Group's consolidated balance sheet.

	2024 $M	2023 $M
Current		
Capital markets debt	1,168	200
Term debt	227	157
Bank overdraft	—	10
Total current borrowings	**1,395**	**367**
Non-current		
Capital markets debt	13,030	12,472
US private placements	2,822	2,822
Term debt	2,480	2,679
Shareholder loan notes	—	218
Total non-current borrowings	**18,332**	**18,191**
Total borrowings	**19,727**	**18,558**

Borrowings accounting policy

Initial recognition and subsequent measurement

Borrowings are recognised initially on the trade date (the date on which the Group becomes a party to the contractual provisions of the instrument).

Borrowings are initially recognised at fair value, which typically reflects the proceeds received, net of directly attributable transaction costs. Borrowings are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of direct transaction costs) and the amount payable at maturity is recognised in the profit and loss over the term of the borrowings using the effective interest method.

Borrowings that are in designated fair value hedge relationships are adjusted for fair value movements attributable to the hedged risk.

Fees paid on the establishment of loan facilities are recognised as directly attributable transaction costs of the borrowing to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Translation of foreign currency denominated borrowings

The Group revalues its foreign currency denominated borrowings each period using the spot exchange rate at the reporting date.

Classification

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred, except to the extent to which they relate to the construction of qualifying assets (assets under construction), in which case specifically identifiable borrowing costs are capitalised into the cost of the asset. Borrowing costs include interest on short-term and long-term borrowings.

Derecognition

Borrowings are derecognised when the contractual obligations are discharged, cancelled or expired. Any gain or loss is recognised in profit and loss when the borrowing is derecognised.

B13 Borrowings (continued)

Financing arrangements and credit facilities

During FY24, Transurban executed the following financing transactions:

July 2023

- Transurban Queensland reached financial close on a $500 million Institutional Term Loan (ITL) facility with tenors of 10 and 12 years.

November 2023

- Transurban Queensland reached financial close on $250 million of senior secured notes under its Australian Medium Term Note (AMTN) Programme with a tenor of 6.5 years.
- Transurban Queensland reached financial close on a $220 million ITL facility with tenors of 10 and 12 years.

March 2024

- Transurban reached financial close on €500 million ($836 million) and €500 million ($836 million) of senior secured notes under its Euro Medium Term Note (EMTN) Programme with a tenor of 8 and 12 years.

May 2024

- Transurban reached financial close on refinancing a letter of credit facility of USD49 million ($74 million) with a tenor of 1 year.

June 2024

- Transurban reached financial close on refinancing $825 million working capital facility with a tenor of 5 years.
- Transurban reached financial close on refinancing a letter of credit facility of USD150 million ($226 million) with a tenor of 3 years.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B13 Borrowings (continued)

Financing arrangements and credit facilities (continued)

Under the Group's debt funding structure, the carrying amount of each facility (drawn component) and debt instrument is shown below:

		Carrying amount	
	Maturity	2024	2023
		$M	$M
Corporate debt			
Working capital facilities			
AUD 2,650m facility[1]	Jun 2029[2]	—	—
Bank overdraft[1]	On demand	—	10
Capital markets debt			
EMTN EUR 600m	Sept 2024	968	983
EMTN EUR 500m	Aug 2025	807	820
US 144A USD 550m	Feb 2026	830	830
US 144A USD 550m	Mar 2027	830	830
EMTN NOK 750m	Jul 2027	106	105
EMTN EUR 500m	Mar 2028	807	820
EMTN CAD 650m	Nov 2028	715	740
EMTN EUR 600m	May 2029	968	983
EMTN EUR 750m	Apr 2030	1,210	1,229
US 144A USD 900m	Mar 2031	1,358	1,358
EMTN EUR 500m	Mar 2032	807	—
EMTN EUR 650m	Apr 2033	1,049	1,065
EMTN EUR 350m	Jul 2034	564	574
EMTN EUR 500m	Mar 2036	807	—
Net capitalised borrowing costs and remeasurement adjustments		(73)	(59)
Total corporate debt, net of capitalised borrowing costs		**11,753**	**10,288**
Non-recourse debt			
Capital markets debt			
Transurban Queensland Finance—AMTN AUD 200m[1]	Oct 2023	—	200
Transurban Queensland Finance—AMTN AUD 200m	Dec 2024	200	200
Transurban Queensland Finance—EMTN CHF 200m	Dec 2025	335	336
Transurban Queensland Finance—EMTN CHF 175m	Nov 2026	293	294
Transurban Queensland Finance—EMTN Reg S USD 500m	Apr 2028	754	754
Transurban Queensland Finance—AMTN AUD 250m	May 2030	250	—
Transurban Queensland Finance—AMTN AUD 300m	Aug 2031	300	300
Transurban Queensland Finance—EMTN CHF 190m	Nov 2031	318	319
Net capitalised borrowing costs		(5)	(9)

1. *Repaid or refinanced during FY24.*
2. *Maturity date shown is final maturity date. Tranche D ($825 million) matures in April 2027, Tranche E ($1,000 million) matures in June 2028 and Tranche F ($825 million) matures in June 2029.*

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B13 Borrowings (continued)

Financing arrangements and credit facilities (continued)

	Maturity	Carrying amount 2024 $M	2023 $M
Non-recourse debt (continued)			
US private placement			
Transurban Queensland Finance—Sep 2015—Tranche A USD 155m	Sept 2025	234	234
Transurban Queensland Finance—Dec 2016—Tranche A USD 130m	Dec 2026	196	196
Transurban Queensland Finance—Dec 2016—Tranche D AUD 35m	Dec 2026	35	35
Transurban Queensland Finance—Sep 2015—Tranche B USD 230m	Sept 2027	347	347
Transurban Queensland Finance—Dec 2016—Tranche B USD 225m	Dec 2028	339	339
Transurban Queensland Finance—May 2019—Tranche A AUD 30m	May 2029	30	30
Transurban Queensland Finance—May 2019—Tranche C USD 144m	May 2029	217	217
Transurban Queensland Finance—Sep 2015—Tranche C USD 256m	Sept 2030	386	386
Transurban Queensland Finance—Sep 2015—Tranche D AUD 70m	Sept 2030	70	70
Transurban Queensland Finance—May 2019—Tranche D USD 245m	May 2031	370	370
Transurban Queensland Finance—Dec 2016—Tranche C USD 78m	Dec 2031	118	118
Transurban Queensland Finance—Dec 2016—Tranche E AUD 75m	Dec 2031	75	75
Transurban Queensland Finance—May 2019—Tranche B AUD 40m	May 2034	40	40
Transurban Queensland Finance—May 2019—Tranche E USD 180m	May 2034	272	272
Transurban Queensland Finance—Jan 2017—Tranche F AUD 100m	Jan 2035	100	100
Net capitalised borrowing costs		(7)	(7)
Term debt			
M5 West—Term Debt AUD 106m[1]	Mar 2024	—	81
Lane Cove Tunnel Trust—Term debt AUD 326m[1]	Oct 2024	—	326
Transurban Queensland Finance—Syndicated bank facility AUD 480m[1]	Dec 2024	—	279
Transurban Queensland Finance—Capex facility AUD 150m	Apr 2025	46	62
Transurban Queensland Finance—Working capital facility AUD 23m	Apr 2025	—	—
Lane Cove Tunnel Trust—Term debt AUD 60m[1]	May 2025	—	60
M5 West—Term debt AUD 143m	Jun 2025	116	143
Cross City Tunnel Trust—Term debt AUD 282m[2]	Mar 2026	282	282
Lane Cove Tunnel Trust—Term debt AUD 200m	May 2028	200	200
Transurban Queensland Finance—Term debt AUD 200m	Apr 2030	200	200
Hills Motorway Trust—Term debt AUD 475m	Apr 2030	475	475
Airport Motorway Trust—Term debt AUD 434m[2]	Dec 2030	316	365
Lane Cove Tunnel Trust—Term debt AUD 40m	May 2031	40	40
Hills Motorway Trust—Term debt AUD 340m	Apr 2035	340	340
Transurban Queensland Finance—Term debt AUD 300m	Jun 2033	300	—
Transurban Queensland Finance—Term debt AUD 90m	Oct 2033	90	—
Transurban Queensland Finance—Term debt AUD 200m	Jun 2035	200	—
Transurban Queensland Finance—Term debt AUD 130m	Oct 2035	130	—
Net capitalised borrowing costs		(28)	(17)
Shareholder loan notes			
Loan from Transurban Queensland consortium partners—AUD 281m[3]	Dec 2048	—	218
Total non-recourse debt, net of capitalised borrowing costs		**7,974**	**8,270**
Total borrowings		**19,727**	**18,558**

1. *Repaid or refinanced during FY24.*
2. *These facilities require principal repayments throughout their life, with $65 million due within one year of 30 June 2024 (2023: $77 million), classified as current borrowings.*
3. *Shareholder loan notes were fully repaid during FY24.*

B13 Borrowings (continued)

Working capital facilities

- The Group's corporate facilities are secured by first ranking charges granted by Transurban Finance Company Pty Ltd, Transurban Finance Trust, Transurban Holdings Limited, Transurban Holding Trust, Transurban International Limited and Transurban Limited.
- The Transurban Queensland Finance facility is secured by the respective rights of Transurban Queensland Holdings 1 Pty Limited, Transurban Queensland Holdings 2 Pty Limited, Transurban Queensland Invest Trust and their assets.

Capital markets debt

- The Group has a corporate secured EMTN programme with a limit of USD10 billion. Under the programme the Group may from time to time issue notes denominated in any currency. These facilities are secured by first ranking charges granted by Transurban Finance Company Pty Ltd, Transurban Finance Trust, Transurban Holdings Limited, Transurban Holding Trust, Transurban International Limited and Transurban Limited.
- The Group's corporate US 144A notes are secured by first ranking charges granted by Transurban Finance Company Pty Ltd, Transurban Finance Trust, Transurban Holdings Limited, Transurban Holding Trust, Transurban International Limited and Transurban Limited.
- Transurban Queensland Finance has a secured AMTN programme with a limit of $2.0 billion. Notes issued under the programme are secured by the respective rights of Transurban Queensland Holdings 1 Pty Limited, Transurban Queensland Holdings 2 Pty Limited, Transurban Queensland Invest Trust and their assets.
- Transurban Queensland Finance has a secured EMTN programme with a limit of USD2 billion. Under the programme, Transurban Queensland Finance may from time to time issue notes denominated in any currency. These notes are secured by the respective rights of Transurban Queensland Holdings 1 Pty Limited, Transurban Queensland Holdings 2 Pty Limited, Transurban Queensland Invest Trust and their assets.

US private placement

- The Transurban Queensland Finance US private placement facilities are secured by the respective rights of Transurban Queensland Holdings 1 Pty Limited, Transurban Queensland Holdings 2 Pty Limited, Transurban Queensland Invest Trust and their assets.

Term debt

- The Airport Motorway facility is secured by the respective rights of Airport Motorway Pty Limited, the Airport Motorway Trust and their assets.
- The Hills Motorway Trust facilities are secured by the respective rights of Hills Motorway Limited, Hills Motorway Trust and their assets.
- The Lane Cove Tunnel facility is secured by the respective rights of LCT-MRE Pty Limited, LCT-MRE Trust and their assets.
- The Cross City Tunnel facility is secured by the respective rights of Transurban CCT Pty Limited, Transurban CCT Trust and their assets.
- The M5 West facility is secured by the respective rights of Interlink Roads Pty Limited and their assets.
- The Transurban Queensland Finance facilities are secured by the respective rights of Transurban Queensland Holdings 1 Pty Limited, Transurban Queensland Holdings 2 Pty Limited, Transurban Queensland Invest Trust and their assets.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B13 Borrowings (continued)

Letters of credit and corporate credit facilities

	Maturity	2024 $M Facility amount	2024 $M Amount drawn	2023 $M Facility amount	2023 $M Amount drawn
Letter of credit facility[2,3]	Jun 2025	74	74	74	74
Letter of credit facility[2,3]	Jul 2027	226	122	226	152
Working capital facility[1]	Apr 2025	12	12	12	12
Letter of credit facilities[2,3]	Sept 2025	150	43	150	28
General credit facility[2,3]	Dec 2025	6	5	6	5
Letter of credit facility[3]	Jun 2026	113	113	113	113
Total		**581**	**369**	**581**	**384**

1. *Transurban Queensland $12 million letter of credit facility is issued as part of a working capital facility.*
2. *These facilities were amended or refinanced during FY24.*
3. *Relates to a corporate credit facility.*

There are no claims against any of the issued letters of credit and therefore no liability is recorded as at 30 June 2024 (2023: $nil).

Covenants

A number of the Group's consolidated borrowings include financial covenants, which are listed below. There have been no breaches of any of these covenants during FY24.

The Group monitors covenants by applying forecast cash flows to ensure ongoing compliance with its obligations. This allows capital management and management action decisions to be made at the asset level (including distributions) should actual cash flows not perform to budget.

Corporate and non-recourse financial covenants are calculated on a trailing 12 month basis. A trailing 12 month metric also enables management action to be taken swiftly to mitigate the risks of any covenants breaches.

Corporate debt

Covenant	Covenant breach threshold
Senior Interest Coverage Ratio	Less than 1.25 times

Non-recourse debt

Covenant	Covenant breach threshold
M5 West Debt Service Cover Ratio	Less than 1.10 times
Airport Motorway Trust Interest Coverage Ratio	Less than 1.10 times
Hills Motorway Trust Debt Service Coverage Ratio	Less than 1.10 times
Lane Cove Tunnel Trust Interest Coverage Ratio	Less than 1.15 times
Cross City Tunnel Trust Interest Coverage Ratio	Less than 1.10 times
Transurban Queensland Finance Interest Coverage Ratio	Less than 1.20 times

B14 Financial risk management and derivatives

Financial risk management

The Group’s activities expose it to a number of financial risks, including market risk (currency risk and interest rate risk), credit risk and liquidity risk. These risks arise in the normal course of business and the financial risk management function is carried out centrally under policies approved by the Board. The Group’s financial risk management policies allow derivative transactions to be undertaken for the purpose of reducing financial risks and do not permit speculative trading.

The Group continuously monitors risk exposures over time through reviewing cash flow sensitivities, market analysis and ongoing communication within the Group. When measuring financial risk, the Group considers the positive and negative exposures, existing hedges and the ability to offset exposures.

Derivatives

The Group uses derivative financial instruments in the normal course of business to hedge exposures to fluctuations in interest rates and foreign exchange rates. In addition, Financial Power Purchase Agreements (PPAs) are used to manage a portion of the Group's exposure to electricity prices.

The table below outlines the Group's derivative financial instruments which are recognised and measured at fair value on a recurring basis.

		2024		2023
		$M		$M
	Current	Non-current	Current	Non-current
Assets				
Interest rate swap contracts	2	207	—	263
Cross-currency interest rate swap contracts	129	812	—	971
Power purchase agreements	6	17	5	19
Total derivative financial instrument assets	**137**	**1,036**	**5**	**1,253**
Liabilities				
Cross-currency interest rate swap contracts	—	259	—	144
Forward exchange contracts	—	11	—	2
Swap option contracts	5	—	—	—
Total derivative financial instrument liabilities	**5**	**270**	**—**	**146**

Derivatives accounting policy

Initial recognition and subsequent measurement

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

Classification

Derivative financial instruments are included as non-current assets or liabilities, except for those that mature in less than 12 months from the reporting date, which are classified as current.

Right to set-off

Derivative financial instruments are recorded on a net basis in the consolidated balance sheet where there is a legally recognised right to set-off the derivative asset and the derivative liability and the Group intends to settle on a net basis. Currently there is no right or basis to present any financial assets or financial liabilities on a net basis, and as such no financial assets or financial liabilities have been presented on a net basis in the Group's balance sheet at the reporting date.

Derecognition

Derivative assets are derecognised when the rights to receive cash flows from the derivative assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of the asset.

Derivative liabilities are derecognised when the contractual obligations are discharged, cancelled or expired.

B14 Financial risk management and derivatives (continued)

Hedge accounting

Hedging refers to the way in which the Group uses financial instruments, primarily derivatives, to manage its exposure to financial risks. The gain or loss on the underlying item (the 'hedged item') is expected to move in the opposite direction to the gain or loss on the derivative (the 'hedging instrument'), therefore offsetting the risk position. Hedge accounting allows the recognition of gains or losses on the hedged items and associated hedging instruments to reduce volatility in profit and loss.

The Group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges);
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges); or
- hedges of a net investment in a foreign operation (net investment hedges).

At the inception of the hedge relationship the Group documents the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking the hedge transactions. The Group also documents its assessment, both at inception of the hedge relationship and on an ongoing basis, of whether the hedging relationship continues to meet the hedge effectiveness requirements.

For the Group's hedge accounting transactions, the critical terms of the hedging instrument and hedged item are generally aligned (such as cash flows, maturity and notional amount).

Hedging accounting policy

In order to qualify for hedge accounting, the hedging relationship must meet all of the following hedge effectiveness requirements:

- an economic relationship exists between the hedged item and hedging instrument;
- the effect of credit risk does not dominate the value changes resulting from the economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedge accounting is discontinued when a hedging instrument expires, is sold, terminated, or no longer meets the criteria for hedge accounting.

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit and loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

The net difference is recorded in the profit and loss as ineffectiveness. The carrying amount of borrowings in effective fair value hedge relationships is adjusted for gains or losses attributable to the risk(s) being hedged.

If hedge accounting is discontinued, the cumulative adjustment recorded against the carrying amount of the hedged item at the date hedge accounting ceases is amortised to the profit and loss over the period to maturity using the effective interest method.

The Group excludes currency basis spread from its fair value hedge relationships where the designated hedging instrument is a cross-currency interest rate swap. Changes in foreign currency basis spread are recognised through other comprehensive income in the cost of hedging reserve in equity. Amounts accumulated in the cost of hedging reserve are reclassified to the profit and loss if hedge accounting is discontinued.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in the cash flow hedges reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in the profit and loss, in net finance costs.

Amounts accumulated in the cash flow hedges reserve in equity are reclassified to the profit and loss in the periods when the hedged item affects the profit and loss.

If hedge accounting is discontinued, any cumulative gain or loss existing in equity at that time remains in equity and is subsequently reclassified to the profit and loss when the forecast transaction is ultimately recognised in the profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in the cash flow hedges reserve in equity is immediately transferred to the profit and loss. When a subsidiary to which the cash flow hedges reserve relates to is disposed of, amounts accumulated in the cash flow hedges reserve are reclassified to the profit and loss.

The Group excludes currency basis spread from its cash flow hedge relationships where the designated hedging instrument is a cross-currency interest rate swap entered into on or after 1 July 2020. Changes in foreign currency basis spread on swaps entered into from 1 July 2020 are recognised through other comprehensive income in the cost of hedging reserve in equity. Amounts accumulated in the cost of hedging reserve are reclassified to the profit and loss if hedge accounting is discontinued.

For cross-currency interest rate swaps entered into before 1 July 2020 that are in a cash flow hedge relationship, the Group has designated the entire fair value of the cross-currency interest swap contract as the hedging instrument (including the foreign currency basis spread component).

This can result in ineffectiveness in the hedging relationship that is recognised in the profit and loss, in net finance costs, as outlined in Note B12.

B14 Financial risk management and derivatives (continued)

Hedging accounting policy (continued)

Net investment hedges

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges.

Any gain or loss on the hedging instrument (for example, foreign currency denominated borrowings) relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated in the foreign currency translation reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in the profit and loss, in net finance costs.

Gains and losses accumulated in the foreign currency translation reserve in equity are included in the profit and loss when the foreign operation is disposed or sold.

Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting or are specifically not designated in an accounting hedge relationship as natural offset achieves substantially the same accounting results. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the profit and loss.

The Financial PPAs, discussed below, include a contract for difference (CfD) which are derivative financial instruments that do not qualify for hedge accounting. They are recorded on the balance sheet at fair value with movements recorded in the profit and loss.

Hedging strategy and instruments used by the Group

Fair value hedges

The Group enters into cross-currency interest rate swaps or interest rate swaps to mitigate exposure to changes in the fair value of borrowings which are issued at fixed interest rates or denominated in a foreign currency, by converting to floating interest rate Australian dollar borrowings. The objective of the Group's fair value hedges is to hedge the fair value exposure to movements in exchange rates and movements in interest rates.

Cash flow hedges

The Group enters into cross-currency interest rate swaps and interest rate swaps to hedge exposure to changes in cash flows on borrowings that bear floating interest rates or are denominated in a foreign currency, by converting to fixed interest rate Australian dollar borrowings. The objective of the Group's cash flow hedges is to hedge the cash flow exposure to movements in variable interest rates and movements in exchange rates.

The Group's policy is to hedge the interest rate exposure on drawn borrowings to between 80% and 100% and to ensure compliance with any covenant requirements of its funding facilities by issuing fixed interest rate borrowings or by entering into interest rate swap contracts. Interest rate swap contracts currently in place swap floating interest rate commitments back to fixed interest rates. As at 30 June 2024, 88% (2023: 98%) of the Group's interest rate exposure based on the carrying amount of drawn borrowings at reporting date (excluding letters of credit facilities) was hedged.

The Group uses forward exchange contracts to protect against exchange rate movements between the AUD and foreign currencies on highly probable forecast transactions relating to operating expenditure. The fair value of forward exchange contracts held is not material to the Group in the current or prior financial year.

Hedge of net investment in foreign entity

A portion of the Group's USD denominated borrowings and CAD denominated borrowings act as a natural hedge against the exposure to foreign currency movements in Transurban's investment in its US and Canadian based assets (TC in the US and A25 in Canada).

During FY23, the Group sold its controlling interest in A25 (refer to Note B21). As a result of this transaction, the Group's net investment hedge of the CAD asset was discontinued, with $7 million in cumulative losses related to exchange rate movements on the borrowing hedging instrument, net of tax transferred to the profit and loss as part of the loss on sale from the divestment.

From the date of the change in control of A25 and the recognition of the Group's remaining 50% interest in A25 as an equity accounted investment, the Group designated a new net investment hedge of its equity accounted investment in the A25 asset.

Derivative instruments not in an accounting hedge relationship

The Group uses forward exchange contracts to protect against exchange rate movements on a portion of its USD and CAD principal and interest commitments. The fair value of these forward exchange contracts held is not material to the Group in the current or prior financial year.

Power Purchase Agreements

As at 30 June 2024, the Group has entered into four PPAs; three Financial PPAs and one Retail PPA, all of which are operational.

The Financial PPAs with the Sapphire Wind Farm and Bango Wind Farm are both for 9 years and 9 months and support the NSW and WestConnex operations (excluding WestConnex M4-M8 link) and expire in December 2030. The Bango Wind Farm became operational on 8 June 2022 and on 2 June 2022, the Bango Wind Farm PPA was amended and expanded to include NCX and M5 West operations from July 2022 onwards.

The Financial PPA with the Coopers Gap Wind Farm is for 4 years and 6 months, became operational on 1 January 2022 and supports Transurban Queensland's operations expiring in June 2026.

The Financial PPAs include a CfD which is a derivative financial instrument and is recorded on the balance sheet at fair value with movements recorded in the profit and loss.

The Retail PPA to supply renewable energy became operational on 1 January 2024 and supports the Victorian operations expiring in December 2030. The Retail PPA contract differs to the Financial PPA contract in that it does not contain a CfD derivative.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B14 Financial risk management and derivatives (continued)

Effects of hedge accounting on financial position and performance

Hedging reserves

The following table presents the gains and losses on the Group's hedging instruments transferred to and from reserves:

	2024 $M		2023 $M	
	Cash flow hedges reserve	Cost of hedging reserve	Cash flow hedges reserve	Cost of hedging reserve
Opening balance as at 1 July	(89)	4	93	8
Change in net fair value of derivatives recognised in hedging reserves in OCI	(19)	(36)	195	(6)
Transfers in fair value of hedging instruments from OCI to the profit and loss (net finance costs) for hedge ineffectiveness	(34)	—	38	—
Transfers in fair value of hedging instruments from OCI to the profit and loss (other expenses) for foreign currency movements[1]	101	—	(491)	—
Net revaluation - gross	**48**	**(36)**	**(258)**	**(6)**
Tax effect on revaluation movements	(15)	11	76	2
Share of hedging reserves of equity accounted investments, net of tax	(3)	—	—	—
Closing balance as at 30 June	**(59)**	**(21)**	**(89)**	**4**

1. *There is no significant impact on the profit and loss from foreign currency movements associated with the borrowings portfolio that are swapped to Australian dollars as an offsetting entry will be recognised on the associated hedging instrument. $101 million represents unrealised losses transferred (2023: $491 million unrealised gains) relating to foreign currency revaluation of the principal component of cross currency interest rate swaps that offsets the unrealised foreign currency revaluation of the principal value of hedged foreign denominated borrowings.*

Foreign currency translation reserve

As at 30 June 2024, the Group has deferred in equity within foreign currency translation reserve $14 million in losses (2023: $44 million in gains) relating to exchange movements on the revaluation of financial instruments hedging a portion of the net assets of the Group's investments in its US and Canadian based assets.

During FY24 there were $nil transfers (2023: $7 million loss, net of tax) relating to valuation of hedging instruments transferred from foreign currency translation reserve to the profit and loss following disposal of subsidiary.

Borrowings in fair value hedges

The table below shows the cumulative amount of fair value hedge adjustments that are included in the carrying amount of borrowings in the balance sheet.

	2024 $M	2023 $M
Principal value	1,614	—
Capitalised borrowing costs	(10)	—
Amortised cost	1,604	—
Cumulative fair value hedge adjustments	(24)	—
Carrying amount	**1,580**	**—**

During FY24 the net amount recognised in the profit and loss within finance costs relating to borrowings in fair value hedges was a gain of $24 million (2023: $nil). This was offset by a loss on associated derivative instruments of $37 million (2023: $nil).

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B14 Financial risk management and derivatives (continued)

Market risk

Foreign exchange risk

Foreign currency risk is the risk that the value of a financial commitment, forecast transaction, recognised asset or liability will fluctuate due to changes in foreign exchange rates.

The Group operates internationally and is exposed to foreign exchange risk when future transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

The Group has foreign currency risk from borrowings denominated in foreign currencies, investments and operating activities. The Group uses hedging instruments such as cross-currency interest rate swaps, as well as natural hedges such as foreign currency-denominated operating exposures and foreign currency borrowings, to manage these exposures. The Group generally manages exposures from investments in foreign assets using foreign currency borrowings comprising borrowings denominated in CAD and a portion of the Group's borrowings denominated in USD. For all other borrowings denominated in foreign currencies the Group manages foreign currency risk over the life of the borrowing by converting these borrowings to Australian dollars using cross-currency interest rate swaps. The Group's policy is to ensure that, at any time, all known material operating exposures for the following 12 months are hedged using hedging instruments or by drawing on foreign currency funds.

Exposure

The Group's exposures to foreign currency risk after hedging at the reporting date, denominated in the currency in which the risk arises are as follows:

	2024 Local M					2023 Local M				
	USD	EUR	CAD	CHF	NOK	USD	EUR	CAD	CHF	NOK
Cash and cash equivalents	82	—	28	—	—	59	—	63	—	—
Trade payables	8	—	—	—	—	5	—	—	—	—
Net investment in foreign operation	2,166	—	341	—	—	2,232	—	385	—	—
Borrowings	(4,143)	(4,950)	(650)	(565)	(750)	(4,143)	(3,956)	(650)	(565)	(750)
Foreign exchange forwards	10	—	288	—	—	2	—	280	—	—
Cross-currency interest rate swaps	3,643	4,950	—	565	750	3,643	3,950	—	565	750
Net exposure to foreign currency risk	**1,766**	**—**	**7**	**—**	**—**	**1,798**	**(6)**	**78**	**—**	**—**

Hedging instruments

Financial instruments designated as hedging instruments of foreign currency risk and the effects of the hedge accounting relationship are as follows:

	2024 $M	2023 $M
Borrowings hedging net investment in foreign operation—USD		
Carrying amount of borrowings	754	754
USD carrying amount of borrowings	500	500
Maturity dates	February 2026	February 2026
Hedge ratio	1:1	1:1
Change in carrying amount of borrowings as a result of foreign currency movements	—	(28)
Change in value of hedged item used to determine hedge effectiveness	(1)	125
Borrowings hedging net investment in foreign operation—CAD[1]		
Carrying amount of borrowings	407	421
CAD carrying amount of borrowings	370	370
Maturity dates	November 2028	November 2028
Hedge ratio	1:1	1:1
Change in carrying amount of borrowings as a result of foreign currency movements	14	(16)
Change in value of hedged item used to determine hedge effectiveness	(13)	17

1. *During FY23, the Group completed the sale of its controlling interest in A25 which resulted in the derecognition of the existing net investment hedge of foreign operations - CAD. From the date of the change in control of A25 on 1 March 2023, the Group has designated a new net investment hedge of its equity accounted investment in the CAD asset.*

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B14 Financial risk management and derivatives (continued)

Market risk (continued)

Foreign exchange risk (continued)

Hedging instruments (continued)

	2024 $M	2023 $M
Cross-currency interest rate swaps hedging borrowings denominated in foreign currencies		
Carrying amount of cross-currency interest rate swaps	682	827
Notional amount (AUD) at hedged rates	13,678	12,007
Maturity dates	September 2024 to March 2036	September 2024 to July 2034
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedging instruments since 1 July	(157)	273
Change in value of hedged item used to determine hedge effectiveness	148	(285)

The Group's borrowing exposures to foreign currency risk and cross-currency interest rate swaps that are hedging foreign denominated borrowings at the reporting date are shown below:

	2024 $M				2023 $M			
	USD	EUR	CHF	NOK	USD	EUR	CHF	NOK
Borrowings[1]	(4,143)	(4,950)	(565)	(750)	(4,143)	(3,950)	(565)	(750)
Cross-currency interest rate swaps								
Receive notional value[1]	3,643	4,950	565	750	3,643	3,950	565	750
Pay notional value AUD	(4,897)	(7,889)	(774)	(117)	(4,897)	(6,218)	(774)	(117)
Average exchange rate	0.75	0.63	0.73	6.42	0.75	0.64	0.73	6.42

1. Balances are presented in respective currency.

An analysis by maturities of the Group's borrowings is provided in the liquidity risk section below.

B14 Financial risk management and derivatives (continued)

Market risk (continued)

Foreign exchange risk (continued)

Sensitivity

Sensitivity analysis from the following shifts in exchange rates on foreign currency risk exposures at the reporting date is as follows. These shifts in exchange rates have been selected as a reasonably possible change. This is not a forecast or prediction of future market conditions.

	2024 $M		2023 $M	
	Increase/ (decrease) in post-tax profit	Increase/ (decrease) in equity	Increase/ (decrease) in post-tax profit	Increase/ (decrease) in equity
AUD/USD				
+ 10 cents	(12)	(223)	(1)	(235)
– 10 cents	17	303	2	319
AUD/EUR				
+ 5 cents	—	(15)	(1)	(2)
– 5 cents	—	18	(1)	2
AUD/CAD				
+ 10 cents	2	2	2	(1)
– 10 cents	(3)	(3)	(2)	1
AUD/CHF				
+ 10 cents	—	(2)	—	1
– 10 cents	—	3	—	(2)
AUD/NOK				
+ 50 cents	—	—	—	—
– 50 cents	—	—	—	—

There is no significant impact on the profit and loss from foreign currency movements associated with borrowings which are swapped to Australian dollars as an offsetting amount will be recognised on the associated hedging instrument. There is exposure to equity impacts from foreign exchange movements associated with the unhedged component of investments in foreign operations and derivatives in cash flow hedges.

Interest rate risk

Interest rate risk arises from changes in market interest rates.

Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group uses cross-currency interest rate swaps to convert a portion of fixed interest rate borrowings to floating interest rate borrowings.

Floating interest rate borrowings give rise to cash flow interest rate risk, which is partially offset by cash and cash equivalents balances held at floating interest rates. The Group manages this interest rate risk by entering into fixed interest rate borrowings or by using interest rate swaps to convert floating interest rate borrowings to fixed interest rate borrowings.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B14 Financial risk management and derivatives (continued)

Market risk (continued)

Interest rate risk (continued)

Exposure

The Group's exposures to interest rate risk after hedging at the end of the reporting period are as follows:

	2024 $M	2023 $M
Floating interest rate borrowings	2,895	3,014
Less: floating interest rate borrowings converted to fixed interest rates using interest rate swaps (notional principal amount)	(2,129)	(2,672)
Fixed interest rate borrowings converted to floating interest rates using cross-currency interest rate swaps	1,614	—
Bank overdraft	—	10
Floating interest rate exposure[1]	**2,380**	**352**
Fixed interest rate borrowings		
Less than 1 year	1,284	280
1-5 years	10,460	10,104
Over 5 years	5,716	7,696
Shareholder loan notes	—	218
Net capitalised borrowing costs and remeasurement adjustments	(113)	(92)
Total borrowings	**19,727**	**18,558**

1 Exposure to floating rate borrowings is offset by cash and cash equivalent balances held at variable rates.

An analysis by maturities of the Group's borrowings is provided in the liquidity risk section below.

Hedging instruments

Derivative instruments designated as hedging instruments of interest rate risk and the effects of the hedge accounting relationship are as follows:

	2024 $M	2023 $M
Interest rate swaps hedging cash flow interest rate risk		
Carrying amount	209	263
Notional amount	2,129	2,672
Maturity dates	December 2024 to January 2035	July 2024 to January 2035
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedging instruments since 1 July	139	90
Change in value of hedged item used to determine hedge effectiveness	(142)	(91)
Weighted average hedged interest rate for the year[1]	1.9 %	1.9 %

1. Based on average fixed rate of interest rate swap contracts, which does not include any margins that may be applicable on the hedged debt instruments.

	2024 $M	2023 $M
Cross-currency interest rate swaps hedging fair value interest rate risk		
Carrying amount	(92)	—
Notional amount	1,671	—
Maturity dates	March 2032 to March 2036	N/A
Hedge ratio	1:1	N/A
Change in fair value of outstanding hedging instruments since 1 July	(37)	—
Change in value of hedged item used to determine hedge effectiveness	24	—
Interest rate based on semi-annual reset[1]	BBSW	N/A

1. Margins are added to the floating BBSW rate.

B14 Financial risk management and derivatives (continued)

Market risk (continued)

Interest rate risk (continued)

Sensitivity

Sensitivity analysis on the impacts to profit after tax from movements in benchmark interest rates on floating rate instruments after hedging is as follows. A sensitivity range of plus and minus 100 basis points has been selected as a reasonably possible shift in interest rates. This is not a forecast or prediction of future market conditions.

	Movement in post-tax profit	
	2024	2023
	$M	$M
Interest rates +100bps	(4)	17
Interest rates –100bps	4	(17)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss. The Group actively monitors concentrations of credit risk from operating activities, and has policies in place to ensure that transactions are made with commercial customers with an appropriate credit history.

The Group is exposed to credit risk with its financial counterparties through entering into financial transactions in the ordinary course of business. These include funds held on deposit, cash investments and the use of derivative financial instruments.

The Group manages its counterparty credit risks by dealing with counterparties that are investment grade, use of counterparty credit exposure limits, limiting the amount of credit exposure to any single counterparty and maintaining a diversity of counterparties. Financial counterparties are assessed considering credit ratings provided by multiple independent ratings agencies.

Counterparty credit risk exposures are minimised through the netting of offsetting exposures and are monitored daily across the Group.

An International Swaps and Derivatives Association (ISDA) agreement must be in place between the Transurban dealing entity and the counterparty prior to executing any derivatives and netting provisions are included in the event of default.

Transurban Finance Company Pty Ltd (Transurban's corporate borrowing entity) maintains all required Group counterparty credit risk metrics under the Board approved Group Treasury Policy.

Credit quality of trade and related party receivables is assessed having regard to potential risk of default, relevant economic indicators and any changes to the nature and collectability of balances. Refer to Notes B7 and B29 for further information.

Liquidity risk

The Group manages its liquidity risk in accordance with the liquidity policies approved by the Board. The Group maintains sufficient cash balances and access to committed undrawn borrowing facilities to maintain short-term flexibility and enable the Group to meet financial commitments in a timely manner.

The Group monitors liquidity by monitoring rolling forecasts of liquidity position on the basis of expected cash flows and liquidity metrics. Rolling forecasts consider operating expenses, committed capital expenditure, debt maturities and payments to security holders. Long-term liquidity requirements are refreshed semi-annually as part of the Group's funding plan updates and annual strategic planning process.

Liquidity risk is also managed by maintaining a minimum level of liquidity comprising cash balances plus committed undrawn borrowing facilities at the Group's corporate level. This protects against potential changes in short-term commitments and additionally a liquidity buffer is held which supports the Group's forecasted annual operating costs and committed capital expenditures.

Transurban Finance Company Pty Ltd (Transurban's corporate borrowing entity) maintains all required Group liquidity metrics under the Board approved Group Treasury Policy.

Financing arrangements

The Group had access to the following undrawn working capital and general purpose borrowing facilities at the end of the reporting period:

	2024	2023
	$M	$M
Floating rate		
Expiring within one year	56	—
Expiring beyond one year	2,650	2,713
	2,706	**2,713**

As at 30 June 2024, the Group has letter of credit facilities and general credit facilities in place with an undrawn capacity of $212 million (2023: $197 million). The facilities are committed for the duration of the facility and the undrawn portion cannot be withdrawn by the lenders.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B14 Financial risk management and derivatives (continued)

Liquidity risk (continued)

Contractual maturities of financial liabilities

The table below shows the maturity profile of the Group's financial liabilities and includes derivative financial liabilities as well as derivative financial assets as these are directly relevant for an understanding of the Group's contractual cash flow commitments.

The cash flows disclosed in the below table are the contractual undiscounted future cash flows including principal and interest payments and therefore will not reconcile to the amounts disclosed in the consolidated balance sheet.

2024 $M	1 year or less	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 4 years	Over 4 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Trade payables	487	—	—	—	—	—	487	487
Borrowings[1]	1,866	3,160	1,861	2,766	2,703	10,859	23,215	19,727
Interest rate swaps[2,3]	(52)	(41)	(31)	(30)	(28)	(73)	(255)	(209)
Cross-currency interest rate swaps[1,2,3]	50	(16)	(30)	(80)	48	193	165	(682)
Foreign exchange forwards	—	—	—	—	11	—	11	11
Swap options	(10)	—	—	—	—	—	(10)	5
Power purchase agreements	(6)	(6)	(4)	(3)	(3)	(3)	(25)	(23)
Concession and promissory notes	—	—	—	—	—	687	687	150
Lease liabilities	18	19	19	21	23	51	151	132
Other liabilities	366	5	5	5	5	130	516	232
Total	**2,719**	**3,121**	**1,820**	**2,679**	**2,759**	**11,844**	**24,942**	**19,830**

2023 $M	1 year or less	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 4 years	Over 4 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Trade payables	482	—	—	—	—	—	482	482
Borrowings[1]	1,094	2,329	2,972	1,850	2,681	10,713	21,639	18,558
Interest rate swaps[2,3]	(69)	(54)	(37)	(30)	(31)	(102)	(323)	(263)
Cross-currency interest rate swaps[1,2]	186	35	(64)	(61)	(105)	15	6	(827)
Foreign exchange forwards	—	—	—	—	—	2	2	2
Power purchase agreements	(5)	(4)	(6)	(3)	(2)	(7)	(27)	(24)
Concession and promissory notes	—	—	—	—	—	658	658	150
Lease liabilities	17	19	19	19	21	71	166	143
Other liabilities	845	5	5	5	5	135	1,000	638
Total	**2,550**	**2,330**	**2,889**	**1,780**	**2,569**	**11,485**	**23,603**	**18,859**

1. Cash flows have been estimated using spot translation rates at the end of the reporting period.

2. The carrying amount of the interest rate and cross-currency interest rate swaps are presented on a net basis. The gross position is disclosed in the Derivatives table above.

3. Cash flows have been estimated using forward interest rates at the end of the reporting period.

B14 Financial risk management and derivatives (continued)

Fair value measurements

Financial instruments are measured either at fair value or their carrying amount approximates fair value, except for borrowings and financial assets (including shareholder loan notes) which are subsequently measured at amortised cost.

All financial instruments for which fair value is measured are categorised within the fair value hierarchy.

Fair value measurements accounting policy

In determining fair value, the Group uses both observable and unobservable inputs and classifies the inputs according to a three level hierarchy under which the inputs to the valuation method used are categorised based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2—inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)
- Level 3—inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For financial instruments that are measured at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the fair value hierarchy by reassessing categorisation at the end of each reporting period.

Financial instruments measured at fair value

The table below summarises the methods used to estimate the fair value of financial instruments measured at fair value and the level within the fair value hierarchy they are categorised in. As at 30 June 2024 and 30 June 2023 there were no financial instruments measured using level 1 inputs. All of the Group's financial instruments measured at fair value are valued using market observable inputs (level 2), except for the Financial PPAs which include CfD derivatives (level 3). There has been no change in the valuation techniques applied and there were no transfers between levels within the fair value hierarchy during the current or prior year reporting period.

Fair value hierarchy level	Financial instrument	Valuation method
Level 2: the lowest level input that is significant to the fair value measurement is directly (as prices) or indirectly (derived from prices) observable	Cross-currency interest rate swaps and interest rate swaps	Present value of estimated future cash flows based on observable market yield curves. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the counterparties.
	Foreign currency forward contracts	Present value of estimated future cash flows based on the quoted forward exchange rates at the reporting date for contracts with similar maturity profiles.
Level 3: one or more key inputs for the instrument are not based on observable market data (unobservable inputs)	Financial PPAs	Present value of estimated future cash flows based on forecast electricity volumes, unobservable electricity forward spot prices, the contract period, the discount rate and CPI.

The following table presents the changes in the Financial PPAs level 3 instruments for FY24:

	Level 3 Instruments	
	2024	2023
	$M	$M
Opening balance at 1 July	**24**	**14**
(Loss)/gains recognised in the profit and loss[1]	(1)	10
Closing balance at 30 June	**23**	**24**

1. Comprises unrealised gains recognised in the profit and loss (road operating costs) attributable to balances held at the end of the reporting period.

The following table summarises the impact of changes to the key unobservable inputs on the fair value of the Financial PPAs level 3 instruments for FY24:

Key unobservable inputs	Range of inputs	Relationship of key unobservable inputs to fair value
Electricity price	+/-20%	A change in the electricity price by 20% would increase/decrease the fair value by $17 million

KEY ACCOUNTING ESTIMATE AND JUDGEMENT

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select valuation techniques which where possible use observable market inputs based on market conditions existing at each reporting date. These valuation techniques are outlined in the fair value hierarchy table above.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

Concession summary

The table below summarises the key balance sheet items of the Group's concession assets by geographical region:

2024 $M	Melbourne	Sydney	Brisbane	North America	Carrying amount
Equity accounted investments	—	6,177	—	3,643	9,820
Concession intangible assets	2,452	4,542	6,851	—	13,845
Assets under construction[1,2]	5,173	—	3	—	5,176
Goodwill	1	260	205	—	466
Maintenance provision (current and non-current)	(157)	(307)	(704)	—	(1,168)
Construction obligation liability (current and non-current)	(152)	—	—	—	(152)

2023 $M	Melbourne	Sydney	Brisbane	North America	Carrying amount
Equity accounted investment	—	7,049	—	3,628	10,677
Concession intangible assets	2,571	4,984	7,089	—	14,644
Assets under construction[1,2]	4,641	—	—	—	4,641
Goodwill	1	260	205	—	466
Maintenance provision (current and non-current)	(165)	(264)	(685)	—	(1,114)
Construction obligation liability (current and non-current)	(446)	—	—	—	(446)

1. *Assets under construction are included within other intangible assets in the consolidated balance sheet.*
2. *Includes the component of the West Gate Tunnel Project attributable to CityLink funding contributions, for which funding sources began to be received and amortised from 1 July 2019 (refer to Note B18 for further details).*

KEY ACCOUNTING ESTIMATE AND JUDGEMENT

The Group makes certain assumptions in calculating the recoverable amount of its goodwill (Note B15), other intangible assets (Note B16) and equity accounted investments (Note B22). These include assumptions around expected traffic performance and forecast operational costs.

In performing the recoverable amount calculations for goodwill, the Group has applied the assumptions noted in Note B15. Management do not consider that any reasonably possible change in the assumptions will result in the carrying amount of a cash generating unit to which goodwill has been allocated exceeding its recoverable amount. The Group does not consider that reasonably possible changes in key assumptions would result in the recoverable amount being lower than the carrying amount of a concession intangible asset or an equity accounted investment, except for the A25 equity accounted investment (EAI). After the pre-tax impairment loss of $22 million recognised in FY24 for the A25 EAI, the carrying amount and recoverable amount are equal as at 30 June 2024 (refer to Note B22).

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B15 Goodwill

	2024	2023
	$M	$M
Cost	466	466
Carrying amount	**466**	**466**

Goodwill primarily relates to the Group's Sydney Network cash generating unit (CGU) and Brisbane Network CGU and has arisen from the acquisition of Hills Motorway Group, Tollaust Pty Limited and the Sydney Roads Group in Sydney and the Queensland Motorways Group in Brisbane.

Impairment testing of goodwill

Impairment assessments are performed at the level of the Melbourne Network cash generating unit (CGU), Sydney Network CGU and Brisbane Network CGU.

The recoverable amount of the Group's CGUs has been determined based on value-in-use calculations.

The following table sets out the key assumptions on which management have based their cash flow projections. The calculations use four-year cash flow projections based on financial plans reviewed by the Board. Cash flows beyond this period are modelled using a consistent set of long-term assumptions up to the end of the applicable concession period:

	Melbourne		Sydney		Brisbane	
	2024	2023	2024	2023	2024	2023
Long-term consumer price index (CPI) (% annual growth)	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Long-term average weekly earnings (% annual growth)	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Pre-tax discount rate (%)	8.2%	8.2%	8.2%	8.2%	8.2%	8.2%

The values assigned to each of the key assumptions have been determined as follows:

Assumption	Approach used to determine values
Traffic volume	Forecasts are developed based on historical trends and the Group's long-term forecasting models.
Long-term CPI (% annual growth)	Based on independent external forecasts.
Long-term average weekly earnings (% annual growth)	Based on independent external forecasts.
Pre-tax discount rate	Given the long term nature of the Group's concession intangible assets, a discount rate is determined, considering historical, current and forecast risk free rates. This results in a change to the discount rate when there is a change to long term trends in risk-free rates. A specific rate is selected for each CGU reflecting the term of the asset, the nature and risks inherent in the asset, and where appropriate, the implied discount rate on acquisition. In performing the value-in-use calculations for each CGU, the Group has applied pre-tax discount rates to discount the forecast pre-tax cash flows. The pre-tax discount rates are disclosed in the table above.

The impairment testing indicates the recoverable amount of each Group CGU to which goodwill has been allocated exceeds its carrying amount (after allocating goodwill). Therefore, there is no goodwill that is impaired as at 30 June 2024.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B16 Other intangible assets

2024 $M	Concession intangible assets	Assets under construction[1,2]	Other intangibles[3]	Total
Cost	23,729	5,801	229	29,759
Accumulated amortisation	(9,884)	(625)	(144)	(10,653)
Net carrying amount	**13,845**	**5,176**	**85**	**19,106**

2023 $M	Concession intangible assets	Assets under construction[1,2]	Other intangibles[3]	Total
Cost	23,729	5,141	203	29,073
Accumulated amortisation	(9,085)	(500)	(137)	(9,722)
Net carrying amount	**14,644**	**4,641**	**66**	**19,351**

Movement in other intangible assets

	Concession intangible assets $M	Assets under construction[1,2] $M	Other intangibles[3] $M	Total $M
Net carrying amount at 1 July 2023	**14,644**	**4,641**	**66**	**19,351**
Additions	—	660	26	686
Amortisation charge	(799)	(125)	(7)	(931)
Net carrying amount at 30 June 2024	**13,845**	**5,176**	**85**	**19,106**
Net carrying amount at 1 July 2022	**16,632**	**4,009**	**112**	**20,753**
Additions	—	726	22	748
Disposals through loss of control of subsidiary[4]	(1,154)	—	—	(1,154)
Transfers	35	31	(66)	—
Foreign exchange movements and other adjustments	(34)	—	—	(34)
Amortisation charge	(835)	(125)	(2)	(962)
Net carrying amount at 30 June 2023	**14,644**	**4,641**	**66**	**19,351**

1. Assets under construction are included within other intangible assets in the consolidated balance sheet.

2. Includes amortisation for the component of the West Gate Tunnel Project attributable to CityLink funding contributions, for which funding sources began to be received and amortised from 1 July 2019 (refer to Note B18 for further details).

3. Includes customer bases and software intangible assets.

4. Relates to the sale of the Group's controlling interest in A25 in FY23 (refer to Note B21).

Concession assets represent the Group's rights to operate roads under Service Concession Arrangements. Service Concession Arrangements are accounted for in accordance with AASB Interpretation 12, which establishes a framework for classification of the assets based on an intangible asset model and a financial asset model (bifurcated arrangements can also exist). The Group classifies assets under construction based on whether the consideration provides rights to an intangible asset or a financial asset.

As at 30 June 2024, the Group does not have any concession financial assets, as the Group's only concession financial asset related to A25 which was disposed of as part of the sale of the Group's controlling interest in A25 on 28 February 2023 (refer to Note B21).

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B16 Other intangible assets (continued)

Intangible asset model

Concession intangible assets accounting policy

Concession assets that do not meet the criteria of the financial asset model are classified as intangible assets and are amortised on a straight-line basis over the term of the concession arrangement.

Transurban has the right to toll and operate the concession assets for the concession period. Extensions to the concession period have been granted for a number of individual concessions as a result of road development projects and improvements. At the end of the concession period, all concession assets are to be returned to the respective government.

The remaining periods the Group has the right to toll and operate the concession assets are shown below:

	2024 Years	2023 Years
Melbourne—Victorian State Government	21	22
Sydney—New South Wales State Government[1]	2–24	3–25
Brisbane—Queensland State Government and Brisbane City Council	27–41	28–42

1. The concession end date for M5 West is December 2026 at which point it will form part of the WestConnex M8/M5 East concession.

There were no indicators of impairment for the Group's concession intangible assets as at 30 June 2024.

KEY ACCOUNTING ESTIMATE AND JUDGEMENT

For the purpose of impairment testing, for the Melbourne operating segment, management have determined that the lowest level where there is an identifiable group of assets, that has separately identifiable cash inflows that are largely independent from other assets or group of assets, is the combined concession intangible assets of CityLink and West Gate Tunnel (CGU). Any identified indicator of impairment would require impairment testing at this CGU level. For a majority of the Group's remaining concession intangible assets, impairment testing has been undertaken at the individual concession intangible asset level. Impairment testing is undertaken by calculating the recoverable amount, based on the higher of fair value less costs of disposal and value-in-use, estimated using discounted cash flows. The calculation requires the use of assumptions regarding traffic flows, discount rates, growth rates and other factors affecting operating activities of the CGU.

Management have concluded that there are no indicators of impairment for the concession intangible assets of the CityLink and West Gate Tunnel CGU as at 30 June 2024.

Assets under construction

Assets under construction as at 30 June 2024 include the construction of the West Gate Tunnel Project in Melbourne, which is accounted for under the intangible asset model.

Assets under construction accounting policy

Assets under construction are accounted for as contract assets.

Assets under construction are initially measured at the fair value of consideration received for the construction services delivered. Fair value is measured by reference to the stand-alone selling price (SSP) of the construction services provided. The SSP is determined using the expected cost plus a margin approach, which includes all expected costs of satisfying the construction services performance obligation, including additional elements that a market participant would use (including project management costs and borrowing costs).

Construction costs relating to completed works are transferred to concession intangible assets upon final completion of the project.

For the purposes of impairment testing, the Group applies the simplified approach to measuring expected credit losses which uses a lifetime of expected loss allowance for all contract assets.

Management considers the carrying amount of assets under construction to be appropriate as at 30 June 2024.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B17 Maintenance provision

The Group's service concession arrangements include certain obligations to maintain the publicly owned roads (concession intangible assets) it operates and in some cases the concession intangible assets it designed and constructed. These maintenance obligations may include:

- obligations for routine or minor maintenance over the life of the concession intangible asset, for which costs are expensed as incurred; and
- major maintenance, remediation and handover obligations for which the Group recognises a maintenance provision reflecting its present obligation under the concession deeds.

Maintenance provision accounting policy

The maintenance provision is included in the financial statements at the present value of expected future payments. The calculations to discount these amounts to their present value are based on the estimated timing and profile of expected expenditure.

Movement in maintenance provision

	Current $M	Non-current $M
Carrying amount at 1 July 2023	**143**	**971**
Additional provision recognised	5	182
Amounts paid/utilised	(162)	—
Unwinding of discount	—	29
Transfer	178	(178)
Carrying amount at 30 June 2024	**164**	**1,004**

	Current $M	Non-current $M
Carrying amount at 1 July 2022	**147**	**981**
Additional provision recognised	14	123
Amounts paid/utilised	(138)	—
Unwinding of discount	—	24
Transfer	125	(125)
Disposals through loss of control of subsidiary[1]	(5)	(32)
Carrying amount at 30 June 2023	**143**	**971**

1. Relates to the sale of the Group's controlling interest in A25 (refer to Note B21).

KEY ACCOUNTING ESTIMATE AND JUDGEMENT

The maintenance provision reflects the Group's best estimate of the costs that are expected to be incurred in meeting its obligations (based on information available at the reporting date) and reflects how and when the maintenance obligations under the concession deeds will be met under its asset management programs. Given the length of the service concession arrangements, uncertainty arises in estimating the costs expected to be incurred in the future.

The Group periodically reassesses the estimate of its present obligation, which includes the results of routine inspections performed over the condition of the concession intangible assets. In addition, the Group assesses whether it has sole responsibility for the maintenance obligations or whether the obligations are the responsibility of other parties. To the extent the Group believes other parties are responsible for the maintenance activities, it may initiate claims on those parties and will consider those claims in assessing its present obligations.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B18 Construction obligation liability

West Gate Tunnel Project

The West Gate Tunnel Project is being funded by additional tolling income from a concession extension of CityLink and the receipt of future tolling income from the West Gate Tunnel Project. The CityLink concession deed was amended in April 2019, requiring the recognition of an incremental asset within other intangible assets and a corresponding liability. The liability represents the Group's obligation to complete construction of the West Gate Tunnel Project, attributable to the remaining CityLink funding sources payments (the construction obligation liability). The construction obligation liability will reduce as payments are made in connection with the CityLink funding sources.

Construction obligation liability accounting policy

The construction obligation liability is measured at the present value of the remaining CityLink funding sources payments. The calculations to discount these amounts to their present value are based on the estimated timing and profile of expenditure.

The estimated nominal value of the remaining funding sources payments attributable to CityLink is $155 million as at 30 June 2024 (2023: $462 million) with $155 million due within one year (2023: $462 million due within three years). The asset under construction attributable to CityLink funding sources began to amortise from 1 July 2019.

	Current	Non-current	
	West Gate Tunnel Project	West Gate Tunnel Project	Total
	$M	$M	$M
Carrying amount at 1 July 2023	**335**	**111**	**446**
Amounts paid/utilised	(308)	—	(308)
Unwinding of discount	—	14	14
Transfer	125	(125)	—
Carrying amount at 30 June 2024	**152**	**—**	**152**
Carrying amount at 1 July 2022	**432**	**364**	**796**
Amounts paid/utilised	(377)	—	(377)
Unwinding of discount	—	27	27
Transfer	280	(280)	—
Carrying amount at 30 June 2023	**335**	**111**	**446**

KEY ACCOUNTING ESTIMATE AND JUDGEMENT

The construction obligation liability is measured at the present value of the remaining CityLink funding sources payments. Assumptions are made in determining the timing and profile of the CityLink funding sources payments, based on the expected cash flows to be paid through completion of construction of the West Gate Tunnel Project, which are discounted to their present value.

The current balance represents the payments the Group expects to be made within 12 months from the reporting date, with the non-current portion being the present value of payments beyond 12 months from the reporting date.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B19 Other liabilities

2024	Note	Current $M	Non-current $M
State loans		177	—
Lease liabilities	B28	18	114
M1 Eastern Distributor concession notes		—	58
M2 Motorway promissory notes		—	92
Other liabilities		180	52
Total other liabilities		**375**	**316**

2023	Note	Current $M	Non-current $M
State loans		561	—
Lease liabilities	B28	17	126
M1 Eastern Distributor concession notes		—	64
M2 Motorway promissory notes		—	86
Other liabilities		200	51
Total other liabilities		**778**	**327**

M1 Eastern Distributor concession notes

The Eastern Distributor concession deed between Airport Motorway Pty Limited, Airport Motorway Trust and Transport for New South Wales (TfNSW) provides for annual concession fees of $15 million during the construction phase and for the first 24 years after completion of construction of the M1 Eastern Distributor. Until a certain threshold return is achieved, payments of concession fees due under the concession deed will be satisfied by means of the issue of non-interest bearing concession notes.

The face value of concession notes on issue as at 30 June 2024 is $405 million (2023: $390 million).

M2 Motorway promissory notes

The Hills Motorway Trust has entered into leases with TfNSW. Annual lease liabilities under these leases total $14 million (2023: $14 million), indexed annually to CPI over the estimated period that the M2 Motorway will be used. Until such time as a threshold return is achieved, payments under these leases can be made at any time at the discretion of the trustee of the Hills Motorway, by means of the issue of non-interest bearing promissory notes to TfNSW.

The face value of promissory notes on issue as at 30 June 2024 is $282 million (2023: $268 million).

Concession notes and promissory notes accounting policy

Concession and promissory notes payable are initially measured at fair value and subsequently measured at amortised cost using the effective interest method. The amortised cost of the notes payable is adjusted to reflect revised estimated contractual cash flows, which are discounted at the original effective interest rate. The adjustment is recognised in the profit and loss, in net finance costs as a remeasurement gain or loss.

KEY ACCOUNTING ESTIMATE AND JUDGEMENT

Concession and promissory notes

In measuring the fair value and amortised cost of concession and promissory notes payable, assumptions are made in determining the repayment profile based on expected available cash flows of the Group's CGUs.

Discount rates of 7.8% and 8.30% have been used for note issuances in August 2023 and May 2024 respectively (2023: 7.80%), which recognises the subordinated nature of these notes.

State loans

Transurban WGT Co entered into loan agreements with the State of Victoria for the purpose of funding amounts owed by each party under the West Gate Tunnel Project D&C Subcontract, and also for funding advance payments to the West Gate Tunnel Project D&C Subcontractor. Loans are made between the parties on a short-term basis and are non-interest bearing.

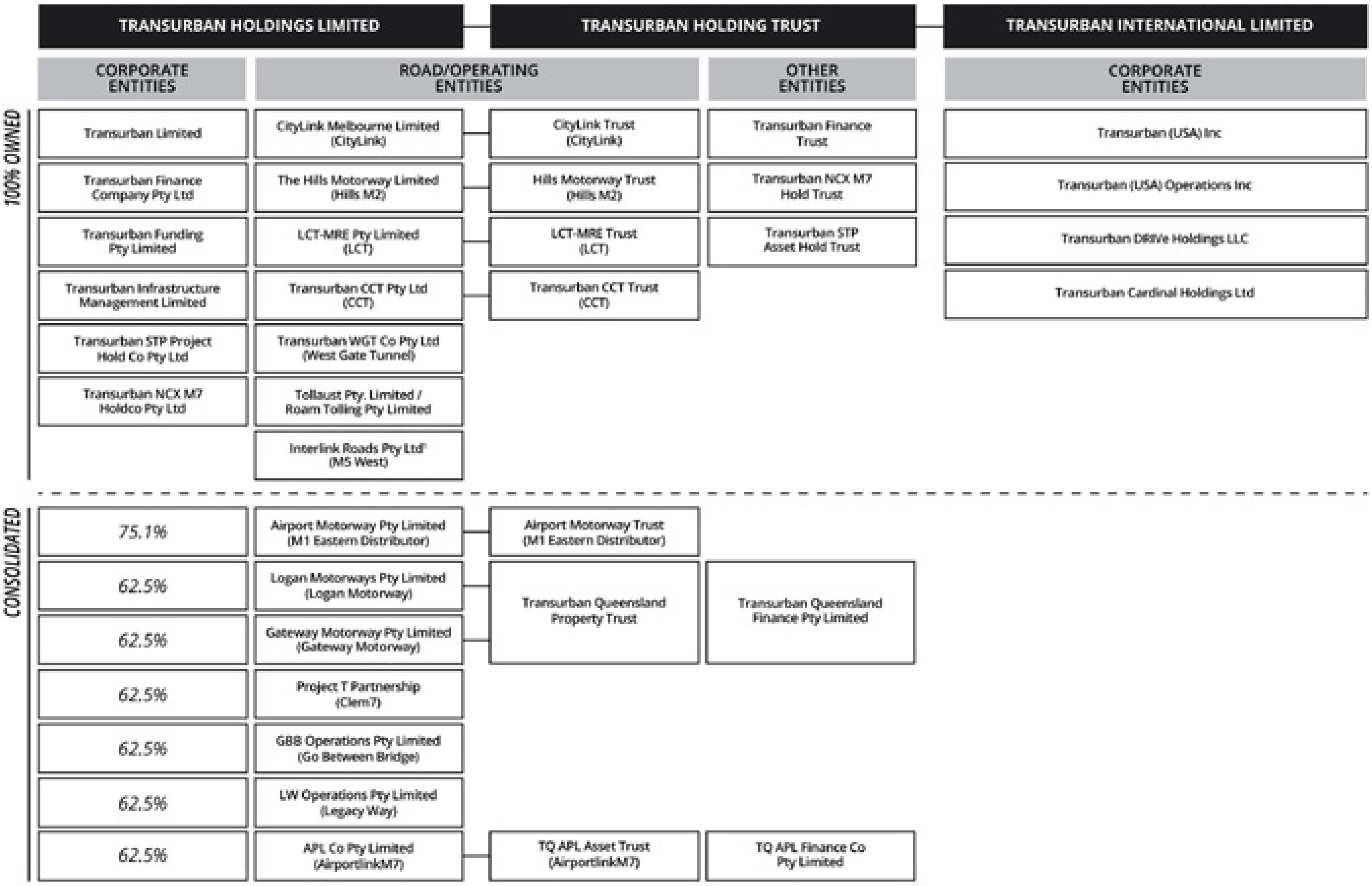
The value of the State loans payable to the State as at 30 June 2024 is $177 million (2023: $561 million).

Section B: Notes to the Group financial statements for the year ended 30 June 2024

Group structure

B20 Material subsidiaries

The Group's material subsidiaries as at 30 June 2024 are outlined in the Group structure diagram below.



B21 Changes in ownership interests in controlled subsidiaries

Discontinued operations accounting policy

A discontinued operation is a component of the Group's business that represents a separate major line of business or separate major geographical area of operations that has ceased or been disposed of or is held for sale. When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is restated as if the operation had been discontinued from the start of the comparative period.

Year ended 30 June 2023 changes in ownership interests

Sale of the Group's controlling interest in A25

On 7 February 2023, the Group announced that it had reached an agreement with Caisse de depot et placement du Quebec (CDPQ) to sell 50% of its equity interest in A25 for gross sale proceeds of $389 million. The sale was completed on 28 February 2023 via disposal of the Group's controlling interest in A25. A pre-tax gain on sale of $41 million was recognised. After the recognition of the related income tax, which predominantly comprised deferred tax (non-cash timing differences) relating to the Group's retained 50% equity accounted investment, a post-tax loss on disposal of $94 million was recognised.

The Group assessed that it no longer controlled A25 as a result of the sale and reported the 50% equity interest retained as an equity accounted investment as at 30 June 2023. On completion the Group deconsolidated 100% of the balance sheet of the A25 Group and recorded an equity accounted investment at fair value of $434 million, representing the Group's retained 50% interest in A25. The Group's investment in A25 is equity accounted from 1 March 2023 and the Group's 50% share of the equity accounted investment's net result after tax has been recorded as part of the Group's operations.

A25 was not considered to meet the criteria for classification as a discontinued operation given its relative size to the Group.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B21 Changes in ownership interests in controlled subsidiaries (continued)

Year ended 30 June 2023 changes in ownership interests (continued)

Sale of the Group's controlling interest in A25 (continued)

Reconciliation of gain recognised on the disposal of 100% interest in A25

	Note	2023 $M
Consideration on disposal		
Cash consideration on disposal		389
Cash and cash equivalents disposed		(54)
Realised FX forward[1]		(5)
Total inflow of cash on disposal		**330**
Fair value of 50% equity accounted investment in A25	B22	434
Fair value of indemnification liability		(1)
Total consideration on disposal		**763**
Assets/(liabilities) at disposal date		
Assets (excluding cash disposed)		1,531
Liabilities		(755)
Carrying amount of net assets disposed		**776**
Reclassification of reserves on disposal (net of income tax)[2]		63
Transaction costs on disposal		(9)
Gain on disposal[3]		**41**
Income tax expense		(135)
Loss on disposal after income tax		**(94)**

1. *Includes fair value gains recognised in relation to FX forward contracts to fix the Australian dollar value of the majority of the net CAD dollar proceeds from the sale of the Group's controlling interest in A25.*
2. *Includes foreign currency translation reserve $49 million plus cash flow hedge reserve $14 million.*
3. *TIL recognised a pre-tax gain on disposal of $52 million and a loss on disposal after income tax of $80 million presented in discontinued operations of TIL. The difference to the Group was due to the realised FX forward and the reclassification of the net investment hedge reserve which are not recognised within TIL.*

The assets and liabilities of A25 as at sale completion date on 28 February 2023 were as follows:

	28 February 2023 $M
Assets	
Cash and cash equivalents	54
Trade and other receivables	20
Concession financial asset	355
Property, plant and equipment	2
Concession intangible assets	1,154
Total assets	**1,585**
Liabilities	
Trade and other payables	14
Borrowings	376
Provisions	46
Derivative financial liability	44
Deferred tax liabilities	264
Other liabilities	11
Total liabilities	**755**
Net assets	**830**

B21 Changes in ownership interests in controlled subsidiaries (continued)

Year ended 30 June 2023 changes in ownership interests (continued)

Sale of the Group's controlling interest in A25 (continued)

The contribution of A25 results included within the Group's consolidated statement of comprehensive income and consolidated statement of cash flows for the eight months ended 28 February 2023 are detailed below:

Income statement – A25

	8 months ended 28 February 2023 $M
Toll revenue	**41**
Total expenses	**(16)**
Total depreciation and amortisation	(36)
Net finance costs	(21)
Gain on disposal	41
Profit before income tax	**9**
Income tax benefit	20
Income tax expense on gain on disposal	(135)
Loss for the period[1]	**(106)**
Loss attributable to:	
Ordinary security holders of the stapled group	
— Attributable to THL	(14)
— Attributable to THT/TIL	(92)
Loss attributable to ordinary security holders of the stapled group	**(106)**
Other comprehensive income	
Changes in the fair value of cash flow hedges, net of tax	14
Exchange differences on translation of operations, net of tax	19
Gains reclassified on disposal of subsidiary, net of tax	(63)
Other comprehensive loss for the period, net of tax	**(30)**
Total comprehensive loss for the period	**(136)**
Total comprehensive loss for the period is attributable to:	
Ordinary security holders of the stapled group	
— Attributable to THL	(9)
— Attributable to THT/TIL	(127)
Total comprehensive loss attributable to ordinary security holders of the stapled group	**(136)**

Cash flow statement – A25

	8 months ended 28 February 2023 $M
Net operating cash flows	**24**
Net investing cash flows	—
Net financing cash flows	(18)
Effects of exchange rate changes on cash and cash equivalents	(1)
Net increase in cash and cash equivalents[2]	**5**

1. *Loss before income tax from discontinued operations for TIL for the year ended 30 June 2023 excluding gain on disposal is $32 million (after tax loss: $12 million), which is recorded within a wholly owned subsidiary of TIL.*
2. *The net movement in cash and cash equivalents from discontinued operations for TIL for the year ended 30 June 2023 is a $5 million inflow.*

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B22 Equity accounted investments

Associates and joint ventures accounting policy

The Group accounts for entities in which it has significant influence, but not control or joint control, over the financial and operating policies as associates. The Group accounts for entities in which it has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities as joint ventures.

Interests in associates and the joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit and loss and other comprehensive income of equity accounted investees, until the date on which significant influence or joint control ceases. When the Group's cumulative share of losses in an associate or joint venture exceeds its investment in the asset, the Group does not recognise any further losses. Distributions received reduce the carrying amount of the equity accounted investment.

The Group currently has an interest in one associate being Bluedot. The Group's investments in joint ventures during the reporting period comprise STP JV, NWRG, TC, A25 and AM Partners.

Joint Ventures

STP JV (50% ownership interest)

The Group has a 50% ownership interest in the STP JV (including STP Project Trust, STP Asset Trust, STP PT Pty Ltd and STP AT Pty Ltd), which holds 100% of the WestConnex Group.

WestConnex has long-dated concessions through to 2060 and includes 49 kilometres of new or improved motorway linking Sydney's west and southwest with the CBD, and the corridor to Sydney Airport and Port Botany.

The following entities are part of the WestConnex Group:

- WCX Asset Trust (parent of entities responsible for financing and construction of the respective motorways within the WestConnex Group);
- WCX AT Pty Ltd (trustee of WCX Asset Trust);
- WCX Project Trust (parent of entities responsible for operating the motorways within the WestConnex Group); and
- WCX PT Pty Ltd (trustee of WCX Project Trust).

KEY ACCOUNTING ESTIMATE AND JUDGEMENT

The Group's assessment that it does not control the STP JV has been made by considering the terms of the Investor Agreement signed by the JV partners and the ongoing compliance with the Investor Agreement. This Agreement requires a supermajority vote of at least 91.5% of all investors for the decisions on the significant relevant activities made by the STP JV. Therefore, noting this and other factors, the Group has concluded that it, together with other STP JV partners, jointly controls the STP JV and its controlled entities.

NWRG (50% ownership interest)

The Group has a 50% ownership interest in NWRG (including NorthWestern Roads Group Pty Ltd and NorthWestern Roads Group Trust), which holds 100% of the Westlink M7 Group and the NorthConnex Group. Westlink M7 holds the concession to design, construct, finance and operate the Westlink M7 Motorway in Sydney until June 2048, and NorthConnex holds the concession to design, construct, finance and operate the NorthConnex Tunnel in Sydney until 2048. In February 2023, the NSW Government agreed to an extension of the Westlink M7 Motorway concession by 3.2 years to fund the M7-M12 Integration project. This extension is conditional on the completion of construction works (expected in calendar year 2026).

The following entities are part of the Westlink M7 Group:

- WSO Co Pty Limited (the operator of the motorway);
- Westlink Motorway Limited (the nominee manager of the Westlink Motorway Partnership);
- WSO Finance Pty Limited (the financier of the motorway); and
- Westlink Motorway Partnership (was responsible for the construction of the motorway).

The following entities are part of the NorthConnex Group:

- NorthConnex Company Pty Limited (the operator of the tunnel); and
- NorthConnex Finance Pty Limited (the financier of the tunnel).

KEY ACCOUNTING ESTIMATE AND JUDGEMENT

The Group's assessment that it does not control NWRG has been made by considering the terms of the Equity Participants Deed signed by the JV partners and the ongoing compliance with this Deed. This Deed requires a supermajority vote of at least 76% of all investors for the decisions on the significant relevant activities made by NWRG. Therefore, noting this and other factors, the Group has concluded that it, together with other NWRG partners, jointly controls NWRG and its controlled entities.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B22 Equity accounted investments (continued)

Joint Ventures (continued)

TC (50% ownership interest)

The Group has a 50% ownership interest in TC.

The following entities are part of TC:

- Transurban Chesapeake LLC (responsible for corporate operations);
- Capital Beltway Express LLC (the operator of the Capital Beltway Express Lanes); and
- 95 Express Lanes LLC (the operator of the 95 Express Lanes).

KEY ACCOUNTING ESTIMATE AND JUDGEMENT

The Group's assessment that it does not control TC has been made by considering the terms of the Purchase Agreement signed by the TC partners, which requires a supermajority vote of at least 77.5% of all shareholders for decisions on significant relevant activities. Considering this, and among other factors, the Group has concluded that it, together with the other TC partners, jointly controls TC and its controlled entities.

A25 (50% ownership interest)

The Group has a 50% ownership interest in Skawanoti Holdings LP which holds 100% of the ownership interest in the A25 Group.

The following entities are part of A25:

- Skawanoti Holdings LP (responsible for corporate operations); and
- Concession A25 LP (the operator of the A25).

KEY ACCOUNTING ESTIMATE AND JUDGEMENT

The Group's assessment that it does not control A25 has been made by considering the terms of the Unanimous Shareholders' Agreement signed by the A25 partners, which requires a majority vote of at least 80% of all shareholders for decisions on significant relevant activities. Considering this, and among other factors, the Group has concluded that it, together with the other A25 partner, jointly controls A25.

AM Partners (60% ownership interest)

The Group has a 60% ownership interest in AM Partners, whose role was to be the Maryland Department of Transport's long-term partner to build, finance and operate new Express Lanes in Maryland, USA. AM Partners is jointly controlled by the Group and Macquarie Infrastructure Developments LLC. Management have assessed that the Group does not control AM Partners considering the ownership and operating agreements, which require unanimous approval by all shareholders for all relevant decisions.

The carrying amount of the AM Partners equity accounted investment is $nil (2023: $nil).

Associate

Bluedot (4.2% ownership interest)

Bluedot is an advanced location services technology company. The Group leverages Bluedot's location services technology for the Group's LinktGo application which allows the use of a smartphone's GPS and other sensors to identify when a driver has entered and exited a toll road. Bluedot's technology continues to be used by the Group as at 30 June 2024.

The carrying amount of the Bluedot equity accounted investment is $nil (2023: $nil). Accordingly, summarised financial information, including cumulative losses not recognised, is not disclosed.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B22 Equity accounted investments (continued)

Set out below is the reconciliation of the carrying amount of equity accounted investments:

	STP JV $M	NWRG $M	TC $M	A25 $M	Other[7] $M	Total $M
Carrying amount at 1 July 2023	**6,933**	**116**	**3,190**	**438**	**—**	**10,677**
Group's share of (loss)/profit, inclusive of impairment[1,2]	(374)	37	15	(27)	—	(349)
Group's share of other comprehensive loss	(65)	(3)	—	—	—	(68)
Distributions received	(351)	(116)	(30)	(21)	—	(518)
Capital contributions	—	—	96	—	—	96
Foreign exchange movements	—	—	(3)	(15)	—	(18)
Carrying amount at 30 June 2024	**6,143**	**34**	**3,268**	**375**	**—**	**9,820**
Carrying amount at 1 July 2022	**7,309**	**178**	**3,013**	**—**	**24**	**10,524**
Acquisition[3]	—	—	—	434	—	434
Group's share of loss, inclusive of impairment[1,4,5]	(278)	—	(14)	(1)	(34)	(327)
Group's share of other comprehensive loss	(59)	—	—	—	—	(59)
Distributions received	(125)	(106)	(33)	(12)	—	(276)
Capital contributions	86	—	106	—	9	201
Fair value adjustment on recognition of SLN commitments[6]	—	44	—	—	—	44
Foreign exchange movements	—	—	118	17	1	136
Carrying amount at 30 June 2023	**6,933**	**116**	**3,190**	**438**	**—**	**10,677**
Cumulative losses not recognised[4]	—	33	—	—	—	33

1. *The Group's share of STP JV losses includes losses from STP Project Trust of $178 million (2023: $119 million) and STP Asset Trust of $196 million (2023: $159 million).*
2. *During FY24, the Group recorded a pre-tax impairment of its investment in A25 of $22 million (2023: $nil).*
3. *On 28 February 2023, the Group completed the sale of its controlling interest in A25 (refer to note B21). On completion, the Group deconsolidated 100% of the net assets of the A25 Group and recorded an equity accounted investment at fair value of $434 million, representing the 50% interest in A25.*
4. *For FY23, the Group's share of profits from the investment in the NWRG were not recognised until cumulative losses were fully utilised. Cumulative losses not recognised above are disclosed at 100%.*
5. *During FY23, the Group recorded a $6 million impairment of its investment in AM Partners.*
6. *During FY23, SLN commitments under a new NWRG SLN facility were made. The SLN commitments were recorded at fair value on initial recognition and the difference between the nominal value of the SLN commitments and the fair value was treated as a contribution to the equity accounted investment in NWRG.*
7. *Other equity accounted investments includes AM Partners.*

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B22 Equity accounted investments (continued)

Summarised financial information of equity accounted investments

Set out below is the summarised financial information for those joint ventures and associates that are material to the Group. The summarised financial information presented below is on a 100 per cent basis for each equity accounted investment.

Summarised balance sheet—100%

	STP JV $M	NWRG $M	TC $M	A25[1] $M	Other[2] $M	Total $M
2024						
Cash and cash equivalents	529	150	488	41	—	1,208
Other current assets	44	187	22	56	—	309
Non-current assets	21,261	3,127	10,415	1,166	—	35,969
Current financial liabilities	(1)	(3)	(146)	(1)	—	(151)
Other current liabilities	(205)	(143)	(170)	(27)	—	(545)
Non-current financial liabilities	(13,819)	(3,583)	(3,775)	(421)	—	(21,598)
Other non-current liabilities	(122)	(159)	(301)	(65)	—	(647)
Net assets/(liabilities)	**7,687**	**(424)**	**6,533**	**749**	**—**	**14,545**
2023						
Cash and cash equivalents	723	153	420	38	—	1,334
Other current assets	49	149	24	57	6	285
Non-current assets	21,926	2,981	10,182	1,306	—	36,395
Current financial liabilities	(998)	(13)	(9)	—	—	(1,020)
Other current liabilities	(173)	(105)	(190)	(26)	(6)	(500)
Non-current financial liabilities	(12,168)	(3,442)	(3,759)	(499)	—	(19,868)
Other non-current liabilities	(92)	(127)	(291)	(1)	—	(511)
Net assets/(liabilities)	**9,267**	**(404)**	**6,377**	**875**	**—**	**16,115**

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B22 Equity accounted investments (continued)

Summarised financial information of equity accounted investments (continued)

Summarised statement of comprehensive income—100%

	STP JV $M	NWRG $M	TC $M	A25[1] $M	Other[2] $M	Total $M
2024						
Revenue	793	662	420	63	—	1,938
Construction revenue	23	269	355	—	—	647
Depreciation and amortisation	(573)	(109)	(153)	(44)	—	(879)
Impairment	—	—	—	(44)	—	(44)
Other expenses	(221)	(147)	(157)	(27)	—	(552)
Construction costs	(23)	(269)	(355)	—	—	(647)
Net finance costs	(747)	(229)	(80)	(2)	—	(1,058)
Income tax benefit/(expense)	1	(69)	—	—	—	(68)
(Loss)/profit	**(747)**	**108**	**30**	**(54)**	**—**	**(663)**
Other comprehensive loss	(131)	(6)	—	—	—	(137)
Total comprehensive (loss)/income	**(878)**	**102**	**30**	**(54)**	**—**	**(800)**

	STP JV $M	NWRG $M	TC $M	A25[1] $M	Other[2] $M	Total $M
2023						
Revenue	654	647	337	20	—	1,658
Construction revenue	144	116	356	—	—	616
Depreciation and amortisation	(531)	(110)	(135)	(17)	—	(793)
Impairment	—	—	—	—	(32)	(32)
Other expenses	(181)	(133)	(150)	(7)	(15)	(486)
Construction costs	(144)	(116)	(356)	—	—	(616)
Net finance (costs)/income	(498)	(237)	(79)	2	—	(812)
Income tax expense	—	(79)	—	—	—	(79)
(Loss)/profit	**(556)**	**88**	**(27)**	**(2)**	**(47)**	**(544)**
Other comprehensive (loss)/income	(118)	12	—	—	—	(106)
Total comprehensive (loss)/income	**(674)**	**100**	**(27)**	**(2)**	**(47)**	**(650)**

1. *In FY23, the summarised statement of comprehensive income is presented from the date of sale of the Group's controlling interest in A25 on 28 February 2023.*
2. *Other equity accounted investments includes AM Partners.*

B22 Equity accounted investments (continued)

Summarised financial information of equity accounted investments (continued)

The following table reconciles the above summarised financial information presented on a 100 per cent basis to the proportional amounts recognised by the Group:

	STP JV $M	NWRG $M	TC $M	A25 $M	Other[2] $M	Total $M
2024						
Ownership interest	**50 %**	**50 %**	**50 %**	**50 %**	**60 %**	
Proportional total comprehensive (loss)/income, inclusive of impairment[1]	(439)	51	15	(27)	—	(400)
Profits not recognised (excluding other comprehensive income)	—	(17)	—	—	—	(17)
Group's share of total comprehensive (loss)/income	**(439)**	**34**	**15**	**(27)**	**—**	**(417)**
2023						
Ownership interest	**50 %**	**50 %**	**50 %**	**50 %**	**60 %**	
Proportional total comprehensive (loss)/income	(337)	50	(14)	(1)	(28)	(330)
Impairment of capitalised costs	—	—	—	—	(6)	(6)
Profits not recognised (excluding other comprehensive income)	—	(44)	—	—	—	(44)
Other comprehensive income not recognised	—	(6)	—	—	—	(6)
Group's share of total comprehensive (loss)/income	**(337)**	**—**	**(14)**	**(1)**	**(34)**	**(386)**

1. During FY24, the Group recorded a pre-tax impairment of its investment in A25 of $22 million (2023: $nil).

2. Other equity accounted investments includes AM Partners.

Indicators of impairment

At each reporting period the Group assesses whether there is an indication of impairment for each of the Group's equity accounted investments. Where an indicator of impairment is identified, impairment testing is performed. During the year ended 30 June 2024, there were no indicators of impairment identified for the Group's equity accounted investments, except for the A25 equity accounted investment. The resulting impairment testing identified that the carrying amount of the A25 equity accounted investment exceeded its recoverable amount determined based on its fair value less costs of disposal. The recoverable amount is a Level 3 fair value measurement determined using a present value technique based on estimated cash flows from the investment. The carrying amount of the A25 equity accounted investment was written down to its recoverable amount resulting in a pre-tax impairment loss of $22 million (2023: $nil).

During FY23, AM Partners decided not to proceed with the Maryland Express Lanes Project and terminated the predevelopment agreement with the Maryland Department of Transportation. The termination triggered an impairment assessment as at 30 June 2023 and the carrying amount of the investment was impaired from $6 million to $nil, after recognising the Group's share of equity accounted losses (inclusive of impairment) in AM Partners.

KEY ACCOUNTING ESTIMATE AND JUDGEMENT

The key assumptions underlying the Group's impairment indicator assessments are traffic volumes, long-term CPI, the discount rate and asset enhancement opportunities (where applicable). As part of the impairment indicator assessment, sensitivity analysis has been performed which considers reasonably possible changes in these key assumptions for each of the Group's equity accounted investments.

The Group does not consider that reasonably possible changes in key assumptions would result in the recoverable amount being lower than the carrying amount of an equity accounted investment (EAI), except for the A25 EAI.

For the A25 EAI, after the pre-tax impairment loss of $22 million recognised in FY24, the carrying amount and recoverable amount are equal as at 30 June 2024. The A25 EAI is therefore sensitive and may result in impairment in the future if there are reasonably possible changes in the key assumptions on which management have determined its recoverable amount, including traffic volumes, long-term CPI, discount rates and the realisation of asset enhancement opportunities.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B22 Equity accounted investments (continued)

Summarised financial information of equity accounted investments (continued)

Financing arrangements and credit facilities

During the reporting period, equity accounted investments executed a number of financing activities including:

October 2023

- WestConnex (STP JV) reached financial close on $550 million of senior secured notes under its AMTN Programme with a tenor of 7 years.

December 2023

- WestConnex (STP JV) reached financial close on USD369 million ($583 million) and CAD200 million ($229 million) of US Private Placement (USPP) debt with a tenor of 10 years.

May 2024

- NorthConnex reached financial close on a $205 million syndicated bank borrowing facility with a tenor of 12 years.

B23 Non-controlling interests

Non-controlling interests accounting policy

Non-controlling interests are shown separately in the consolidated statement of comprehensive income, consolidated balance sheet and consolidated statement of changes in equity, and under the stapled structure of the Group consist of two components:

- Non-controlling interest—other: external non-controlling interests relating to the results and equity of Transurban Queensland and Eastern Distributor subsidiaries; and
- Non-controlling interests that relate to THT and TIL which relate to equity holders of the stapled group.

Non-controlling interest – other

Set out below is the summarised financial information for each material subsidiary (refer to Note B20) that has non-controlling interests (NCI) that are material and external to the Group and the total external NCI. The amounts disclosed are before intercompany eliminations.

	Transurban Queensland		Airport Motorway		Total NCI	
	37.50%	37.50%	24.90%	24.90%		
	2024	2023	2024	2023	2024	2023
	$M	$M	$M	$M	$M	$M
Summarised balance sheet						
Current assets	134	168	12	14	146	182
Non-current assets	8,441	8,865	1,272	1,330	9,713	10,195
Current liabilities	(474)	(418)	(187)	(219)	(661)	(637)
Non-current liabilities	(6,637)	(6,944)	(723)	(797)	(7,360)	(7,741)
Net assets	**1,464**	**1,671**	**374**	**328**	**1,838**	**1,999**
Carrying amount of NCI	**547**	**625**	**92**	**81**	**639**	**706**
Summarised statement of comprehensive income						
Revenue	915	839	168	169	1,083	1,008
Expenses	(813)	(787)	(115)	(123)	(928)	(910)
Profit for the year	**102**	**52**	**53**	**46**	**155**	**98**
Other comprehensive loss	(10)	(79)	(6)	—	(16)	(79)
Total comprehensive income/(loss)	**92**	**(27)**	**47**	**46**	**139**	**19**
Profit allocated to NCI	**37**	**18**	**13**	**10**	**50**	**28**
Other comprehensive loss allocated to NCI	**(3)**	**(30)**	**(2)**	**—**	**(5)**	**(30)**
Summarised cash flows						
Cash flows from operating activities	404	334	78	93	482	427
Cash flows from investing activities	(12)	(28)	—	—	(12)	(28)
Cash flows from financing activities	(418)	(308)	(82)	(110)	(499)	(418)
Net decrease in cash and cash equivalents	**(26)**	**(2)**	**(4)**	**(17)**	**(29)**	**(19)**

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B24 Deed of cross and intra-group guarantees

Deed of cross guarantee

Transurban Holdings Limited, Transurban Limited, Tollaust Pty Limited, Roam Tolling Pty Limited, Sydney Roads Limited, Sydney Roads Management Limited, Statewide Roads Limited, M4 Holdings No. 1 Pty Limited, M5 Holdings Pty Limited, Devome Pty Limited, Transurban Funding Pty Limited, Transurban STP AHT Pty Limited, Transurban STP AT Pty Limited, Transurban STP Project Hold Co Pty Limited, Transurban STP Project Co Pty Limited, Transurban Sun Holdings Pty Ltd and Transurban Operations Pty Ltd are party to a deed of cross guarantee under which each company guarantees the debts of the others. By entering into the deed, the wholly-owned entities have been relieved from the requirement to prepare a financial report and Directors' report under Instrument 2016/785 issued by the Australian Securities and Investments Commission. The companies represent a 'closed group' for the purposes of the Instrument, and as there are no other parties to the deed of cross guarantee that are controlled by THL, they also represent the 'extended closed group'.

Set out below is the summary financial information of the closed group.

	2024 $M	2023 $M
Summarised statement of comprehensive income		
Revenue	**644**	**468**
Operating costs	(625)	(468)
Depreciation and amortisation expense	(118)	(116)
Net finance costs	(234)	(312)
Loss before income tax	**(333)**	**(428)**
Income tax benefit	143	144
Loss for the year	**(190)**	**(284)**
Total comprehensive loss for the year	**(190)**	**(284)**

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B24 Deed of cross and intra-group guarantees (continued)

Deed of cross guarantee (continued)

	2024 $M	2023[1] $M
Summarised movements in accumulated losses		
Accumulated losses at the beginning of the year	(1,686)	(1,371)
Loss for the year	(190)	(284)
Dividends provided for or paid	—	(31)
Accumulated losses at the end of the year	**(1,876)**	**(1,686)**
Summarised balance sheet		
Current assets		
Cash and cash equivalents	1,291	1,188
Trade and other receivables	969	681
Derivative financial instruments	6	5
Total current assets	2,266	1,874
Non-current assets		
Investments in subsidiaries	4,571	3,578
Other financial assets	4,427	3,823
Equity accounted investments	2,366	2,422
Property, plant and equipment	362	397
Intangible assets	149	131
Deferred tax assets	486	563
Total non-current assets	12,361	10,914
Total assets	**14,627**	**12,788**
Current liabilities		
Trade and other payables	1,215	771
Provisions	71	89
Total current liabilities	1,286	860
Non-current liabilities		
Payables	11,175	9,614
Deferred tax liabilities	34	26
Provisions	6	5
Total non-current liabilities	11,215	9,645
Total liabilities	**12,501**	**10,505**
Net assets	**2,126**	**2,283**
Equity		
Contributed equity	4,001	3,967
Other reserves	1	2
Accumulated losses	(1,876)	(1,686)
Total equity	**2,126**	**2,283**

1. Comparatives have been restated to eliminate certain investments in subsidiaries balances within the closed group.

Intra-group guarantees

As at 30 June 2024, the Transurban Group comprising Transurban Holdings Limited, Transurban Holding Trust and Transurban International Limited, was traded and quoted on the ASX as one triple stapled security. Under the stapling arrangement, each entity is able to provide direct and/or indirect support to each other entity and its controlled entities within the Group on a continual basis.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

Items not recognised

B25 Contingencies

Contingencies accounting policy

Contingent assets

Contingent assets are possible recoveries whose existence will only be confirmed by uncertain future events not wholly within the control of the Group. Contingent assets are not recognised on the balance sheet unless they are virtually certain but are disclosed if the inflow of economic resources is probable.

Contingent liabilities

Contingent liabilities are possible obligations whose existence will only be confirmed by uncertain future events and present obligations where the transfer of economic resources is not probable or cannot be reliably estimated. Contingent liabilities are not recognised on the balance sheet unless they are probable but are disclosed if the outflow of economic resource is possible but not remote.

KEY ACCOUNTING ESTIMATE AND JUDGEMENT

Construction contracts - the Group (including its equity accounted investments) is exposed to direct and indirect construction risk, including remediation of concession intangible assets. In addition, the Group (including its equity accounted investments) has initiated claims on others in connection with its construction projects. In overseeing construction projects, from time to time payments may be made in excess of contracted amounts to facilitate their continued progression.

Note B17 discusses the accounting for maintenance expenses where the Group has a present obligation to remediate concession intangible assets.

The Group (including its equity accounted investments) assesses each claim it is a party to for the purposes of preparing financial statements in accordance with the accounting standards. Contingent assets and liabilities may exist in respect of actual or possible recoveries, claims and commercial payments arising from these matters.

As at 30 June 2024, any inflow of economic resources associated with these matters is not considered virtually certain and any possible payments relating to actual or potential future claims or possible commercial payments to other parties in excess of, or separate to the amounts stipulated in the Design and Construction contracts or other contracts, are not considered probable of being made and are remote.

Other contractual arrangements - the Group has received claims from other parties, including with respect to the Group's obligations under its services agreements. As at 30 June 2024, it has not been established that a present obligation exists. Further information about these claims has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Group.

Parent entity

The Parent entity does not have any contingent assets or contingent liabilities as at reporting date.

B26 Commitments

The Group's unrecognised capital commitments as at 30 June 2024 are $299 million (2023: $783 million) and relate primarily to the West Gate Tunnel Project.

Share of commitments related to equity accounted investments

The Group's share of unrecognised commitments related to equity accounted investments as at 30 June 2024 are $533 million (2023: $719 million) and relate primarily to Fredericksburg Extension and the 495 Express Lanes Northern Extension in TC.

B27 Subsequent events

Other than as disclosed elsewhere in this report, in the interval between the end of the financial year and the date of this report, no further matter or circumstance has arisen that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or Group's state of affairs, in future years.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

Other

B28 Leases

Leases as a lessee

The Group leases various office buildings. Rental contracts are typically made for fixed periods of 1 to 12 years but may have extension options. The majority of extension options held are exercisable only by the Group and not by the respective lessor. In determining the lease term, management consider all facts and circumstances that create an economic incentive to exercise an extension option.

Right-of-use asset

The Group's right-of use assets relate to leased office buildings and are included in property, plant and equipment on the Group's consolidated balance sheet.

Right-of-use assets accounting policy

Right-of-use assets have finite lives, are depreciated on a straight-line basis and are carried at cost less accumulated depreciation and accumulated impairment.

The net carrying amount of right-of-use assets is presented below:

	Office buildings	
	2024	2023
	$M	$M
Carrying amount at 1 July	**112**	**108**
Depreciation charge for the year	(13)	(15)
Additions	—	30
Remeasurement of lease liability	(1)	(8)
Other movements	—	(3)
Carrying amount at 30 June	**98**	**112**

Lease liability

Lease liabilities are included in other liabilities on the Group's consolidated balance sheet.

	2024	2023
	$M	$M
Current	(18)	(17)
Non-current	(114)	(126)
Total lease liability	**(132)**	**(143)**

Refer to Note B14 for contractual maturities for lease liabilities.

Refer to Note B12 for interest expense on lease liabilities (included in finance costs).

Reconciliation of lease liabilities arising from financing activities

	Lease liabilities	
	2024	2023
	$M	$M
Balance at 1 July	**143**	**131**
Interest paid on leases	(6)	(6)
Principal repayment of leases	(10)	(10)
Total cash flows	**(16)**	**(16)**
Non-cash changes		
Unwinding of discount	6	6
Additions	—	30
Remeasurement of lease liability	(1)	(8)
Total non-cash changes	**5**	**28**
Balance at 30 June	**132**	**143**

The total cash outflow for leases in the year ended 30 June 2024 was $16 million (2023: $16 million). The Group presents lease payments as 'principal repayments of leases' in 'cash flows from financing activities' and the finance cost as 'interest paid' in 'cash flows from operating activities' within the consolidated statement of cash flows.

The Group's commitments related to leases not yet commenced as at 30 June 2024 are $nil (2023: $nil).

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B29 Related party transactions

	Joint ventures	
	2024	**2023**
	$'000	**$'000**
Transactions with related parties		
Other revenue[1]	168,462	144,583
Finance income	223,470	152,297
	391,932	**296,880**
Outstanding balances with related parties		
Financial assets at amortised cost		
NWRG shareholder loan notes (SLNs)	494,718	572,309
STP JV SLNs	1,512,050	1,407,309
Other liabilities		
NWRG payable for acquisition of customer base	(54,360)	(54,837)
NWRG SLN commitments	—	(21,582)
TC other liabilities[2]	(14,120)	(16,036)
A25 other liabilities	(962)	—
Other assets		
STP JV SLNs interest receivable	21,030	18,677
STP JV other receivables[2]	12,573	10,443
NWRG JV other receivables[2]	8,621	6,442
TC other receivables	34,548	44,233
A25 other receivables	1,640	95
	2,015,738	**1,967,053**

1. Prior year amounts have been restated to include additional services revenue received from related parties.

2. Prior year amounts have been restated to include other receivables and payables to related parties.

Transactions with related parties

Other revenue

Other revenue relates to tolling and management services provided to related parties.

Finance income

Finance income relates to the interest recorded on financial assets at amortised cost, unwind of discount and remeasurement of financial assets at amortised cost and unwind of discount and remeasurement of liabilities on SLN commitments as noted below.

Financial assets and liabilities at amortised cost

Financial assets carried at amortised cost relate to NWRG and STP JV SLNs.

Financial liabilities carried at amortised cost relate to recognised loan commitments under the NWRG SLN facility that have been recorded within other liabilities (SLN commitments). The NWRG and STP JV SLNs are denominated in AUD.

NWRG shareholder loan notes

The NWRG SLNs consist of a non-interest bearing facility with a maturity date of June 2048 and an interest-bearing SLN facility with a rate equivalent to the weighted average of the interest rate applicable to NWRG's senior secured debt plus a margin of 50bps with a maturity date of August 2032. The agreement includes a mechanism to capitalise interest should funds not be available to settle accrued interest.

The nominal value of the NWRG SLNs as at 30 June 2024 is $572,341 thousand (2023: $693,027 thousand).

STP JV shareholder loan notes

The STP JV SLNs earn interest at a rate equivalent to the weighted average of the interest rate applicable to WestConnex's senior secured debt plus a margin. The agreements include a mechanism to capitalise interest should funds not be available to settle accrued interest. The SLNs have a maturity date of September 2028. The nominal value of the STP JV SLNs as at 30 June 2024 is $1,464,562 thousand (2023: $1,433,082 thousand).

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B29 Related party transactions (continued)

Transactions with related parties (continued)

Financial assets and liabilities at amortised cost accounting policies

Financial assets and liabilities

The Group measures the SLNs, SLN commitments and loan receivable at fair value on initial recognition. Any difference between the nominal value of these financial instruments, and their fair value at initial recognition is treated as a contribution to the relevant equity accounted investment.

For the SLNs and loan receivable financial assets, the Group intends to hold these to maturity, to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding. Therefore, the Group subsequently measures these financial assets at amortised cost using the effective interest method, less expected credit losses.

For the SLNs commitments financial liabilities, the Group subsequently measures these financial liabilities at amortised cost using the effective interest method.

The amortised cost of the SLNs, loan receivable and SLNs commitments is adjusted to reflect revised estimated contractual cash flows, which are discounted at the original effective interest rate. The adjustment is recognised in the profit and loss, in net finance costs as a remeasurement gain or loss.

The SLNs and SLN commitments are not classified as an investment for equity accounting purposes, and therefore have not been affected by equity accounting losses from the joint ventures.

Presentation

The SLNs and loan receivable financial assets are presented within non-current financial assets in the consolidated balance sheet. The SLN commitments financial liabilities are presented within current other liabilities in the consolidated balance sheet. The SLN commitments and SLNs issued under the same NWRG SLN facility are considered combined financial instruments as the terms of the SLN commitments are integral to the determination of the effective interest rate of the SLNs. These combined financial instruments are presented on a net basis.

The movement of the NWRG and STP JV SLNs, TC loan receivable and NWRG SLN commitments is set out below:

		NWRG		STP JV		TC		Total
	2024 $'000	2023 $'000	2024 $'000	2023 $'000	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Opening balance at 1 July—Financial assets	**572,309**	**606,104**	**1,407,309**	**1,388,564**	**—**	**1,889**	**1,979,618**	**1,996,557**
SLNs and loan issued	58,868	—	—	—	—	—	58,868	—
SLNs and loan repaid	(204,701)	(106,122)	(48,543)	(50,799)	—	(1,962)	(253,244)	(158,883)
Capitalisation of accrued interest	2,671	239	80,023	57,531	—	—	82,694	57,770
Unwind of discount and remeasurement of SLNs[2]	65,346	72,455	73,530	12,007	—	—	138,876	84,462
Change in expected credit losses	225	(367)	(269)	6	—	—	(44)	(361)
Foreign exchange movements and other adjustments	—	—	—	—	—	73	—	73
Closing balance at 30 June—Financial assets	**494,718**	**572,309**	**1,512,050**	**1,407,309**	**—**	**—**	**2,006,768**	**1,979,618**
Opening balance at 1 July—Financial liabilities	**(21,582)**	**—**	**—**	**—**	**—**	**—**	**(21,582)**	**—**
Fair value adjustment on recognition of SLN commitments[1]	—	(43,946)	—	—	—	—	—	(43,946)
SLNs issued	22,132	21,250	—	—	—	—	22,132	21,250
Capitalisation of accrued interest	344	302	—	—	—	—	344	302
Unwind of discount and remeasurement of SLN commitments[2]	(894)	812	—	—	—	—	(894)	812
Closing balance at 30 June—Financial liabilities	**—**	**(21,582)**	**—**	**—**	**—**	**—**	**—**	**(21,582)**

1. During FY23, SLN commitments under a new NWRG SLN facility were made. The SLN commitments were recorded at fair value on initial recognition and the difference between the nominal value of the SLN commitments and the fair value was treated as a contribution to the equity accounted investment in NWRG.

2. Includes adjustments from updating the expected timing of cash repayments from the SLNs.

Section B: Notes to the Group financial statements for the year ended 30 June 2024

B30 Key management personnel compensation

	2024 $	2023 $
Short-term employee benefits	12,500,033	14,212,271
Post-employment benefits	425,471	395,148
Termination benefits	1,511,157	10,502
Long-term benefits (long service leave)	(470,605)	(184,568)
Share-based payments	2,930,364	3,950,953
Deferred short-term incentives	2,574,712	2,995,925
	19,471,132	**21,380,231**

Detailed remuneration disclosures including the key management personnel are made in the remuneration report in the Directors' report.

B31 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the Group and its related practices.

(a) Amounts received or due and receivable by PricewaterhouseCoopers Australia

	2024 $	2023 $
Services performed by PricewaterhouseCoopers Australia		
Audit and other assurance services		
Audit and review of financial reports	3,575,000	3,186,500
Other assurance services	538,443	483,846
	4,113,443	3,670,346
Other consulting services	—	99,999
Total remuneration of PricewaterhouseCoopers Australia	**4,113,443**	**3,770,345**

(b) Amounts received or due and receivable by network firms of PricewaterhouseCoopers Australia

	2024 $	2023 $
Services performed by other PricewaterhouseCoopers network firms		
Audit and other assurance services		
Audit and review of financial reports	—	129,301
Total remuneration for other PricewaterhouseCoopers network firms	**—**	**129,301**
Total auditors remuneration	**4,113,443**	**3,899,646**

B32 Parent entity disclosures

The financial information for the Parent entity, Transurban Holdings Limited, has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries, associates and joint ventures parent entity accounting policy

Investments in subsidiaries, associates and joint ventures are accounted for at cost in the Parent entity financial statements of Transurban Holdings Limited. Dividends received from associates are recognised in the Parent entity's profit and loss, rather than being deducted from the carrying amount of these investments.

Tax consolidation legislation

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

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group. Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly owned tax consolidated entities.

Summary financial information

The individual financial statements for the Parent entity report the following aggregate amounts:

	2024 $M	2023 $M
Balance sheet		
Current assets	1,205	1,121
Total assets	11,595	10,846
Current liabilities	6,012	5,624
Total liabilities	7,062	6,444
Net assets	**4,533**	**4,402**
Shareholders' equity		
Contributed equity	4,002	3,968
Reserves	2	2
Retained earnings	529	432
Total equity	**4,533**	**4,402**
Profit for the year	97	85
Total comprehensive income	**97**	**85**

Guarantees entered into by the Parent entity

There are cross guarantees given by Transurban Holdings Limited, Transurban Limited, Tollaust Pty Limited, Roam Tolling Pty Limited, Sydney Roads Limited, Sydney Roads Management Limited, Statewide Roads Limited, M4 Holdings No 1 Pty Limited, M5 Holdings Pty Limited, Devome Pty Limited, Transurban Funding Pty Limited, Transurban STP AHT Pty Limited, Transurban STP AT Pty Limited, Transurban STP Project Hold Co Pty Limited, Transurban STP Project Co Pty Limited, Transurban Sun Holdings Pty Ltd and Transurban Operations Pty Ltd as described in Note B24.

Section C: Transurban Holding Trust (THT) and Transurban International Limited (TIL) financial statements

THT—ARSN 098 807 419 and TIL—ABN 90 121 746 825

Section C: THT and TIL financial statements for the year ended 30 June 2024

Transurban Holding Trust and Transurban International Limited
Consolidated statements of comprehensive income for the year ended 30 June 2024

	Note	Transurban Holding Trust 2024 $M	Transurban Holding Trust 2023 $M	Transurban International Limited 2024 $M	Transurban International Limited 2023 $M
Continuing operations					
Revenue	D4	**1,171**	**1,077**	**45**	**40**
Expenses					
Employee benefits expense		—	—	(24)	(26)
Road operating costs		—	—	(2)	(19)
Construction costs		(27)	(48)	—	—
Corporate and other expenses		(13)	(10)	(19)	(40)
Total operating expenses		**(40)**	**(58)**	**(45)**	**(85)**
Amortisation		(329)	(330)	—	—
Depreciation[1]		—	—	(4)	(14)
Total depreciation and amortisation		**(329)**	**(330)**	**(4)**	**(14)**
Net finance (costs)/income	D9	(14)	127	9	(16)
Share of losses of equity accounted investments, inclusive of impairments[2]	D14	(150)	(119)	(12)	(49)
Profit/(loss) before income tax		**638**	**697**	**(7)**	**(124)**
Income tax (expense)/benefit		(4)	2	(2)	28
Profit/(loss) for the year		**634**	**699**	**(9)**	**(96)**
Discontinued operations					
Loss for the year from discontinued operations		**—**	**—**	**—**	**(92)**
Profit/(loss) for the year from continuing and discontinued operations		**634**	**699**	**(9)**	**(188)**
Profit/(loss) is attributable to:					
Ordinary security holders of TIL		—	—	(9)	(188)
Ordinary unit holders of THT		607	687	—	—
Non-controlling interests	D15	27	12	—	—
Profit/(loss) for the year		**634**	**699**	**(9)**	**(188)**
Other comprehensive income					
Gains reclassified on disposal of subsidiary, net of tax	D8	—	—	—	(70)
Items that may be reclassified to profit and loss in the future					
Changes in the fair value of cash flow hedges, net of tax		(46)	(85)	—	14
Changes in the fair value of cost of hedging, net of tax		(10)	—	—	—
Share of other comprehensive loss from equity accounted investments, net of tax	D14	(68)	(56)	—	—
Exchange differences on translation of North American operations, net of tax		—	—	(10)	110
Other comprehensive income/(loss) for the year, net of tax		**(124)**	**(141)**	**(10)**	**54**
Total comprehensive income/(loss) for the year		**510**	**558**	**(19)**	**(134)**
Total comprehensive income/(loss) for the year is attributable to:					
Ordinary security holders of TIL		—	—	(19)	(134)
Ordinary unit holders of THT		488	576	—	—
Non-controlling interests—other		22	(18)	—	—
Total comprehensive income/(loss) for the year		**510**	**558**	**(19)**	**(134)**
		Cents	**Cents**	**Cents**	**Cents**
Earnings from continuing operations per security attributable to ordinary security holders of the stapled group	D7	**19.7**	**22.3**	**(0.3)**	**(3.1)**
Earnings per security attributable to ordinary security holders of the stapled group	D7	**19.7**	**22.3**	**(0.3)**	**(6.1)**

1. For FY23 for TIL, depreciation includes an impairment loss of $9 million.
2. During the year ended 30 June 2024, TIL recorded a pre-tax impairment of its A25 equity accounted investment of $22 million (2023: $nil). Refer to Note B22 for further details.

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

Section C: THT and TIL financial statements for the year ended 30 June 2024

Transurban Holding Trust and Transurban International Limited Consolidated balance sheets as at 30 June 2024

	Note	Transurban Holding Trust		Transurban International Limited	
		2024 $M	2023 $M	2024 $M	2023 $M
Assets					
Current assets					
Cash and cash equivalents		220	141	152	242
Related party receivables	D17	495	329	42	53
Trade and other receivables		6	7	4	4
Derivative financial instruments	D11	1	—	—	—
Current tax assets		—	—	4	—
Concession notes	D17	138	—	—	—
Total current assets		**860**	**477**	**202**	**299**
Non-current assets					
Equity accounted investments	D14	4,426	4,982	3,643	3,628
Derivative financial instruments	D11	718	770	—	—
Related party receivables	D17	8,304	8,520	272	255
Concession notes	D17	1,197	1,232	—	—
Financial assets at amortised cost	D17	759	691	—	—
Property, plant and equipment		—	—	35	23
Deferred tax assets	D5	5	5	26	33
Other intangible assets	D12	8,339	8,665	—	—
Total non-current assets		**23,748**	**24,865**	**3,976**	**3,939**
Total assets		**24,608**	**25,342**	**4,178**	**4,238**
Liabilities					
Current liabilities					
Related party payables	D17	489	286	44	40
Trade and other payables		76	68	13	16
Current tax liabilities		—	—	—	24
Borrowings	D10	311	249	—	—
Maintenance provision		3	—	—	—
Distribution provision	D6	1,015	973	—	—
Construction obligation liability		16	26	—	—
Other provisions		—	—	12	12
Other liabilities		—	—	1	—
Total current liabilities		**1,910**	**1,602**	**70**	**92**
Non–current liabilities					
Maintenance provision		58	—	—	—
Deferred tax liabilities	D5	—	—	909	926
Related party payables	D17	4,276	3,939	104	121
Borrowings	D10	7,563	7,588	—	—
Construction obligation liability		—	14	—	—
Other liabilities		92	87	10	11
Total non–current liabilities		**11,989**	**11,628**	**1,023**	**1,058**
Total liabilities		**13,899**	**13,230**	**1,093**	**1,150**
Net assets		**10,709**	**12,112**	**3,085**	**3,088**
Equity					
Contributed equity		—	—	1,057	1,042
Issued units		19,559	19,448	—	—
Reserves	D8	270	389	66	76
(Accumulated losses)/retained earnings		(9,657)	(8,352)	1,962	1,970
Non-controlling interests	D15	537	627	—	—
Total equity		**10,709**	**12,112**	**3,085**	**3,088**

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

Section C: THT and TIL financial statements for the year ended 30 June 2024

Transurban Holding Trust and Transurban International Limited
Consolidated statements of changes in equity for the year ended 30 June 2024

THT

	Attributable to security holders of Transurban Holding Trust					
	No of units	Issued units	Reserves	Accumulated losses	Non-controlling interests	Total
	M	$M	$M	$M	$M	$M
Balance at 1 July 2023	**3,081**	**19,448**	**389**	**(8,352)**	**627**	**12,112**
Comprehensive income/(loss)						
Profit for the year	—	—	—	607	27	634
Other comprehensive loss	—	—	(119)	—	(5)	(124)
Total comprehensive income/(loss)	**—**	**—**	**(119)**	**607**	**22**	**510**
Transactions with owners in their capacity as owners						
Employee performance awards issued	1	4	—	4	—	8
Distributions provided for	—	—	—	(1,916)	(112)	(2,028)
Distribution reinvestment plan	10	107	—	—	—	107
	11	**111**	**—**	**(1,912)**	**(112)**	**(1,913)**
Balance at 30 June 2024	**3,092**	**19,559**	**270**	**(9,657)**	**537**	**10,709**
Balance at 1 July 2022	**3,071**	**19,354**	**498**	**(7,286)**	**733**	**13,299**
Comprehensive income/(loss)						
Profit for the year	—	—	—	687	12	699
Other comprehensive loss	—	—	(111)	—	(30)	(141)
Total comprehensive (loss)/income	**—**	**—**	**(111)**	**687**	**(18)**	**558**
Transactions with owners in their capacity as owners						
Employee performance awards issued	1	8	2	1	—	11
Distributions provided for	—	—	—	(1,754)	(88)	(1,842)
Distribution reinvestment plan	9	86	—	—	—	86
	10	**94**	**2**	**(1,753)**	**(88)**	**(1,745)**
Balance at 30 June 2023	**3,081**	**19,448**	**389**	**(8,352)**	**627**	**12,112**

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

Section C: THT and TIL financial statements for the year ended 30 June 2024

Transurban Holding Trust and Transurban International Limited
Consolidated statements of changes in equity for the year ended 30 June 2024 (continued)

TIL

	Attributable to security holders of Transurban International Limited				
	No. of securities	Contributed equity	Reserves	Retained earnings	Total equity
	M	$M	$M	$M	$M
Balance at 1 July 2023	**3,081**	**1,042**	**76**	**1,970**	**3,088**
Comprehensive income/(loss)					
Loss for the year	—	—	—	(9)	(9)
Other comprehensive loss	—	—	(10)	—	(10)
Total comprehensive loss	**—**	**—**	**(10)**	**(9)**	**(19)**
Transactions with owners in their capacity as owners					
Employee performance awards issued	1	—	—	1	1
Distribution reinvestment plan	10	15	—	—	15
	11	**15**	**—**	**1**	**16**
Balance at 30 June 2024	**3,092**	**1,057**	**66**	**1,962**	**3,085**
Balance at 1 July 2022	**3,071**	**1,030**	**22**	**2,158**	**3,210**
Comprehensive income/(loss)					
Loss for the year	—	—	—	(188)	(188)
Other comprehensive income	—	—	54	—	54
Total comprehensive income/(loss)	**—**	**—**	**54**	**(188)**	**(134)**
Transactions with owners in their capacity as owners					
Employee performance awards issued	1	1	—	—	1
Distribution reinvestment plan	9	11	—	—	11
	10	**12**	**—**	**—**	**12**
Balance at 30 June 2023	**3,081**	**1,042**	**76**	**1,970**	**3,088**

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

Section C: THT and TIL financial statements for the year ended 30 June 2024

Transurban Holding Trust and Transurban International Limited Consolidated statements of cash flows for the year ended 30 June 2024

	Note	Transurban Holding Trust 2024 $M	Transurban Holding Trust 2023 $M	Transurban International Limited 2024 $M	Transurban International Limited 2023 $M
Cash flows from operating activities					
Receipts from customers		1,071	1,025	—	60
Payments to suppliers and employees		(53)	(54)	(54)	(78)
Transaction costs		—	—	—	(8)
Other cash receipts		68	3	64	44
Interest received		206	207	8	8
Interest paid		(454)	(431)	(6)	(35)
Income taxes paid		—	—	(11)	(2)
Net cash inflow/(outflow) from operating activities	(a)	**838**	**750**	**1**	**(11)**
Cash flows from investing activities					
Payments for financial assets at amortised cost		(5)	(22)	—	—
Repayment of financial assets at amortised cost		25	26	—	—
Capital contribution to equity accounted investments	D14	—	(86)	(96)	(115)
Payments for intangible assets		(31)	(58)	—	—
Payments for property, plant and equipment		—	—	(13)	(6)
Distributions received from equity accounted investments	D14	411	218	51	45
Receipts from concession notes		—	151	—	—
Proceeds from disposal of subsidiaries, net of cash disposed		—	—	—	335
Income taxes refunded/(paid) related to the disposal of subsidiaries		—	—	(27)	9
Net cash inflow/(outflow) from investing activities		**400**	**229**	**(85)**	**268**
Cash flows from financing activities					
Loans to related parties	(b)	(3,304)	(2,557)	(2)	(3)
Repayment of loans to/(from) related parties	(b)	3,945	3,144	(4)	(105)
Proceeds from borrowings (net of costs)	(b)	1,182	309	—	369
Repayment of borrowings	(b)	(1,147)	(326)	—	(590)
Principal repayment of leases		—	—	—	(1)
Dividends and distributions paid to the Group's security holders		(1,715)	(1,431)	—	—
Distributions paid to non-controlling interests		(120)	(93)	—	—
Net cash outflow from financing activities		**(1,159)**	**(954)**	**(6)**	**(330)**
Net increase/(decrease) in cash and cash equivalents		**79**	**25**	**(90)**	**(73)**
Cash and cash equivalents at the beginning of the year		141	116	242	307
Effects of exchange rate changes on cash and cash equivalents		—	—	—	8
Cash and cash equivalents at end of year		**220**	**141**	**152**	**242**

Refer to Note B21 for cash flows from discontinued operations.

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

Section C: THT and TIL financial statements for the year ended 30 June 2024

Transurban Holding Trust and Transurban International Limited
Consolidated statements of cash flows for the year ended 30 June 2024 (continued)

(a) Reconciliation of profit after income tax to net cash inflow from operating activities

	Transurban Holding Trust		Transurban International Limited	
	2024	2023	2024	2023
	$M	$M	$M	$M
Profit/(loss) for the year from continuing and discontinued operations	**634**	**699**	**(9)**	**(188)**
Depreciation and amortisation	329	330	4	50
Loss on disposal of interest in subsidiary, net of tax	—	—	—	80
Non-cash net finance (income)/costs	(55)	31	(10)	20
Capitalised interest income	(220)	(220)	—	—
Non-cash net income on concession notes	(104)	(244)	—	—
Share of losses from equity accounted investments, inclusive of impairments	150	119	12	49
Distribution income from equity accounted investments	(73)	(10)	—	—
Change in operating assets and liabilities:				
(Increase)/decrease in trade and other receivables	(1)	(4)	11	20
Increase in related party operating loans	96	81	—	2
Increase/(decrease) in operating creditors and accruals	73	(4)	4	1
Increase/(decrease) in other operating provisions	—	—	(3)	5
Increase/(decrease) in deferred and current taxes	4	(35)	(8)	(51)
Increase in maintenance provision	—	—	—	1
Increase in other liabilities	5	7	—	—
Net cash inflow/(outflow) from operating activities	**838**	**750**	**1**	**(11)**

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

Section C: THT and TIL financial statements for the year ended 30 June 2024

Transurban Holding Trust and Transurban International Limited
Consolidated statements of cash flows for the year ended 30 June 2024 (continued)

(b) Reconciliation of liabilities arising from financing activities

THT

	Borrowings current	Borrowings non-current	Debt principal related derivatives (included in assets / liabilities)[1]	Total debt related financial instruments	Net related party receivables[2]
	$M	$M	$M	$M	$M
Balance at 1 July 2023	**249**	**7,588**	**(635)**	**7,202**	**(4,660)**
Proceeds from borrowings (net of costs)	—	1,182	—	1,182	—
Repayment of borrowings	(249)	(898)	—	(1,147)	—
Loans to related parties	—	—	—	—	(3,304)
Repayment of loans to related parties	—	—	—	—	3,945
Total cash flows	**(249)**	**284**	**—**	**35**	**641**
Non-cash changes					
Transfer	311	(311)	—	—	—
Capitalised interest	—	—	—	—	(178)
Amortisation of borrowing costs	—	3	—	3	—
Intercompany non-cash settlements	—	—	—	—	126
Foreign exchange movements	—	(1)	17	16	—
Total non-cash changes	**311**	**(309)**	**17**	**19**	**(52)**
Balance at 30 June 2024	**311**	**7,563**	**(618)**	**7,256**	**(4,071)**

1. *Total derivatives balance as at 30 June 2024 is an asset of $719 million. The difference in carrying amount to the table above relates to interest rate swap contracts, forward exchange contracts, the interest portion of cross-currency interest rate swap contracts and credit valuation and debit valuation adjustments which are excluded from the balances above as they do not relate to financing activities.*
2. *Total net related party receivables balance as at 30 June 2024 is an asset of $4,034 million. The difference in carrying amount to the table above relates to intercompany accruals balances which are excluded from the balances above as they do not relate to financing activities.*

	Borrowings current	Borrowings non-current	Debt principal related derivatives (included in assets / liabilities)[1]	Total debt related financial instruments	Net related party receivables[2]
	$M	$M	$M	$M	$M
Balance at 1 July 2022	**351**	**7,316**	**(610)**	**7,057**	**(5,175)**
Proceeds from borrowings (net of costs)	—	309	—	309	—
Repayment of borrowings	(326)	—	—	(326)	—
Loans to related parties	—	—	—	—	(2,557)
Repayment of loans to related parties	—	—	—	—	3,144
Total cash flows	**(326)**	**309**	**—**	**(17)**	**587**
Non-cash changes					
Transfer	249	(249)	—	—	—
Capitalised interest	—	—	—	—	(191)
Amortisation of borrowing costs	—	3	—	3	—
Intercompany non-cash settlements	—	—	—	—	120
Provision for impairment of intercompany loans	—	—	—	—	1
Foreign exchange movements	(25)	209	(25)	159	(2)
Total non-cash changes	**224**	**(37)**	**(25)**	**162**	**(72)**
Balance at 30 June 2023	**249**	**7,588**	**(635)**	**7,202**	**(4,660)**

1. *Total derivatives balance as at 30 June 2023 is an asset of $770 million. The difference in carrying amount to the table above relates to interest rate swap contracts, forward exchange contracts, the interest portion of cross-currency interest rate swap contracts and credit valuation and debit valuation adjustments which are excluded from the balances above as they do not relate to financing activities.*
2. *Total net related party receivables balance as at 30 June 2023 is an asset of $4,624 million. The difference in carrying amount to the table above relates to intercompany accruals balances which are excluded from the balances above as they do not relate to financing activities.*

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

Section C: THT and TIL financial statements for the year ended 30 June 2024

Transurban Holding Trust and Transurban International Limited
Consolidated statements of cash flows for the year ended 30 June 2024 (continued)

(b) Reconciliation of liabilities arising from financing activities (continued)

TIL

	Borrowings current $M	Borrowings non-current $M	Total borrowings $M	Net related party payables[1] $M
Balance at 1 July 2023	**—**	**—**	**—**	**(134)**
Loans to related parties	—	—	—	(2)
Repayment of loans to related parties	—	—	—	(4)
Total cash flows	**—**	**—**	**—**	**(6)**
Non-cash changes				
Capitalised interest	—	—	—	(10)
Intercompany non-cash settlements	—	—	—	(16)
Foreign exchange movements	—	—	—	(4)
Total non-cash changes	**—**	**—**	**—**	**(30)**
Balance at 30 June 2024	**—**	**—**	**—**	**(170)**

1. *Total net related party receivables balance as at 30 June 2024 is an asset of $166 million. The difference in carrying amount to the table above relates to intercompany accruals balances which are excluded from the balances above as they do not relate to financing activities.*

	Borrowings current $M	Borrowings non-current $M	Total borrowings $M	Net related party payables[1] $M
Balance at 1 July 2022	**614**	**—**	**614**	**10**
Proceeds from borrowings (net of costs)	—	369	369	—
Repayment of borrowings	(590)	—	(590)	—
Loans to related parties	—	—	—	(3)
Repayment of loans to related parties	—	—	—	(105)
Total cash flows	**(590)**	**369**	**(221)**	**(108)**
Non-cash changes				
Disposals through loss of control of subsidiary[2]	—	(376)	(376)	—
Capitalised interest	—	—	—	(16)
Intercompany non-cash settlements	—	—	—	(11)
Amortisation of borrowing costs	—	2	2	—
Foreign exchange movements	(24)	5	(19)	(9)
Total non-cash changes	**(24)**	**(369)**	**(393)**	**(36)**
Balance at 30 June 2023	**—**	**—**	**—**	**(134)**

1. *Total net related party receivables balance as at 30 June 2023 is an asset of $147 million. The difference in carrying amount to the table above relates to intercompany accruals balances which are excluded from the balances above as they do not relate to financing activities.*
2. *Relates to the sale of the Group's controlling interest in A25 (refer to Note B21).*

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

Section D: Notes to the THT and TIL financial statements

Basis of preparation and significant changes

D1 Summary of significant changes in the current reporting period

There were no significant transactions or events during the year ended 30 June 2024.

D2 Basis of preparation

The Transurban Holding Trust Group consists of Transurban Holding Trust and the entities it controls (THT) and the Transurban International Limited Group consists of Transurban International Limited and the entities it controls (TIL). THT and TIL form part of the stapled Transurban Group.

THT is registered as a managed investment scheme under Chapter 5C of the *Corporations Act 2001* (Cth), and as a result requires a responsible entity. The responsible entity of THT is Transurban Infrastructure Management Limited (TIML). TIML is responsible for performing all functions that are required under the *Corporations Act 2001* (Cth) of a responsible entity.

The Transurban Holding Trust was established on 15 November 2001 and has no termination date. The Trust was registered as a managed investment scheme by the Australian Securities and Investments Commission on 28 November 2001.

THT is a Trust registered and domiciled in Australia.

TIL is a public company limited by shares and incorporated in Australia.

Going concern

The financial statements have been prepared on a going concern basis, which assumes the continuity of normal operations, in particular over the next 12 months from the financial statement release date on 8 August 2024. This is notwithstanding that the consolidated balance sheet of THT indicates a net current liability position as at 30 June 2024 of $1,050 million. Excluding related party payables, THT is in a net current liability position of $561 million.

In determining the appropriateness of the going concern basis of preparation, the Directors have considered the uncertainties related to the macroeconomic environment on THT's and TIL's liquidity and operations. The Directors consider near-term interest rate fluctuations to be primarily limited to new borrowing facilities due to the THT and TIL's hedging policy and profile. In addition, a number of THT's toll roads have toll escalations of CPI or greater which provides revenue protection in an inflationary environment.

THT and TIL have assessed cash flow forecasts and the ability of THT to fund its net current liability position as at 30 June 2024. This assessment indicates that THT and TIL are expected to be able to continue to operate within available liquidity levels and the terms of available borrowing facilities, and for THT to fund its net current liability position as at 30 June 2024 for the 12 months from the date of this report.

THT and TIL have also forecast that they do not expect to breach any financial covenants within the 12 months from the date of this report. Financial covenant forecasts utilised the same underlying cash flow forecasts as those used in the going concern assessment. Non-recourse debt financial covenants are calculated on a trailing 12-month basis.

The Directors have also taken the following matters into consideration in forming the view that THT and TIL are a going concern:

- THT has generated positive cash inflows from operating activities of $838 million for the year ended 30 June 2024
- THT expects to refinance or repay with available cash all borrowing facilities classified as a current liability as at 30 June 2024. Under the security arrangements for these borrowing facilities, each entity of THT and TIL is able to provide direct and/or indirect support to each other entity and its controlled entities within the Transurban Group
- Payment of future distributions remains at the discretion of the Board.

Refer to Note B3 for further information on the basis of preparation for the Transurban Group.

Section D: Notes to the THT and TIL financial statements for the year ended 30 June 2024

Operating performance

D3 Segment information

Refer to Note B4 for further information around the structure of the segments for the Transurban Group.

THT operating segments

Management have determined that THT has one operating segment.

THT operations involve the leasing of assets and the provision of funding to the Transurban Group or related parties of the Transurban Group. All revenues and expenses are directly attributable to these activities. The management structure and internal reporting of THT are based on this one operating segment.

TIL operating segments

Management have determined that TIL has one operating segment.

TIL's operations involve investments in toll roads in Montreal and the Greater Washington Area in North America. All revenues and expenses are directly attributable to these activities. The management structure and internal reporting of TIL are based on this one operating segment.

Proportional segment information includes the results of discontinued operations, being A25, at proportional ownership of 100% for the period 1 July 2022 to 28 February 2023 and 50% from 1 March 2023 to 30 June 2024.

Reconciliation of segment information to statutory financial information

Segment information for North America as disclosed in the Transurban Group segment note (Note B4) is reconciled to the TIL statutory financial information below.

Segment revenue

Revenue from external customers comprises toll and fee revenues earned on toll roads. Segment revenue reconciles to total statutory revenue as follows:

TIL	Note	2024 $M	2023 $M
Total segment revenue (proportional)		**259**	**245**
Add:			
Intragroup elimination[1]		44	35
Less:			
Proportional revenue of non-100% owned equity accounted assets[2]		(258)	(179)
Toll revenue receipts relating to the A25 concession financial asset[3]		—	(10)
Other revenue receipts relating to the A25 concession financial asset[3]		—	(10)
Revenue attributable to discontinued operations		—	(41)
Total statutory revenue from continuing operations	D4	**45**	**40**

1. *Statutory revenue recognised in relation to arrangements with the equity accounted investments that are eliminated for segment purposes.*
2. *Statutory financial information classifies the results of A25 as discontinued operations in the comparative period up until the date of the transaction on 28 February 2023.*
3. *The Executive Committee members acting as the chief operating decision maker assesses the performance of TIL using proportional results that include A25 income streams relating to availability payments and guaranteed toll income which are classified as revenue within the proportional results. These revenues form part of the ordinary activities of A25 and are reflective of its underlying performance. Up to the date of sale of the Group's controlling interest in A25 on 28 February 2023 (refer to Note B21), for statutory accounting purposes, these income streams offset the related concession financial asset receivable recorded on acquisition of the original controlling interest in A25, which has been disposed of as part of the sale of A25.*

D3 Segment information (continued)

Proportional EBITDA

Proportional EBITDA reconciles to loss before income tax as follows:

TIL	2024 $M	2023 $M
Proportional EBITDA	**168**	**129**
Less: EBITDA attributable to TIL corporate activities (disclosed in corporate and other)[1]	(2)	(38)
Less: Toll and other revenue receipts relating to the A25 concession financial asset[2]	—	(20)
Less: Proportional EBITDA of non-100% owned equity accounted investments	(166)	(91)
Add: EBITDA from discontinued operations net of transaction costs on disposal[3]	—	(25)
Statutory depreciation and amortisation from continuing operations	(4)	(14)
Statutory net finance income/(costs) from continuing operations	9	(16)
Share of loss from equity accounted investments, inclusive of impairments from continuing operations	(12)	(49)
Statutory loss before income tax from continuing operations	**(7)**	**(124)**

1. *Relates primarily to development activities.*
2. *The Executive Committee members acting as the chief operating decision maker assesses the performance of the Group using proportional results that include A25 income streams relating to availability payments and guaranteed toll income which are classified as revenue within the proportional results. These revenues form part of the ordinary activities of A25 and are reflective of its underlying performance. Up to the date of sale of the Group's controlling interest in A25 on 28 February 2023 (refer to Note B21), for statutory accounting purposes, these income streams offset the related concession financial asset receivable recorded on acquisition of the original controlling interest in A25, which has been disposed of as part of the sale of A25.*
3. *Statutory financial information classifies the results of A25 as discontinued operations in the prior comparative period. In FY23, Proportional EBITDA included $9 million transaction costs on disposal of A25 which are included within the statutory gain on disposal and not within statutory EBITDA.*

D4 Revenue

	THT 2024 $M	THT 2023 $M	TIL 2024 $M	TIL 2023 $M
Toll revenue	—	—	1	1
Rental income	1,021	966	—	—
Construction revenue	27	48	—	—
Other revenue	76	14	44	39
Concession fees	47	49	—	—
Total revenue from continuing operations	**1,171**	**1,077**	**45**	**40**

For toll revenue, construction revenue and other revenue accounting policies, refer to Note B5.

Rental income and concession fees accounting policies

Revenue type	Accounting policy
Rental income	The rental income revenue stream relates to lease payments received from operating leases on the property held by THT. This income is recognised in accordance with the terms of the lease contract.
Concession fees	Other income from concession fees relates to the CityLink concession notes. Pursuant to the Agreement for the Melbourne CityLink concession deed (the Concession Deed), CityLink Melbourne Limited (CityLink) (a member of the Transurban Group), is required to pay annual concession fees for the duration of CityLink's concession period. Until a certain threshold rate of return on the project is achieved, the payment of concession fees due under the Concession Deed can be satisfied by means of non-interest bearing concession notes. Following agreements reached with the State of Victoria, the Group paid a total of $765 million to the State to have all current concession notes issued to the State assigned to Transurban Holding Trust, and the State directed CityLink to pay future concession notes to Transurban Holding Trust. Accordingly, CityLink continues to issue notes semi-annually to Transurban Holding Trust, and Transurban Holding Trust recognises concession note income from the issue of these notes, at the present value of expected future repayments.

Section D: Notes to the THT and TIL financial statements for the year ended 30 June 2024

D5 Income tax

Deferred tax assets and liabilities—THT

	Asset		Liability	
	2024 $M	2023 $M	2024 $M	2023 $M
The balance comprises temporary difference attributable to:				
Provisions	—	1	—	—
Derivatives and foreign exchange	165	165	(160)	(161)
Tax assets/(liabilities)	**165**	**166**	**(160)**	**(161)**
Set off of tax	(160)	(161)	160	161
Net tax assets/(liabilities)	**5**	**5**	**—**	**—**
Movements:				
Opening balance at 1 July	**166**	**111**	**(161)**	**(141)**
Credited/(charged) to profit and loss	—	6	(4)	(4)
(Charged)/credited to equity	(1)	54	5	(20)
Transfer from deferred tax assets/liabilities	—	(5)	—	5
Other	—	—	—	(1)
Closing balance at 30 June	**165**	**166**	**(160)**	**(161)**
Deferred tax assets/(liabilities) to be recovered/(paid) after more than 12 months	**165**	**166**	**(160)**	**(161)**

Deferred tax assets and liabilities—TIL

	Asset		Liability	
	2024 $M	2023 $M	2024 $M	2023 $M
The balance comprises temporary difference attributable to:				
Current and prior year losses	88	68	—	—
Fixed assets/intangibles	2	20	(1)	(3)
Derivatives and foreign exchange	8	8	—	—
Equity accounted investments	—	—	(986)	(996)
Other	6	10	—	—
Tax assets/(liabilities)	**104**	**106**	**(987)**	**(999)**
Set off of tax	(78)	(73)	78	73
Net tax assets/(liabilities)	**26**	**33**	**(909)**	**(926)**
Movements:				
Opening balance at 1 July	**106**	**130**	**(999)**	**(1,196)**
(Charged)/credited to profit and loss	(6)	14	10	17
Charged to equity	—	(5)	—	—
Disposed through other comprehensive income[1]	—	(52)	—	316
Acquired[1]	—	—	—	(106)
Foreign exchange movements	—	2	6	(33)
Transfer from deferred tax assets/liabilities	—	(2)	—	2
Current year losses recognised/(prior year losses utilised) and under/(over) provision in prior years	4	19	(4)	1
Closing balance at 30 June	**104**	**106**	**(987)**	**(999)**
Deferred tax assets/(liabilities) to be recovered/(paid) after more than 12 months	**104**	**106**	**(987)**	**(999)**

1. *Relates to the net impact of the sale of the Group's controlling interest in A25 and recognition of an equity accounted investment in A25 upon divestment of a 50% ownership interest in FY23 (refer to Note B21).*

Section D: Notes to the THT and TIL financial statements for the year ended 30 June 2024

Security holder outcomes

D6 Distributions

Refer to Note B9 of the Group financial statements for the dividends/distributions paid and payable by the Group.

Movements in distribution provision—THT

	Distribution to security holders $M	Distributions to non- controlling interest in subsidiaries $M	Total $M
Balance at 1 July 2023	**939**	**34**	**973**
Additional provision recognised	1,916	112	2,028
Amounts paid	(1,715)	(120)	(1,835)
Amounts reinvested	(151)	—	(151)
Balance at 30 June 2024	**989**	**26**	**1,015**
Balance at 1 July 2022	**737**	**39**	**776**
Additional provision recognised	1,754	88	1,842
Amounts paid	(1,431)	(93)	(1,524)
Amounts reinvested	(121)	—	(121)
Balance at 30 June 2023	**939**	**34**	**973**

D7 Earnings per stapled security

Reconciliation of earnings used in calculating earnings per security

		THT		TIL
	2024	2023	2024	2023
Profit/(loss) attributable to ordinary security holders ($M)				
Continuing operations	607	687	(9)	(96)
Discontinued operations	—	—	—	(92)
Total	**607**	**687**	**(9)**	**(188)**
Weighted average number of securities (M)	3,089	3,076	3,089	3,076
Basic and diluted earnings per security attributable to the ordinary security holders (cents)				
Continuing operations	19.7	22.3	(0.3)	(3.1)
Discontinued operations	—	—	—	(3.0)
Total	**19.7**	**22.3**	**(0.3)**	**(6.1)**

Section D: Notes to the THT and TIL financial statements for the year ended 30 June 2024

Capital and borrowings

D8 Reserves

Refer to Note B11 for a description of the nature and purpose of each reserve.

THT

	Cash flow hedges $M	Cost of hedging $M	Share based payments $M	Total $M
Balance at 1 July 2023	**385**	**(2)**	**6**	**389**
Revaluation—gross	(45)	(9)	—	(54)
Deferred tax	—	3	—	3
Share of other comprehensive income/(loss) of equity accounted investments, net of tax	(69)	1	—	(68)
Balance at 30 June 2024	**271**	**(7)**	**6**	**270**
Balance at 1 July 2022	**493**	**1**	**4**	**498**
Revaluation—gross	(77)	—	—	(77)
Deferred tax	22	—	—	22
Share based payments	—	—	2	2
Share of other comprehensive loss of equity accounted investments, net of tax	(53)	(3)	—	(56)
Balance at 30 June 2023	**385**	**(2)**	**6**	**389**

TIL

	Cash flow hedges $M	Share based payments $M	Foreign currency translation $M	Transactions with non-controlling interests $M	Total $M
Balance at 1 July 2023	**28**	**1**	**105**	**(58)**	**76**
Currency translation differences	—	—	(10)	—	(10)
Balance at 30 June 2024	**28**	**1**	**95**	**(58)**	**66**
Balance at 1 July 2022	**28**	**1**	**51**	**(58)**	**22**
Revaluation—gross	19	—	—	—	19
Deferred tax	(5)	—	—	—	(5)
Currency translation differences	—	—	110	—	110
Losses reclassified on disposal of subsidiary, net of tax	(14)	—	(56)	—	(70)
Balance at 30 June 2023	**28**	**1**	**105**	**(58)**	**76**

Section D: Notes to the THT and TIL financial statements for the year ended 30 June 2024

D9 Net finance (costs)/income

	THT 2024 $M	THT 2023 $M	TIL 2024 $M	TIL 2023 $M
Finance income				
Interest income from related parties	379	388	12	16
Interest income on bank deposits held at amortised cost	7	3	9	7
Net remeasurement gains on derivative financial instruments	12	—	—	—
Interest income on financial assets at amortised cost	43	34	—	—
Unwind of discount and remeasurement of financial assets at amortised cost	45	13	—	—
Unwind of discount and remeasurement of concession notes receivable[1]	57	192	—	—
Unwind of discount and remeasurement of liabilities—shareholder loan note commitments	3	1	—	—
Movement in impairment provisions on related party receivables	—	1	—	1
Net foreign exchange gains	—	2	1	—
Total finance income	**546**	**634**	**22**	**24**
Finance costs				
Interest and finance charges paid/payable	(559)	(498)	(12)	(29)
Net remeasurement losses on derivative financial instruments	—	(5)	—	—
Unwind of discount and remeasurement of liabilities—promissory notes	—	(1)	—	—
Unwind of discount and remeasurement of liabilities—construction obligation liability	(1)	(3)	—	—
Net foreign exchange losses	—	—	—	(11)
Movement in impairment provisions on related party receivables	—	—	(1)	—
Total finance costs	**(560)**	**(507)**	**(13)**	**(40)**
Net finance (costs)/income from continuing operations	**(14)**	**127**	**9**	**(16)**

1. Remeasurement of concession notes represents the discount unwind on these notes and the change in the payment profile of the concession notes.

D10 Borrowings

The following table shows the carrying amounts of borrowings included in THT and TIL's consolidated balance sheets.

	THT 2024 $M	THT 2023 $M	TIL 2024 $M	TIL 2023 $M
Capital markets debt	200	200	—	—
Term debt	111	49	—	—
Total current borrowings	**311**	**249**	**—**	**—**
Non-current				
Capital markets debt	2,241	2,193	—	—
US private placement	2,823	2,822	—	—
Term debt	2,499	2,573	—	—
Total non-current borrowings	**7,563**	**7,588**	**—**	**—**
Total borrowings	**7,874**	**7,837**	**—**	**—**

Refer to Note B13 for a description of each facility type.

Section D: Notes to the THT and TIL financial statements for the year ended 30 June 2024

D11 Financial risk management and derivatives

Financial risk management

Refer to Note B14 for details on financial risk management.

Derivatives

The table below outlines THT's and TIL's derivative financial instruments which are recognised and measured at fair value on a recurring basis.

	2024 $M				2023 $M			
	Current		Non-current		Current		Non-current	
	THT	TIL	THT	TIL	THT	TIL	THT	TIL
Assets								
Interest rate swap contracts	1	—	206	—	—	—	259	—
Cross-currency interest rate swap contracts	—	—	512	—	—	—	511	—
Total derivative financial instrument assets	**1**	**—**	**718**	**—**	**—**	**—**	**770**	**—**

The instruments used by the Group are described in Note B14.

Effects of hedge accounting on financial position and performance

Hedging reserves

The following table presents the gains and losses on THT's hedging instruments transferred to and from reserves:

THT

	2024 $M		2023 $M	
	Cash flow hedges reserve	Cost of hedging reserve	Cash flow hedges reserve	Cost of hedging reserve
Balance as at 1 July 2023	**385**	**(2)**	**493**	**1**
Change in net fair value of derivatives recognised in hedging reserves in OCI	(37)	(15)	59	—
Transfers in fair value of hedging instruments from OCI to the profit and loss (net finance costs) for hedge ineffectiveness	(12)	—	5	—
Transfers in fair value of hedging instruments from OCI to the profit and loss (other expenses)[1]	1	—	(184)	—
Net revaluation - gross, before transfers to NCI	**(48)**	**(15)**	**(120)**	**—**
Hedging reserves attributable to NCI	3	6	43	—
Net revaluation - gross	**(45)**	**(9)**	**(77)**	**—**
Tax effect on revaluation movements	—	3	22	—
Share of hedging reserves of equity accounted investments, net of tax	(69)	1	(53)	(3)
Closing balance, net of tax	**271**	**(7)**	**385**	**(2)**

1. There is no significant impact on the profit and loss from foreign currency movements associated with the borrowings portfolio that are swapped to Australian dollars as an offsetting entry will be recognised on the associated hedging instrument. $1 million represents unrealised losses transferred (2023: $184 million unrealised gains) relating to foreign currency revaluation of the principal component of cross currency interest rate swaps that offsets the unrealised foreign currency revaluation of the principal value of hedged foreign denominated borrowings.

Section D: Notes to the THT and TIL financial statements for the year ended 30 June 2024

D11 Financial risk management and derivatives (continued)

Market risk

Foreign exchange risk

Exposure

Exposure to foreign currency risk after hedging at the reporting date, denominated in the currency in which the risk arises, are as follows:

		THT		THT		TIL
	2024 USD $M	2023 USD $M	2024 CHF $M	2023 CHF $M	2024 AUD $M	2023 AUD $M
Receivables	587	588	—	—	283	262
Payables	(553)	(553)	—	—	(53)	(27)
Borrowings	(2,143)	(2,143)	(565)	(565)	—	—
Cross-currency interest rate swaps	2,143	2,143	565	565	—	—
Net exposure	**34**	**35**	**—**	**—**	**230**	**235**

Hedging instruments

Derivative instruments designated as hedging instruments of foreign currency risk and the effects of the hedge accounting relationship are as follows:

THT

	2024 $M	2023 $M
Cross-currency interest rate swaps hedging borrowings denominated in foreign currencies		
Carrying amount of cross-currency interest rate swaps	512	511
Notional amount	3,630	3,630
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedging instruments since 1 July	74	123
Change in value of hedged item used to determine hedge effectiveness	(68)	(119)

The Group's borrowing exposures to foreign currency risk and cross-currency interest rate swaps that are hedging foreign denominated borrowings at the reporting date are shown below:

THT

	2024 USD $M	2023 USD $M	2024 CHF $M	2023 CHF $M
Borrowings[1]	(2,143)	(2,143)	(565)	(565)
Cross-currency interest rate swaps				
Receive notional value[1]	2,143	2,143	565	565
Pay notional value AUD	(2,856)	(2,856)	(774)	(774)
Average exchange rate	0.75	0.75	0.73	0.73

1. Balances are presented in respective currency.

An analysis of maturities of THT's borrowings is provided in the liquidity risk section below.

Section D: Notes to the THT and TIL financial statements for the year ended 30 June 2024

D11 Financial risk management and derivatives (continued)

Market risk (continued)

Foreign exchange risk (continued)

Sensitivity

Sensitivity analysis from the following shifts in exchange rates on foreign currency risk exposures at the reporting date is as follows. The following shifts in exchange rates have been selected as a reasonably possible change. This is not a forecast or prediction of future market conditions.

THT	Increase/(decrease) in post-tax profit		Increase/(decrease) in equity	
	2024	2023	2024	2023
	$M	$M	$M	$M
AUD/USD				
+ 10 cents	(5)	(5)	(3)	(6)
– 10 cents	7	7	4	8
AUD/CHF				
+ 10 cents	—	—	(2)	1
– 10 cents	—	—	3	(2)

TIL	Increase/(decrease) in post-tax profit		Increase/(decrease) in equity	
	2024	2023	2024	2023
	$M	$M	$M	$M
USD/AUD				
+ 10 cents	7	13	—	—
– 10 cents	(8)	(15)	—	—

Section D: Notes to the THT and TIL financial statements for the year ended 30 June 2024

D11 Financial risk management and derivatives (continued)

Market risk (continued)

Interest rate risk

Exposure

Exposures to interest rate risk after hedging at the end of the reporting period are as follows:

THT

	2024 $M	2023 $M
Floating interest rate borrowings	**2,779**	**3,014**
Less floating interest rate borrowings converted to fixed interest rates using interest rate swaps (notional principal amount	(2,013)	(2,672)
Floating interest rate exposure[1]	**766**	**342**
Fixed interest rate debt		
Less than 1 year	200	200
1-5 years	4,189	3,850
Over 5 years	2,745	3,469
Capitalised borrowing costs	**(26)**	**(24)**
Total borrowings	**7,874**	**7,837**

1 Exposure to floating rate borrowings is partially offset by cash and cash equivalent balances held at variable rates.

An analysis by maturities of THT's borrowings is provided in the liquidity risk section below.

Hedging instruments

Derivative instruments designated as hedging instruments of interest rate risk and the effects of the hedge accounting relationship are as follows:

THT

	2024 $M	2023 $M
Interest rate swaps hedging cash flow interest rate risk		
Carrying amount	207	259
Notional amount	2,013	2,448
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedging instruments since 1 July	139	87
Change in value of hedged item used to determine hedge effectiveness	(142)	(89)
Weighted average hedged interest rate for the year[1]	1.9%	1.8%

1. Based on average fixed rate of interest rate swap contracts which does not include any margins that may be applicable on the hedged debt instruments.

Sensitivity

Sensitivity analysis on the impacts to profit after tax from movements in benchmark interest rates on floating rate instruments after hedging is as follows. A sensitivity range of plus and minus 100 basis points has been selected as a reasonably possible shift in interest rates. This is not a forecast or prediction of future market conditions.

	Movement in post-tax profit			
	THT		TIL	
	2024 $M	2023 $M	2024 $M	2023 $M
Interest rates +100bps	(5)	(2)	2	2
Interest rates –100bps	5	2	(2)	(2)

Section D: Notes to the THT and TIL financial statements for the year ended 30 June 2024

D11 Financial risk management and derivatives (continued)

Liquidity risk

Contractual maturities of financial liabilities

The table below shows the maturity profile of THT's and TIL's financial liabilities and includes derivative financial liabilities as well as derivative financial assets as these are directly relevant for an understanding of the contractual cash flow commitments.

The cash flows disclosed in the below table are the contractual undiscounted future cash flows including principal and interest payments and therefore will not reconcile to the amounts disclosed in the consolidated balance sheet. For further information refer to Note B14.

THT

2024 $M	1 year or less	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 4 years	Over 4 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Trade payables	76	—	—	—	—	—	76	76
Borrowings[1]	584	1,211	755	1,616	817	4,673	9,656	7,874
Related party payables	594	1,755	128	128	128	2,701	5,434	4,765
Interest rate swaps[2]	(51)	(41)	(31)	(30)	(28)	(73)	(254)	(207)
Cross-currency interest rate swaps[1]	31	(72)	(70)	(144)	(50)	(139)	(444)	(512)
Concession liabilities	—	—	—	—	—	282	282	92
Total	**1,234**	**2,853**	**782**	**1,570**	**867**	**7,444**	**14,750**	**12,088**

2023 $M	1 year or less	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 4 years	Over 4 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Trade payables	68	—	—	—	—	—	68	68
Borrowings[1]	845	939	1,053	802	1,566	4,266	9,471	7,837
Related party payables	330	1,121	1,769	69	69	1,546	4,904	4,225
Interest rate swaps[2]	(66)	(53)	(37)	(30)	(31)	(102)	(319)	(259)
Cross-currency interest rate swaps[1]	31	31	(72)	(71)	(145)	(189)	(415)	(511)
Concession liabilities	—	—	—	—	—	268	268	87
Total	**1,208**	**2,038**	**2,713**	**770**	**1,459**	**5,789**	**13,977**	**11,447**

1. *Cash flows have been estimated using spot translation rates at the end of the reporting period.*
2. *Cash flows have been estimated using forward interest rates at the end of the reporting period.*

TIL

2024 $M	1 year or less	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 4 years	Over 4 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Trade payables	13	—	—	—	—	—	13	13
Related party payables	48	7	7	7	7	199	275	148
Lease liabilities	1	1	1	1	1	8	13	11
Total	**62**	**8**	**8**	**8**	**8**	**207**	**301**	**172**

2023 $M	1 year or less	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 4 years	Over 4 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Trade payables	16	—	—	—	—	—	16	16
Related party payables	48	8	8	8	8	231	311	161
Lease liabilities	—	1	1	1	1	9	13	11
Total	**64**	**9**	**9**	**9**	**9**	**240**	**340**	**188**

Fair value measurements

Financial instruments are measured either at fair value or their carrying amount approximates fair value, except for borrowings, related party receivables and payables, and financial assets (including concession notes and shareholder loan notes) which are subsequently measured at amortised cost.

Refer to Note B14 for details on fair value measurements.

Section D: Notes to the THT and TIL financial statements for the year ended 30 June 2024

Concession summary

Refer to the Concession summary section of the Group financial statements for further information on these intangible assets, concession notes and promissory notes.

D12 Other intangible assets

2024 $M	Concession assets		Assets under construction[1]		Total	
	THT	TIL	THT	TIL	THT	TIL
Cost	12,144	—	380	—	12,524	—
Accumulated amortisation	(4,112)	—	(73)	—	(4,185)	—
Net carrying amount	**8,032**	**—**	**307**	**—**	**8,339**	**—**

2023 $M	Concession assets		Assets under construction[1]		Total	
	THT	TIL	THT	TIL	THT	TIL
Cost	12,144	—	377	—	12,521	—
Accumulated amortisation	(3,798)	—	(58)	—	(3,856)	—
Net carrying amount	**8,346**	**—**	**319**	**—**	**8,665**	**—**

Movement in other intangible assets

	Concession assets		Assets under construction[1]		Total	
	THT $M	TIL $M	THT $M	TIL $M	THT $M	TIL $M
Opening balance at 1 July 2023	**8,346**	**—**	**319**	**—**	**8,665**	**—**
Additions	—	—	3	—	3	—
Amortisation charge	(314)	—	(15)	—	(329)	—
Net carrying amount at 30 June 2024	**8,032**	**—**	**307**	**—**	**8,339**	**—**
Opening balance at 1 July 2022	**8,659**	**1,224**	**327**	**—**	**8,986**	**1,224**
Additions	—	—	9	—	9	—
Foreign exchange movements and other adjustments	—	(34)	—	—	—	(34)
Transfer	2	—	(2)	—	—	—
Amortisation charge	(315)	(36)	(15)	—	(330)	(36)
Disposals through loss of control of subsidiary[2]	—	(1,154)	—	—	—	(1,154)
Net carrying amount at 30 June 2023	**8,346**	**—**	**319**	**—**	**8,665**	**—**

1. *Includes amortisation for the component of the West Gate Tunnel Project attributable to CityLink funding contributions, for which funding sources began to be received and amortised from 1 July 2019 (refer to Note B18 for further details).*
2. *Relates to the sale of the Group's controlling interest in A25 (refer to Note B21).*

D13 Other liabilities—concession liabilities

Refer to Note B19 for further information on these concession liabilities.

M2 Motorway promissory notes (THT)

The face value of promissory notes on issue as at 30 June 2024 is $282 million (2023: $268 million). The net present value as at 30 June 2024 of the redemption payments relating to these promissory notes is $92 million (2023: $86 million).

Section D: Notes to the THT and TIL financial statements for the year ended 30 June 2024

Group structure

D14 Equity accounted investments

Set out below is the summarised financial information for those joint ventures and associates that are material to THT and TIL. The summarised financial information presented below is on a 100 per cent basis. Refer to Note B22 for the details of the STP JV, NWRG, TC, A25 and AM Partners equity accounted investments.

Set out below is the reconciliation of the carrying amount of equity accounted investments.

	THT STP JV $M	THT NWRG Trust $M	THT Total $M	TIL TC $M	TIL A25 $M	TIL AM Partners $M	TIL Total $M
Carrying amount at 1 July 2023	**4,982**	**—**	**4,982**	**3,190**	**438**	**—**	**3,628**
Group's share of profit/(loss), inclusive of impairment[1]	(196)	46	(150)	15	(27)	—	(12)
Group's share of other comprehensive loss	(65)	(3)	(68)	—	—	—	—
Distributions received[2]	(295)	(43)	(338)	(30)	(21)	—	(51)
Capital contributions	—	—	—	96	—	—	96
Foreign exchange movements	—	—	—	(3)	(15)	—	(18)
Carrying amount at 30 June 2024	**4,426**	**—**	**4,426**	**3,268**	**375**	**—**	**3,643**
Carrying amount at 1 July 2022	**5,226**	**39**	**5,265**	**3,013**	**—**	**24**	**3,037**
Acquisition	—	—	—	—	434	—	434
Group's share of profit/(loss), inclusive of impairment[3]	(159)	40	(119)	(14)	(1)	(34)	(49)
Group's share of other comprehensive income/(loss)	(59)	3	(56)	—	—	—	—
Distributions received[2]	(112)	(96)	(208)	(33)	(12)	—	(45)
Foreign exchange movements	—	—	—	118	17	1	136
Capital contributions	86	—	86	106	—	9	115
Fair value adjustment on recognition of shareholder loan notes (SLN) commitments[4]	—	14	14	—	—	—	—
Carrying amount at 30 June 2023	**4,982**	**—**	**4,982**	**3,190**	**438**	**—**	**3,628**

1. *During FY24, TIL recorded a pre-tax impairment of its investment in A25 of $22 million (2023: $nil). Refer to Note B22 for further details.*
2. *Total distributions of $116 million (2023: $106 million) paid by NWRG Trust during the year exceeds the pre-distribution carrying amount of NWRG Trust equity accounted investment balance as at 30 June 2024 by $73 million (2023: $10 million). As a result, $73 million (2023: $10 million) has been recorded as other revenue in the profit and loss.*
3. *During FY23, the Group recorded a $6 million impairment of its investment in AM Partners. Refer to Note B22 further details.*
4. *During FY23, SLN commitments under a new NWRG SLN facility were made. The SLN commitments were recorded at fair value on initial recognition and the difference between the nominal value of the SLN commitments and the fair value was treated as a contribution to the equity accounted investment in NWRG.*

Section D: Notes to the THT and TIL financial statements for the year ended 30 June 2024

D14 Equity accounted investments (continued)

Summarised financial information of equity accounted investments

Set out below is the summarised financial information for those joint ventures and associates that are material to THT and TIL. The summarised financial information presented below is on a 100 per cent basis for each equity accounted investment.

Summarised balance sheet—100%

	THT STP JV $M	THT NWRG Trust $M	THT Total $M	TIL TC $M	TIL A25[1] $M	TIL AM Partners $M	TIL Total $M
2024							
Cash and cash equivalents	353	—	353	488	41	—	529
Other current assets	168	—	168	22	56	—	78
Non-current assets	16,505	1,930	18,435	10,415	1,166	—	11,581
Current financial liabilities	(1)	—	(1)	(146)	(1)	—	(147)
Other current liabilities	(137)	(26)	(163)	(170)	(27)	—	(197)
Non-current financial liabilities	(10,792)	(2,185)	(12,977)	(3,775)	(421)	—	(4,196)
Other non-current liabilities	10	—	10	(301)	(65)	—	(366)
Net assets/(liabilities)	**6,106**	**(281)**	**5,825**	**6,533**	**749**	**—**	**7,282**
2023[2]							
Cash and cash equivalents	562	—	562	420	38	—	458
Other current assets	144	—	144	24	57	6	87
Non-current assets	16,942	1,941	18,883	10,182	1,306	—	11,488
Current financial liabilities	(998)	—	(998)	(9)	—	—	(9)
Other current liabilities	(92)	(23)	(115)	(190)	(26)	(6)	(222)
Non-current financial liabilities	(9,350)	(2,050)	(11,400)	(3,759)	(499)	—	(4,258)
Other non-current liabilities	10	—	10	(291)	(1)	—	(292)
Net assets/(liabilities)	**7,218**	**(132)**	**7,086**	**6,377**	**875**	**—**	**7,252**

Summarised statement of comprehensive income—100%

	THT STP JV $M	THT NWRG Trust $M	THT Total $M	TIL TC $M	TIL A25[1] $M	TIL AM Partners $M	TIL Total $M
2024							
Revenue	470	186	656	420	63	—	483
Construction revenue	21	—	21	355	—	—	355
Depreciation and amortisation	(426)	(34)	(460)	(153)	(44)	—	(197)
Impairment	—	—	—	—	(44)	—	(44)
Other expenses	(20)	—	(20)	(157)	(27)	—	(184)
Construction costs	(21)	—	(21)	(355)	—	—	(355)
Net finance costs	(416)	(53)	(469)	(80)	(2)	—	(82)
Income tax benefit/(expense)	1	(6)	(5)	—	—	—	—
Profit/(loss) for the year	**(391)**	**93**	**(298)**	**30**	**(54)**	**—**	**(24)**
Other comprehensive loss	(131)	(7)	(138)	—	—	—	—
Total comprehensive income/(loss)	**(522)**	**86**	**(436)**	**30**	**(54)**	**—**	**(24)**
2023							
Revenue	396	169	565	337	20	—	357
Construction revenue	139	—	139	356	—	—	356
Depreciation and amortisation	(383)	(34)	(417)	(135)	(17)	—	(152)
Impairment	—	—	—	—	—	(32)	(32)
Other expenses	(8)	(5)	(13)	(150)	(7)	(15)	(172)
Construction costs	(139)	—	(139)	(356)	—	—	(356)
Net finance income/(costs)	(322)	(44)	(366)	(79)	2	—	(77)
Income tax expense	—	(6)	(6)	—	—	—	—
(Loss)/profit for the year	**(317)**	**80**	**(237)**	**(27)**	**(2)**	**(47)**	**(76)**
Other comprehensive income/(loss)	(118)	6	(112)	—	—	—	—
Total comprehensive (loss)/income	**(435)**	**86**	**(349)**	**(27)**	**(2)**	**(47)**	**(76)**

1. For FY23, the summarised statement of comprehensive income for A25 is presented from the date of sale of the Group's controlling interest in A25 on 28 February 2023.
2. Comparatives have been restated to align with the current year presentation.

Section D: Notes to the THT and TIL financial statements for the year ended 30 June 2024

D14 Equity accounted investments (continued)

The following table reconciles the above summarised financial information presented on a 100 per cent basis to the proportional amounts recognised by THT and TIL:

	THT STP JV $M	THT NWRG Trust $M	THT Total $M	TIL TC $M	TIL A25 $M	TIL AM Partners $M	TIL Total $M
2024							
Ownership interest	**50 %**	**50 %**		**50 %**	**50 %**	**60 %**	
Proportional total comprehensive income/(loss), inclusive of impairment[1]	(261)	43	(218)	15	(27)	—	(12)
Group's share of total comprehensive (loss)/income	**(261)**	**43**	**(218)**	**15**	**(27)**	**—**	**(12)**
2023							
Ownership interest	**50 %**	**50 %**		**50 %**	**50 %**	**60 %**	
Proportional total comprehensive income/(loss)	(218)	43	(175)	(14)	(1)	(28)	(43)
Impairment of capitalised costs	—	—	—	—	—	(6)	(6)
Group's share of total comprehensive (loss)/income	**(218)**	**43**	**(175)**	**(14)**	**(1)**	**(34)**	**(49)**

1. During FY24, TIL recorded a pre-tax impairment of its investment in A25 of $22 million (2023: $nil). Refer to Note B22 for further details.

Section D: Notes to the THT and TIL financial statements for the year ended 30 June 2024

D15 Non-controlling interests—other

Set out below is summarised financial information for each material subsidiary that has non-controlling interests that are material and external to THT and the total external NCI. The amounts disclosed for each subsidiary are before cross-staple eliminations.

THT

	Transurban Queensland Invest Trust		Airport Motorway Trust		Total NCI	
	37.50%	37.50%	24.90%	24.90%		
	2024	2023	2024	2023	2024	2023
	$M	$M	$M	$M	$M	$M
Summarised balance sheet						
Current assets	302	74	52	49	354	123
Non-current assets	7,492	7,452	567	658	8,059	8,110
Current liabilities	(345)	(268)	(158)	(188)	(503)	(456)
Non-current liabilities	(6,148)	(5,723)	(265)	(316)	(6,413)	(6,039)
Net assets	**1,301**	**1,535**	**196**	**203**	**1,497**	**1,738**
Carrying amount of NCI	**488**	**576**	**49**	**51**	**537**	**627**
Summarised statement of comprehensive income						
Revenue	479	442	11	12	490	454
Expenses	(404)	(410)	(11)	(12)	(415)	(422)
Profit for the year	**75**	**32**	**—**	**—**	**75**	**32**
Other comprehensive loss	(10)	(79)	(6)	—	(16)	(79)
Total comprehensive income/(loss)	**65**	**(47)**	**(6)**	**—**	**59**	**(47)**
Profit allocated to NCI	**27**	**12**	**—**	**—**	**27**	**12**
Other comprehensive loss allocated to NCI	**(3)**	**(30)**	**(2)**	**—**	**(5)**	**(30)**
Summarised cash flows						
Cash flows from operating activities	290	251	—	—	290	251
Cash flows from investing activities	(4)	(9)	—	—	(4)	(9)
Cash flows from financing activities	(294)	(232)	—	(3)	(294)	(235)
Net increase/(decrease) in cash and cash equivalents	**(8)**	**10**	**—**	**(3)**	**(8)**	**7**

Section D: Notes to the THT and TIL financial statements for the year ended 30 June 2024

D16 Deed of cross and intra-group guarantees

Deed of cross guarantee

Transurban International Limited, Transurban International Holdings Pty Ltd, Transurban Maple Holdings Pty Ltd, Transurban Maple Investments Pty Ltd, Transurban Technology Investments Holdings Pty Ltd and Transurban Technology Investments Pty Ltd are party to a deed of cross guarantee under which each company guarantees the debts of the others. By entering into the deed, the wholly-owned entities have been relieved from the requirement to prepare a financial report and Directors' report under Instrument 2016/785 issued by the Australian Securities and Investments Commission. The companies represent a 'closed group' for the purposes of the Instrument, and as there are no other parties to the deed of cross guarantee that are controlled by TIL, they also represent the 'extended closed group'.

Set out below is the summary financial information of the closed group.

	2024 $M	2023 $M
Summarised statement of comprehensive income		
Revenue	2	188
Net finance income	12	5
Profit before income tax	**14**	**193**
Income tax expense	(5)	(2)
Profit for the year from continuing operations	**9**	**191**
Profit for the year from discontinued operations	**—**	**56**
Profit for the year from continuing and discontinued operations	**9**	**247**
Total comprehensive income for the year	**9**	**247**

	2024 $M	2023[1] $M
Summarised movements in retained earnings		
Retained earnings at the beginning of the year	1,251	1,004
Profit for the year	9	247
Retained earnings at the end of the year	**1,260**	**1,251**
Summarised balance sheet		
Current assets		
Trade and other receivables	5	6
Total current assets	5	6
Non-current assets		
Investments in subsidiaries	2,433	2,455
Other financial assets	284	255
Deferred tax assets	28	32
Total non-current assets	2,745	2,742
Total assets	**2,750**	**2,748**
Current liabilities		
Total current liabilities	—	—
Non-current liabilities		
Total non-current liabilities	—	—
Total liabilities	**—**	**—**
Net assets	**2,750**	**2,748**
Equity		
Contributed equity	1,057	1,042
Other reserves	433	455
Retained earnings	1,260	1,251
Total equity	**2,750**	**2,748**

1. Comparatives have been restated to eliminate certain investments in subsidiaries balances within the closed group.

D16 Deed of cross and intra-group guarantees (continued)

Intra-group guarantees

As at 30 June 2024, the Transurban Group comprises Transurban Holdings Limited, Transurban Holding Trust and Transurban International Limited, traded and quoted on the ASX as one triple stapled security. Under the stapling arrangement, each entity is able to provide direct and/or indirect support to each other entity and its controlled entities within the Group on a continual basis.

Other

D17 Related party transactions

THT	THL[1] 2024 $'000	THL[1] 2023 $'000	Joint ventures 2024 $'000	Joint ventures 2023 $'000
Transactions with related parties				
Rental income	1,021,043	966,101	—	—
Concession fees	46,894	49,422	—	—
Revenue from services[2]	—	—	2,195	2,342
Interest income	378,555	388,339	—	—
Distributions	—	—	74,145	10,864
Finance income on financial assets at amortised cost	—	—	91,299	47,518
Interest and finance charges paid/payable	(214,331)	(184,217)	—	—
Other expenses	(5,131)	(4,767)	—	—
Outstanding balances with related parties				
Current receivables	495,407	329,088	—	—
Current concession notes	138,400	—	—	—
Non-current receivables	8,303,988	8,519,893	—	—
Non-current financial assets at amortised cost[3]	—	—	759,085	690,601
Non-current concession notes	1,197,337	1,231,652	—	—
Current liabilities	(489,083)	(286,124)	—	—
Non-current liabilities	(4,276,050)	(3,939,182)	—	—

1. Transactions and outstanding balances between THT and THL.
2. Prior year amounts have been restated to include services revenue received from related parties.
3. During FY23, SLN commitments under a new NWRG SLN facility were made. The SLN commitments and SLNs issued under the same NWRG SLN facility are considered combined financial instruments and presented on a net basis.

TIL	THL[1] 2024 $'000	THL[1] 2023 $'000	Joint ventures 2024 $'000	Joint ventures 2023 $'000
Transactions with related parties				
Revenue from services[2]	4,134	2,065	40,128	36,508
Interest income	12,488	15,778	—	—
Interest expense	(7,505)	(21,966)	—	—
Other expenses	(20,645)	(17,333)	—	—
Outstanding balances with related parties				
Current receivables	6,398	13,861	35,791	39,581
Non-current receivables	272,004	255,020	—	—
Non-current financial assets at amortised cost	—	—	—	—
Current liabilities	(29,512)	(24,276)	(14,120)	(15,892)
Non-current liabilities	(104,074)	(120,932)	—	—

1. Transactions and outstanding balances between TIL and THL.
2. Prior year amounts have been restated to include additional services revenue received from related parties.

Section D: Notes to the THT and TIL financial statements for the year ended 30 June 2024

D18 Parent entity disclosures

Summary financial information

The individual financial statements for the parent entities (THT and TIL) show the following aggregate amounts:

	THT		TIL	
	2024 $M	2023[1] $M	2024 $M	2023 $M
Balance sheet				
Current assets	511	467	314	315
Total assets	19,279	19,264	1,589	1,566
Current liabilities	1,388	1,057	—	—
Total liabilities	3,713	2,902	—	—
Net assets	**15,566**	**16,362**	**1,589**	**1,566**
Shareholder's equity	19,559	19,448	1,057	1,042
Reserves	8	4	227	228
(Accumulated losses)/retained earnings	(4,001)	(3,090)	305	296
Total equity	**15,566**	**16,362**	**1,589**	**1,566**
Profit for the year	1,005	1,110	9	5
Exchange differences on translation of USD balances, net of tax	—	—	(1)	56
Total comprehensive income	**1,005**	**1,110**	**8**	**61**

1. Comparatives have been restated to reclassify distributions received and recognised in prior years.

Guarantees entered into by the parent entity

There are cross guarantees given by Transurban International Limited, Transurban International Holdings Pty Ltd, Transurban Maple Holdings Pty Ltd, Transurban Maple Investments Pty Ltd, Transurban Technology Investments Holdings Pty Ltd and Transurban Technology Investments Pty Ltd as described in Note D16.

Section E: Consolidated entity disclosure statements[1]

These consolidated entity disclosure statements have been prepared in accordance with the *Corporations Act 2001* (Cth) and include information for each entity that was part of the Transurban Holdings Limited and Transurban International Limited consolidated entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

Transurban Holdings Limited

Consolidated entity disclosure statement as at 30 June 2024:

Name	Type of entity	Country of incorporation or formation, for body corporates	Transurban Holdings Limited's percentage ownership, for body corporates	Australian or foreign tax resident	Country of residence for tax purposes
Airport Motorway Construction Company Pty Limited	Body corporate	Australia	75.1%	Australian	Australia
Airport Motorway Holdings Pty Limited	Body corporate	Australia	75.1%	Australian	Australia
Airport Motorway Pty Limited	Body corporate	Australia	75.1%	Australian	Australia
AMT Management Pty Limited	Body corporate, that is a trustee of a trust within the Group	Australia	100%	Australian	Australia
APL Co Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
APL Hold Co Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
Bridge Security Pty Ltd	Body corporate	Australia	62.5%	Australian	Australia
City Link Extension Pty Ltd	Body corporate	Australia	100%	Australian	Australia
CityLink Melbourne Limited	Body corporate	Australia	100%	Australian	Australia
Devome Pty Limited	Body corporate	Australia	100%	Australian	Australia
Gateway Motorway Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
GBB Holding Co Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
GBB Operations Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
Hills Motorway Construction Company Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Hills Motorway Management Limited	Body corporate, that is a trustee of a trust within the Group	Australia	100%	Australian	Australia
Hills Motorway Underwriting No.1 Pty Limited	Body corporate	Australia	100%	Australian	Australia
Interlink Roads Pty Ltd	Body corporate	Australia	100%	Australian	Australia
LCT-MRE Holdings Pty Limited	Body corporate	Australia	100%	Australian	Australia
LCT-MRE No. 1 Pty Limited	Body corporate, that is a trustee of a trust within the Group	Australia	100%	Australian	Australia
LCT-MRE Nominees Pty Limited	Body corporate, that is a trustee of a trust within the Group	Australia	100%	Australian	Australia
LCT-MRE Pty Limited	Body corporate	Australia	100%	Australian	Australia
Logan Motorways Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
LW Holding Co Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
LW Operations Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
M4 Holdings No 1 Pty. Limited	Body corporate	Australia	100%	Australian	Australia
M5 Holdings Pty Limited	Body corporate	Australia	100%	Australian	Australia
Project T Finance Co Pty Limited	Body corporate	Australia	62.5%	Australian	Australia

1. The Consolidated Entity Disclosure Statements for Transurban Holdings Limited and Transurban International Limited have been prepared on the basis of the legislation in force as at 30 June 2024. Where responses in the column's disclosing tax residency and country of tax residency are indicated as not applicable ("n/a"), this assessment is based on the relevant entity not satisfying the definition of Australian resident or foreign resident, as required by subsection 295(3A) of the Corporations Act 2001 (Cth).

Section E: Consolidated entity disclosure statements

Name	Type of entity	Country of incorporation or formation, for body corporates	Transurban Holdings Limited's percentage ownership, for body corporates	Australian or foreign tax resident	Country of residence for tax purposes
Project T Partner Co 1 Pty Limited	Body corporate, that is a partner in a partnership within the Group	Australia	62.5%	Australian	Australia
Project T Partner Co 2 Pty Limited	Body corporate, that is a partner in a partnership within the Group	Australia	62.5%	Australian	Australia
Project T Partner Hold Co 1 Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
Project T Partner Hold Co 2 Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
Project T Partnership	Partnership[2]	n/a	n/a	n/a	n/a
QM Assets Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
QMH Finance Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
QML Hold Co Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
Queensland Motorways Holding Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
Queensland Motorways Services Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
Queensland Motorways Management Pty. Ltd.	Body corporate	Australia	62.5%	Australian	Australia
Queensland Motorways Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
Roam Tolling Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Statewide Roads (M4) Pty Limited	Body corporate	Australia	100%	Australian	Australia
Statewide Roads Limited	Body corporate	Australia	100%	Australian	Australia
SWR Operations Pty Limited	Body corporate	Australia	100%	Australian	Australia
SWR Properties Pty. Limited	Body corporate	Australia	100%	Australian	Australia
Sydney Roads Limited	Body corporate	Australia	100%	Australian	Australia
Sydney Roads Management Limited	Body corporate, that is a trustee of a trust within the Group	Australia	100%	Australian	Australia
The Hills Motorway Limited	Body corporate	Australia	100%	Australian	Australia
Tollaust Pty. Limited	Body corporate	Australia	100%	Australian	Australia
TQ APL Asset Co Pty Ltd	Body corporate, that is a trustee of a trust within the Group	Australia	62.5%	Australian	Australia
TQ APL Finance Co Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
TQ APL Hold Co Pty Ltd	Body corporate, that is a trustee of a trust within the Group	Australia	62.5%	Australian	Australia
Translink Operations Pty Limited	Body corporate	Australia	100%	Australian	Australia
Transurban (USA) Holdings No.1 Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban (USA) Holdings No.2 Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban (USA) Holdings No.3 Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban CCT Holdings Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban CCT No. 1 Pty Ltd	Body corporate, that is a trustee of a trust within the Group	Australia	100%	Australian	Australia
Transurban CCT Nominees Pty Ltd	Body corporate, that is a trustee of a trust within the Group	Australia	100%	Australian	Australia
Transurban CCT Pty Ltd	Body corporate	Australia	100%	Australian	Australia

2. Project T Partnership is a partnership between Project T Partner Co 1 Pty Ltd and Project T Partner Co 2 Pty Ltd and is consolidated by Transurban Queensland Holdings 1 Pty Ltd.

Section E: Consolidated entity disclosure statements

Name	Type of entity	Country of incorporation or formation, for body corporates	Transurban Holdings Limited's percentage ownership, for body corporates	Australian or foreign tax resident	Country of residence for tax purposes
Transurban Collateral Security Pty Ltd	Body corporate, that is a trustee of a trust within the Group	Australia	100%	Australian	Australia
Transurban Finance Company Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban Funding Pty Limited	Body corporate	Australia	100%	Australian	Australia
Transurban Infrastructure Management Limited	Body corporate, that is a trustee of a trust within the Group	Australia	100%	Australian	Australia
Transurban Investments Pty Limited	Body corporate	Australia	100%	Australian	Australia
Transurban Limited	Body corporate	Australia	100%	Australian	Australia
Transurban NCX M7 Holdco Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban NCX M7 Nominees Pty Ltd	Body corporate, that is a trustee of a trust within the Group	Australia	100%	Australian	Australia
Transurban Operations Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban Queensland Finance Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
Transurban Queensland Holdings 1 Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
Transurban Queensland Holdings 2 Pty Limited	Body corporate	Australia	62.5%	Australian	Australia
Transurban Queensland Invest Pty Limited	Body corporate, that is a trustee of a trust within the Group	Australia	62.5%	Australian	Australia
Transurban Queensland Property Pty Limited	Body corporate, that is a trustee of a trust within the Group	Australia	62.5%	Australian	Australia
Transurban Retail Pty Limited	Body corporate	Australia	100%	Australian	Australia
Transurban STP AHT Pty Ltd	Body corporate, that is a trustee of a trust within the Group	Australia	100%	Australian	Australia
Transurban STP AT Pty Ltd	Body corporate, that is a trustee of a trust within the Group	Australia	100%	Australian	Australia
Transurban STP Project Co Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban STP Project Hold Co Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban Sun Holdings Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban Sun Nominees Pty Ltd	Body corporate, that is a trustee of a trust within the Group	Australia	100%	Australian	Australia
Transurban Vic Hold Co Pty Limited	Body corporate	Australia	100%	Australian	Australia
Transurban Vic Op Co Pty Limited	Body corporate	Australia	100%	Australian	Australia
Transurban WGT Co Pty Ltd	Body corporate	Australia	100%	Australian	Australia
TU Corporate Services Pty Ltd	Body corporate	Australia	100%	Australian	Australia
West Gate Tunnel Leasehold Co. Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban Holding Trust[3]	**Trust**	**n/a**	**n/a**	**n/a**	**n/a**
Airport Motorway Trust[4]	Trust	n/a	n/a	n/a	n/a
CityLink Trust[4]	Trust	n/a	n/a	n/a	n/a
Hills Motorway Trust[4]	Trust	n/a	n/a	n/a	n/a
LCT-MRE Holdings Trust[4]	Trust	n/a	n/a	n/a	n/a

3. Stapled parent in the triple stapled parent structure, where THL is the parent of the stapled Group (i.e. THL does not have any ownership percentage in THT).

4. Subsidiary of THT, of which THL does not have any ownership percentage.

Section E: Consolidated entity disclosure statements

Name	Type of entity	Country of incorporation or formation, for body corporates	Transurban Holdings Limited's percentage ownership, for body corporates	Australian or foreign tax resident	Country of residence for tax purposes
LCT-MRE Trust[5]	Trust	n/a	n/a	n/a	n/a
M5 Holdings Funding Trust[5]	Trust	n/a	n/a	n/a	n/a
Sydney Roads Trust[5]	Trust	n/a	n/a	n/a	n/a
T (895) Finance Trust[5]	Trust	n/a	n/a	n/a	n/a
TQ APL Asset Trust[5]	Trust	n/a	n/a	n/a	n/a
TQ APL Hold Trust[5]	Trust	n/a	n/a	n/a	n/a
Transurban CCT Holdings Trust[5]	Trust	n/a	n/a	n/a	n/a
Transurban CCT Trust[5]	Trust	n/a	n/a	n/a	n/a
Transurban Finance Trust[5]	Trust	n/a	n/a	n/a	n/a
Transurban NCX M7 Hold Trust[5]	Trust	n/a	n/a	n/a	n/a
Transurban Queensland Invest Trust[5]	Trust	n/a	n/a	n/a	n/a
Transurban Queensland Property Trust[5]	Trust	n/a	n/a	n/a	n/a
Transurban STP Asset Hold Trust[5]	Trust	n/a	n/a	n/a	n/a
Transurban STP Asset Trust[5]	Trust	n/a	n/a	n/a	n/a
Transurban Sun Holdings Trust[5]	Trust	n/a	n/a	n/a	n/a
Transurban International Limited[6]	**Body corporate**	**Australia**	**Nil**	**Australian**	**Australia**
DRIVe (USA) Investments LLC[7]	Body corporate	United States of America	Nil	Foreign	n/a
Transurban (USA) Holdings Inc[7]	Body corporate	United States of America	Nil	Foreign	United States of America
Transurban (USA) Inc[7]	Body corporate	United States of America	Nil	Foreign	United States of America
Transurban (USA) Operations Inc[7]	Body corporate	United States of America	Nil	Foreign	United States of America
Transurban Cardinal Holdings Ltd[7]	Body corporate	Canada	Nil	Foreign	Canada
Transurban DRIVe USA LLC[7]	Body corporate	United States of America	Nil	Foreign	n/a
Transurban DRIVe Holdings LLC[7]	Body corporate	United States of America	Nil	Foreign	United States of America
Transurban DRIVe Management LLC[7]	Body corporate	United States of America	Nil	Foreign	n/a
Transurban Innovation (AUS) Pty Ltd[7]	Body corporate	Australia	Nil	Australian	Australia
Transurban Innovation Consolidated Holdings Pty Ltd[7]	Body corporate	Australia	Nil	Australian	Australia
Transurban Innovation Holdings Pty Ltd[7]	Body corporate	Australia	Nil	Australian	Australia
Transurban Innovation IP (AUS) Pty Ltd[7]	Body corporate	Australia	Nil	Australian	Australia
Transurban Innovation (USA) LLC[7]	Body corporate	United States of America	Nil	Foreign	United States of America
Transurban International Holdings Pty Ltd[7]	Body corporate	Australia	Nil	Australian	Australia
Transurban Maple Holdings Pty Ltd[7]	Body corporate	Australia	Nil	Australian	Australia
Transurban Maple Investments Pty Ltd[7]	Body corporate	Australia	Nil	Australian	Australia
Transurban Mobile LLC[7]	Body corporate	United States of America	Nil	Foreign	n/a
Transurban RUC LLC[7]	Body corporate	United States of America	Nil	Foreign	n/a
Transurban Technology Investments Holdings Pty Ltd[7]	Body corporate	Australia	Nil	Australian	Australia
Transurban Technology Investments Pty Ltd[7]	Body corporate	Australia	Nil	Australian	Australia

5. Subsidiary of THT, of which THL does not have any ownership percentage.

6. Stapled parent in the triple stapled parent structure, where THL is the parent of the stapled Group (i.e. THL does not have any ownership percentage in TIL).

7. Subsidiary of TIL, of which THL does not have any ownership percentage.

Section E: Consolidated entity disclosure statements

Transurban International Limited

Consolidated entity disclosure statement as at 30 June 2024:

Name	Type of entity	Country of incorporation or formation, for body corporates	Transurban International Limited's percentage ownership, for body corporates	Australian or foreign tax resident	Country of residence for tax purposes
DRIVe (USA) Investments LLC	Body corporate	United States of America	100%	Foreign	n/a
Transurban (USA) Holdings Inc	Body corporate	United States of America	100%	Foreign	United States of America
Transurban (USA) Inc	Body corporate	United States of America	100%	Foreign	United States of America
Transurban (USA) Operations Inc	Body corporate	United States of America	100%	Foreign	United States of America
Transurban Cardinal Holdings Ltd	Body corporate	Canada	100%	Foreign	Canada
Transurban DRIVe USA LLC	Body corporate	United States of America	100%	Foreign	n/a
Transurban DRIVe Holdings LLC	Body corporate	United States of America	100%	Foreign	United States of America
Transurban DRIVe Management LLC	Body corporate	United States of America	100%	Foreign	n/a
Transurban Innovation (AUS) Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban Innovation Consolidated Holdings Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban Innovation Holdings Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban Innovation IP (AUS) Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban Innovation (USA) LLC	Body corporate	United States of America	100%	Foreign	United States of America
Transurban International Holdings Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban Maple Holdings Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban Maple Investments Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban Mobile LLC	Body corporate	United States of America	100%	Foreign	n/a
Transurban RUC LLC	Body corporate	United States of America	100%	Foreign	n/a
Transurban Technology Investments Holdings Pty Ltd	Body corporate	Australia	100%	Australian	Australia
Transurban Technology Investments Pty Ltd	Body corporate	Australia	100%	Australian	Australia

Section F: Signed reports

Directors' Declaration

In accordance with a resolution of the Directors of Transurban Holdings Limited, Transurban Infrastructure Management Limited (as the responsible entity of Transurban Holding Trust) and Transurban International Limited (collectively referred to as 'the Directors'), the Directors declare that:

1) In the opinion of the Directors:

   a) the financial statements and notes of Transurban Holdings Limited and its controlled entities ('Transurban Holdings Limited Group'), including Transurban Holding Trust and its controlled entities ('Transurban Holding Trust Group') and Transurban International Limited and its controlled entities ('Transurban International Limited Group') set out on pages 113–213 ('Financial Statements') are in accordance with the *Corporations Act 2001* (Cth), including:

      i. complying with the applicable Accounting Standards and the *Corporations Regulations 2001* (Cth); and

      ii. giving a true and fair view of the financial position of the Transurban Holdings Limited Group, Transurban Holding Trust Group and Transurban International Limited Group as at 30 June 2024 and of their performance for the financial year ended on that date; and

   b) the consolidated entity disclosure statements required by section 295(3A) of the *Corporations Act 2001* (Cth) set out on pages 214–218 are true and correct; and

   c) there are reasonable grounds to believe that the Transurban Holdings Limited Group, Transurban Holding Trust Group and Transurban International Limited Group will be able to pay their debts as and when they become due and payable.

2) At the date of this declaration, there are reasonable grounds to believe that the members of each of the extended closed groups described in Notes B24 and D16 will be able to meet any liabilities to which they are, or may become, subject because of the deeds of cross guarantee described in Notes B24 and D16.

3) Note B3 on page 121 confirms that the Financial Statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

4) The Directors have been given the declarations required by section 295A of the *Corporations Act 2001* (Cth) from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2024.

Signed in accordance with a resolution of the Directors.

Craig Drummond
Director

Michelle Jablko
Director

Melbourne
8 August 2024

Independent auditor's report

To the stapled security holders of Transurban Holdings Limited, the unitholders of Transurban Holding Trust, and the members of Transurban International Limited

Report on the audits of the financials reports

Our opinion

In our opinion:

The accompanying financial reports of Transurban Holdings Limited (THL or the Company) and its controlled entities (together the Transurban Group or the Group), Transurban Holding Trust (the Trust) and its controlled entities (together THT) and Transurban International Limited (the International Company) and its controlled entities (together TIL) are in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the financial positions of Transurban Group, THT and TIL as at 30 June 2024 and of their financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial reports of Transurban Group, THT and TIL comprise:

- the consolidated balance sheet(s) as at 30 June 2024
- the consolidated statement(s) of comprehensive income for the year then ended
- the consolidated statement(s) of changes in equity for the year then ended
- the consolidated statement(s) of cash flows for the year then ended
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information
- the consolidated entity disclosure statements as at 30 June 2024 (applicable only to Transurban Group and TIL)
- the directors' declaration.

Basis for opinion

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

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audits of the financial reports in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audits to ensure that we performed enough work to be able to give an opinion on the financial reports as a whole, taking into account the geographic and management structure of the Transurban Group, THT and TIL, their accounting processes and controls and the industry in which they operate.

Audit Scope

Our audits focused on where the Transurban Group, THT and TIL made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events and areas of complexity and reliance on IT systems and controls, such as the recognition of toll revenue.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial reports for the current period. The key audit matters were addressed in the context of our audits of the financial reports as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Committee.

Recording of toll revenue

Group – Note B5 | **THT** – not applicable | **TIL** – not applicable

Key audit matter	How our audits addressed the key audit matter
The recording of revenue for consolidated toll roads is reliant on tolling equipment and information technology (IT) systems. They are customised, complex systems with automated processes and controls that include: the identification of vehicle type, calculation of fare and the linking of the vehicle to the customer's account for billing purposes or obtaining information from local transport authorities for vehicles that have not made a valid billing arrangement. Each consolidated toll road operates under a different concession agreement which governs how customers are charged. We considered this to be a key audit matter for the Group due to the large volume of transactions that were processed in the year, the unique nature of each toll road and the reliance on IT systems and controls.	We performed the following procedures, amongst others: • Obtained, together with PwC IT specialists, an understanding and evaluation of the IT control environment and transaction processing controls relevant to the recording of toll revenue. Our procedures included the testing of the design and operating effectiveness of relevant controls over revenue adjustments, write offs and image processing. • Performed tests over a sample of key Information Technology General Controls (ITGCs) supporting the integrity of the tolling systems' operation, including access, operation and change management controls. • For each consolidated toll road, we: o developed an understanding of the key terms of the concession agreements, including the term dates and performance obligations with regard to Australian accounting standards. o considered toll road price changes for each toll road during the year to ensure they are

consistent with underlying concession agreements.

    - assessed the design and tested operating effectiveness of review and approval controls in relation to toll price changes.
    - performed data analytics to recalculate toll revenue.

- Agreed the relevant details for a selection of journal entries impacting revenue to supporting documentation.

Recoverability of concession intangible assets, assets under construction and equity accounted investments

Group – Notes B16 and B22 | **THT** – Notes D12 and D14 | **TIL** – Note D14

Key audit matter	How our audits addressed the key audit matter
Each toll road within the Group is governed by a concession agreement between entities within the Group and the transport authority of the region in which the concession is granted. The right to toll the roads within the Group are recognised on the consolidated balance sheet(s) either as concession intangible assets, assets under construction or within equity accounted investments. **Concession intangible assets and assets under construction** Where the road is held by a controlled entity, the asset is recognised at the cost of construction or price paid at acquisition. **Equity accounted investments** The Group also has interests in toll roads held through equity accounted investments and has a 50% ownership interest in each of: Sydney Transport Partners Joint Venture (STP JV), NorthWestern Roads Group (NWRG), Transurban Chesapeake (TC) and the A25. These investments are held on the consolidated balance sheet(s) and recognised as equity accounted investments.	We performed the following procedures, amongst others: • Assessed the design and tested the operating effectiveness of key controls over a selection of the forecast and budgeting processes impacting the models. • Evaluated the impairment indicator assessment considering the requirements under the Australian Accounting Standards. • Assessed, with the assistance of PwC valuation experts, whether the discount rates used in the models were appropriate by comparing them to market data and comparable companies. • Assessed the appropriateness of significant assumptions used within the impairment assessment models, including expected traffic performance and growth rates.

Recoverability of concession intangible assets, assets under construction and equity accounted investments The recoverable amounts of the Group's concession intangible assets, assets under construction and equity accounted investments are calculated by estimating the net present value of future cash flows using discounted cash flow models (the models). This area requires significant judgement by the Group due to a number of assumptions that impact the timing and quantum of future cash flows, specifically assumptions such as expected traffic performance, discount rates and growth rates. At 30 June 2024, the Group recognised an impairment of $22m in relation to its investment in the A25. We considered this to be a key audit matter due to the significance of the balances to the consolidated balance sheet(s), the complexity of the models and judgement required in determining the recoverable amounts.	• Together with PwC modelling experts assessed the mathematical accuracy for a sample of the models. • Assessed the reasonableness of the disclosures in the financial reports having regard to the requirements of Australian Accounting Standards.

Maintenance provision

Group – Note B17 | **THT** – Note B17 | **TIL** – not applicable

Key audit matter	How our audits addressed the key audit matter
The concession agreements contain clauses that require the Group to make future payments for the maintenance of the toll roads. The maintenance provisions recognised are calculated by estimating the net present value of future payments using discounted cash flow models (the models), requiring significant judgement. We considered this to be a key audit matter for the Group due to the complexity of the concession arrangements and models, and judgement required to estimate the maintenance provisions.	We performed the following procedures, amongst others: • Considered the relevant obligations in the concession agreements and assessed whether the Group has accounted for its maintenance obligations in accordance with the requirements of Australian Accounting Standards. • Assessed the design and tested the operation of a selection of relevant controls over the maintenance forecast and budgeting processes impacting the models. • Tested a sample of amounts paid/utilised and compared them to relevant supporting documentation. • Assessed whether the discount rates used in the models were appropriate by comparing them to market data.

- Assessed the mathematical accuracy and methodology of the models with regard to the requirements of the Australian Accounting Standards.
- Assessed the reasonableness of the disclosures in the financial report having regard to the requirements of Australian Accounting Standards.

Other information

The directors of Transurban Holdings Limited, Transurban Infrastructure Management Limited (as the responsible entity of Transurban Holding Trust) and Transurban International Limited (collectively referred to as "the directors") are responsible for the other information. The other information comprises the information included in the Corporate Report for the year ended 30 June 2024, but does not include the financial reports and our auditor's report thereon.

Our opinion on the financial reports does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial reports. We have issued a separate opinion on the remuneration report.

In connection with our audits of the financial reports, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial reports or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 reports

The directors are responsible for the preparation of the financial reports in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial reports that are free from material misstatement, whether due to fraud or error.

In preparing the financial reports, the directors are responsible for assessing the ability of the Transurban Group, THT and TIL 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 Transurban Group, THT and TIL or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial reports

Our objectives are to obtain reasonable assurance about whether the financial reports as a whole are 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 the financial report.

A further description of our responsibilities for the audit of the financial reports is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2024.

In our opinion, the remuneration report of Transurban Holdings Limited for the year ended 30 June 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors 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.

PricewaterhouseCoopers

E A Barron
Partner

Melbourne
8 August 2024

Independent Assurance Report to the Directors of Transurban Group

Conclusion

Scope 1 and 2 GHG Emissions – Reasonable Assurance

In our opinion, in all material respects, Transurban Total Scope 1 greenhouse gas emissions and Total Scope 2 (market and location based) greenhouse gas emissions have been prepared by Transurban in accordance with Management Criteria for the year ended 30 June 2024.

Environmental Indicators, Health and Safety Indicators, and Environmental Qualitative Claims - Limited Assurance

Based on the evidence obtained from the procedures performed, we are not aware of any material misstatement in the Environmental Indicators, Health and Safety Indicators, and Environmental Qualitative Claims, which have been prepared by Transurban in accordance with Management Criteria for the year ended 30 June 2024.

Information Subject to Assurance

The Information Subject to Assurance comprised the following data as presented in the 2024 Corporate Report, and the Transurban Group 2024 Sustainability Data Pack and as included in the table below:

Scope 1 and 2 GHG Emissions - Reasonable Assurance	Reported value
• Total Scope 1 greenhouse gas emissions	5,910 tCO_2-e
• Total scope 2 greenhouse gas emissions (“location-based”)	184,066 tCO_2-e
• Total scope 2 greenhouse gas emissions (“market-based”)	30,669 tCO_2-e
Environmental Indicators - Limited Assurance:	**Reported value**
• Total Scope 3 greenhouse gas emissions	370,826 tCO_2-e
• Total energy consumed	1,046,605 GJ
• Renewable electricity percentage	87 %
• Air emissions (tonnes/year)	12.8 t – CityLink (NO_2)
	32.0 t – Lane Cove Tunnel (NO_x)
	7.7 t – Cross City Tunnel (NO_x)
• Total customer travel emissions	1,439,981 tCO_2-e
• Total customer travel emissions saved	2,974 tCO_2-e
• Total waste generated	22,479 t
• % Asset waste diverted from landfill	92 %
• % Office waste diverted from landfill	41%
• % Major project waste diverted from landfill	95%
• Total water	114,367 m^3
• Potable water	114,271 m^3
• Recycled water	97 m^3

KPMG

Limited Assurance: Health & Safety Indicators	Reported value
• Total employee recordable injuries (absolute)	0
• Contractor recordable injury frequency rate (RIFR)	3.47 contractor injuries per million hours
• Road injury crash index (RICI)	3.72 injury crashes per 100 million km travelled

Limited Assurance: Environmental Qualitative Claims
As presented in the following figures: *"Climate Change Framework Priority Areas"*, *"Our strategic response to climate-related risks"* of the 2024 Corporate Report, and the *"Climate"* and *"TCFD Index"* tabs of the Transurban Group 2024 Sustainability Data Pack.

Criteria Used as the Basis of Reporting

The methodologies used by Transurban management to measure the Information Subject to Assurance (*the "criteria")* are described in the 2024 Corporate Report and the Transurban Group 2024 Sustainability Data Pack.

Basis for our Conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 and Australian Standard on Assurance Engagements ASAE 3410 (Standards). In accordance with the Standards we have:

- used our professional judgement to assess the risk of material misstatement and plan and perform the engagement to obtain reasonable assurance that the Scope 1 and 2 GHG Emissions are free from material misstatement, whether due to fraud or error;
- used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the Environmental Indicators, Health and Safety Indicators, and Environmental Qualitative Claims, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possesses the appropriate knowledge, skills and professional competencies.

Summary of Procedures Performed

In gathering evidence for our conclusions, our assurance procedures comprised:

- Enquires with relevant Transurban personnel to understand and evaluate the design and implementation of the key systems, processes and internal controls to capture, collate, calculate and report the Information Subject to Assurance;
- Review Transurban application of boundary, identifying the appropriate inclusion and/or exclusion of assets from the Information Subject to Assurance;
- Assessment of the suitability and application of the criteria in respect to the Information Subject to Assurance;
- Analytical procedures over the Information Subject to Assurance, at both group and asset level;
- Substantively tested the Information Subject to Assurance, on a sample basis at group and asset level, which included the reconciliation of disclosed data back to source information and review of excluded data points to test data completeness;
- Testing the mathematical accuracy of manual calculations performed subsequent to data extracts from data collation software;

- Assessing the appropriateness, and reconciling, emission factors applied in calculating Scope 1, 2, 3, and Customer Emissions; and
- Reviewed the 2024 Corporate Report and the Transurban Group 2024 Sustainability Data Pack in their entirety to ensure their consistency with our overall knowledge of assurance engagement and accuracy of disclosures for prior period information.

How We Define Reasonable Assurance, Limited Assurance and Material Misstatement

- Reasonable assurance is a high level of assurance, but is not a guarantee that it will always detect a material misstatement when it exists.
- The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
- Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of Transurban Limited.

Use of this Assurance Report

This report has been prepared for the Directors of Transurban Group for the purpose of providing an assurance conclusion on the Information Subject to Assurance and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of Transurban Group, or for any other purpose than that for which it was prepared.

Management's Responsibility

Management are responsible for:

- determining that the criteria is appropriate to meet their needs and the needs of intended users;
- preparing and presenting the Information Subject to Assurance in accordance with the criteria; and
- establishing internal controls that enable the preparation and presentation of the Information Subject to Assurance that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to perform a reasonable assurance engagement in relation to the Information Subject to Assurance for the ended 30 June 2024, and to issue an assurance report that includes our conclusion.

Our Independence and Quality Management

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Australian Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Management 1 to design, implement and operate a system of quality management.

KPMG
Sydney NSW
8th August 2024

A25, Montreal

Security holder information

In this section

Security holder information

The security holder information set out below was applicable as at 23 July 2024.

Distribution of stapled securities

The total number of holders of stapled securities, which comprise one share in Transurban Holdings Limited, one share in Transurban International Limited and one unit in Transurban Holding Trust, was 130,702. The voting rights are one vote per stapled security. There were 3,092,175,553 stapled securities on issue.

The distribution of security holders was as follows:

Security grouping	Total holders	Stapled securities	Percentage of issued stapled securities
1–1,000	54,392	21,285,514	0.69
1,001–5,000	53,788	132,449,261	4.28
5,001–10,000	13,500	94,929,919	3.07
10,001–100,000	8,765	184,507,138	5.97
100,001 and over	257	2,659,003,721	85.99
Total	**130,702**	**3,092,175,553**	**100.00**

There were 3,572 security holders holding less than a marketable parcel of $500 worth of stapled securities, based on the closing market price on 23 July 2024 of $12.93 per security.

Twenty largest holders of stapled securities

Name	Number of stapled securities held	Percentage of issued stapled securities
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,108,561,901	35.85
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	623,790,093	20.17
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	352,102,007	11.39
CITICORP NOMINEES PTY LIMITED	243,827,102	7.89
BNP PARIBAS NOMS PTY LTD	45,290,645	1.46
NATIONAL NOMINEES LIMITED	43,188,556	1.40
AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED	24,950,000	0.81
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	22,367,432	0.72
CUSTODIAL SERVICES LIMITED <BENEFICIARIES HOLDING A/C>	18,794,189	0.61
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	15,535,156	0.50
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	14,306,517	0.46
ARGO INVESTMENTS LIMITED	9,193,040	0.30
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	8,779,371	0.28
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,821,762	0.25
WASHINGTON H SOUL PATTINSON AND COMPANY LIMITED	5,212,176	0.17
MUTUAL TRUST PTY LTD	4,979,971	0.16
IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	4,823,850	0.16
AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED	4,670,000	0.15
BNP PARIBAS NOMS (NZ) LTD	4,373,137	0.14
DJERRIWARRH INVESTMENTS LIMITED	4,111,267	0.13
Total	**2,566,678,172**	**83.01**

Substantial security holders

As at 23 July 2024, Transurban Group had four substantial security holders who, together with their associates, held 5% or more of the voting rights in Transurban Group, as notified under the *Corporations Act 2001* (Cth).

Name	Date last notice received	Number of stapled securities held	Percentage of issued stapled securities[1]
UNISUPER LIMITED (BNP PARIBAS NOMINEES PTY LIMITED)	23 July 2024	321,615,724	10.40
STATE STREET CORPORATION	19 April 2023	224,420,346	7.29
BLACKROCK GROUP	17 October 2023	249,511,959	8.08
THE VANGUARD GROUP	27 June 2024	187,490,250	6.063

1 The percentage quoted is based on the voting rights provided in the last substantial security holder's notice

10-year history

Operational metrics		FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Number of operational assets	#	14	15	15	16	17	18	21	21	22	22
Number of markets	#	4	4	4	5	5	5	5	5	5	5
Average daily traffic[1]											
Group	*thousands*	1,775	1,911	1,946	2,035	2,217	2,026	2,018	2,008	2,408	2,449
Sydney	*thousands*	581	622	644	663	814	761	931	802	995	1,008
Melbourne	*thousands*	816	820	813	824	851	750	566	648	806	819
Brisbane	*thousands*	303	383	394	403	405	383	407	418	457	464
North America	*thousands*	75	85	96	144	147	132	115	140	149	157
Statutory financials											
Statutory revenue	*$ millions*	1,860	2,210	2,732	3,298	4,166	3,169[2]	2,886[2]	3,406	4,157	4,119
Statutory NPAT	*$ millions*	(373)	22	209	468	170	(153)	3,272	16	92	376
Statutory cash flows from operating activities	*$ millions*	304	910	837	1,053	1,197	1,131	893	982	1,459	1,631
Proportional financials											
Proportional Toll Revenue[3]											
Group	*$ millions*	1,656	1,946	2,153	2,340	2,581	2,492	2,486	2,626	3,314	3,535
Sydney	*$ millions*	701	799	872	944	1,042	1,072	1,278	1,264	1,668	1,767
Melbourne	*$ millions*	615	660	687	780	813	747	616	722	894	948
Brisbane	*$ millions*	265	313	385	393	402	394	425	451	520	568
North America	*$ millions*	75	174	209	223	324	279	167	189	232	252
Proportional EBITDA (excl. significant items)[4]											
Group	*$ millions*	1,289	1,480	1,629	1,796	2,016	1,888	1,836	1,900	2,448	2,631
Sydney	*$ millions*	558	637	702	763	856	879	1,033	976	1,328	1,377
Melbourne	*$ millions*	523	564	594	688	716	634	502	594	756	801
Brisbane	*$ millions*	185	218	268	279	293	286	314	320	380	415
North America	*$ millions*	33	86	116	130	210	154	72	120	129	168
Corporate and other	*$ millions*	(10)	(25)	(51)	(64)	(59)	(65)	(85)	(110)	(145)	(130)
Free Cash (including Capital Releases)	*$ millions*	768	926	1,220	1,215	1,527	1,476	1,278	1,531	1,726	2,459
Proportional drawn debt	*$ millions*	12,236	12,484	13,639	14,971	19,394	22,118	20,763	23,574	24,007	25,868
Gross debt raised[5]	*$ millions*	7,814	4,707	4,518	5,865	15,112	7,968	10,016	6,715	7,747	5,034
Equity raised	*$ millions*	–	1,025	–	1,900	4,820	812	–	4,220	–	–
Ratios and rates											
Group EBITDA margin[6]	*%*	74.7	73.8	73.9	74.9	75.7	73.3	71.7	70.5	72.4	73.1
FFO/Debt	*%*	7.9	8.0	8.5	8.9	8.7	7.0	9.4	9.1	12.3	11.5
Corporate SICR	*x*	3.5	4.3	3.9	4.9	4.1	3.8	2.8	3.3	4.2	4.2
Gearing	*%*	40.2	33.3	35.3	35.2	32.0	35.8	34.3	34.2	35.0	39.9
Weighted average cost of debt											
AUD	*%*	5.3	5.2	4.9	4.9	4.6	4.4	4.1	3.9	4.1	4.5
USD	*%*	3.8	4.3	4.3	4.4	4.4	4.4	4.5	3.6	3.6	3.6
CAD	*%*	–	–	–	5.8	4.9	5.0	5.0	5.0	4.9	4.9
Weighted average debt maturity[7]	*years*	7.8	8.7	9.0	8.6	8.3	8.4	7.7	7.1	6.9	6.7
Weighted average concession length	*years*	28.5	29.9	29.7	28.3	30.8	28.8	26.2	29.1	28.7	28.3
Corporate information											
Market capitalisation	*$ billions*	17.80	24.41	24.32	26.63	39.43	38.65	38.96	44.16	43.90	38.34
Total Shareholder Return	*%*	32	35	4	6	31	(1)	3	4.9	3.4	(8.8)
Gross distributions	*$ millions*	764	901	1,055	1,174	1,577	1,284	999	1,259	1,785	1,916
Distributions per security	*cps*	40.0	45.5	51.5	56.0	59.0	47.0	36.5	41.0	58.0	62.0
Securities on issue[8]	*millions*	1,914	2,036	2,052	2,225	2,675	2,735	2,738	3,071	3,081	3,090

1 CityLink traffic reported as average daily transactions ('000)

2 Statutory results for FY20 and FY21 have been reclassified to present Transurban Chesapeake as discontinued operations in the current period

3 Definition of Toll Revenue adjusted in FY16 (including restatement of FY15) to include fee revenue. Prior to this was disclosed as toll revenue only, and fee and other revenue

4 In FY23, the Group changed its accounting policy so that significant items are no longer presented. Figures from prior to FY23 have not been restated

5 Calculated at 100% of debt facility size exclusive of letters of credit. Non-AUD denominated debt converted at the hedged rate where cross currency swaps are in place

6 EBITDA margins have been restated consistent with the reporting change adopted in FY24

7 FY18 to FY24 has been calculated using proportional drawn debt. FY12 to FY17 was calculated on the full value of available debt facilities. Prior to FY19, the previously reported tenor did not reflect the amortisation profile that occurs in the latter years of the USA asset debt facilities

8 Weighted average calculation based on entitlement to distribution

Glossary

95	95 Express Lanes
395	395 Express Lanes
495	495 Express Lanes
A25	A25 motorway
AASB	Australian Accounting Standards Board
ABN	Australian business number
ACN	Australian company number
ADT	Average daily traffic; calculated by dividing the total number of trips on each asset (transactions on CityLink) by the number of days in the period. For new assets, the count of days begins at the commencement of tolling
AGM	Annual general meeting
AI	Artificial intelligence
AMTN	Australian medium term note
ARC	Audit and Risk Committee
ARSN	Australian registered scheme number
ASIC	Australian Securities and Investments Commission
ASRS	Australian Sustainability Reporting Standards
ASX	Australian Securities Exchange
ATO	Australian Taxation Office
AUD	Australian dollar
AWE	Average weekly earnings
BOARD	The boards of Transurban Holdings Limited, Transurban International Limited and Transurban Infrastructure Management Limited as responsible entity for Transurban Holding Trust have common directors and meet concurrently, and are collectively referred to as the Board
CAD	Canadian dollar
CAPITAL RELEASES	The injection of debt into Transurban assets, thereby releasing equity
CAVs	Connected and automated vehicles
CBD	Central business district
CCAP	Climate Change Adaptation Plans
CCT	Cross City Tunnel
CDP	Formerly Carbon Disclosure Project
CDPQ	Caisse de dépôt et placement du Québec
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CHF	Swiss franc
CIRCULAR ECONOMY	Approach to economic development aimed at decoupling growth from the consumption of finite
COMPASS IoT	Connected-vehicle data service provider
COVID-19	Coronavirus-19
CPI	Consumer Price Index; refers to Australian CPI unless otherwise stated
CPP INVESTMENTS	Canada Pension Plan Investments
CPS	Cents per stapled security
DC	District of Columbia, United States of America
DECARBONISATION	The reduction or elimination of carbon emissions
DJSI	Dow Jones Sustainability Index
DRP	Distribution reinvestment plan

EBITDA	Earnings before interest, tax, depreciation and amortisation
ED	Eastern Distributor
ESG	Environmental, social and governance
FIRST NATIONS PEOPLES	Aboriginal and Torres Strait Islander peoples
FREDEX	95 Express Lanes Fredericksburg Extension
FCF	Free cash
FREE CASH	Free cash is the primary measure used to assess the cash performance of the Group
FX	Foreign Exchange
FY	Financial year 1 July to 30 June
LOGAN WEST UPGRADE	Logan West Upgrade project
GENDER PAY GAP	The difference between the mean or median pay of women and men
GHG	Greenhouse gas
GRESB	Global Real Estate Sustainability Benchmark
GRI	Global Reporting Initiative
GROUP or TRANSURBAN GROUP	Transurban Holdings Limited, Transurban International Limited and Transurban Infrastructure Management Limited as the responsible entity of Transurban Holding Trust and their controlled entities
GWA	Greater Washington Area meaning Northern Virginia, Washington DC, areas of Maryland and the surrounding metropolitan area
HOT	High occupancy toll
HOV	High occupancy vehicle
HSE	Health, safety and environment
ICB	Inner City Bypass motorway
IFRS	International Financial Reporting Standards
IIRF	International Integrated Reporting Framework
IS	Infrastructure Sustainability
ISCA	Infrastructure Sustainability Council of Australia
ISSB	International Sustainability Standards Board
JV	Joint Venture
KMP	Key Management Personnel
KPI	Key Performance Indicator
KRI	Key Risk Indicator
LCT	Lane Cove Tunnel
LCV	Light commercial vehicle
LINKT	Transurban's Australian-market retail tolling brand
LINKTGO	Transurban's Australian-market GPS mobile tolling app
LTI	Long term incentive
M2	Hills M2 Motorway
M4	M4 motorway
M4-M8	M4-M8 link tunnels
M5 WEST	M5 West motorway
M7	Westlink M7 motorway
M7-M12	M7-M12 Integration Project
M8	M8 (formerly the New M5) motorway
MD	Maryland, United States
MDOT	Maryland Department of Transportation
MECLA	Materials and Embodied Carbon Leaders' Alliance
MTQ	Ministère des Transports et de la Mobilité durable
NM	Not meaningful
N/A	Not applicable
NA	North America
NCX	NorthConnex
NEURA	Neuroscience Research Australia
NEXT	Project NEXT (495 Express Lanes Northern Extension)
NOK	Norwegian krone

NPAT and NPBT	Net profit after tax and net profit before tax
NPS	Net promoter score
NSW	New South Wales, Australia
NWRG	NorthWestern Roads Group
O&M	Operations and maintenance
OTHER REVENUE	Includes: management fee, roaming fee and advertising revenue, recognised at the point in time the service is provided; tolling services provided to third parties, recognised over the period the service is provided; and compensation received from third parties for a loss of toll revenue due to construction completion delays, recognised when it is reasonably assured it will be collected
OUR VOICE	Transurban employee engagement survey
PAB	Private activity bond
PPA	Power purchase agreement
PPP	Public private partnership
PROP	Proportional results
PROPORTIONAL RESULTS	Aggregrated results from each asset multiplied by Transurban's percentage ownership and the contribution from central Group functions. Proportional EBITDA is a primary measure used to assess Tranbsurban's operating performance, with an aim to maintain a focus on operating results and associated cash generation
QC	Quebec, Canada
QLD	Queensland, Australia
RAP	Reconciliation Action Plan
RICI	Road Injury Crash Index. RICI measures the number of serious injury road crashes (when an individual is transported from the scene by ambulance) per 100 million vehicle kilometres travelled on Transurban's roads
RIFR	Recordable Injury Frequency Rate. Contractor RIFR measures the number of contractor recordable injuries (medical treatment, lost time or fatality) per one (1) million hours worked by our contractors
RPCC	Remuneration, People and Culture Committee
RUC	Road user charging
S&P	Standard and Poor's
SAAS	Software as a service
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets initiative
SEQ	South East Queensland
SERVICE AND FEE REVENUE	Service and fee revenue includes customer administration charges and enforcement recoveries
SICR	Significant Increase in Credit Risk
SLN	Shareholder loan note
SPV	Special purpose vehicle
STEM	Science, technology, engineering and mathematics
STI	Short term incentive
STP/STP JV	Sydney Transport Partners Joint Venture
TAWREED	Tawreed Investments Limited; a wholly owned subsidiary of Abu Dhabi Investment Authority
TC	Transurban Chesapeake. TC owns 100% of the entities that developed, built, financed and now operate and maintain the 95 Express Lanes (including the new Fredericksburg Extension which is now operational construction), 395 Express Lanes and 495 Express Lanes (including the NEXT extension, which is under construction). Transurban has a 50% interest in Transurban Chesapeake
TCFD	Task Force on Climate-related Financial Disclosures

TfNSW	Transport for New South Wales; the government agency responsible for the state's transport infrastructure and transport services
THL	Transurban Holdings Limited
THT	Transurban Holding Trust
TIL	Transurban International Limited
TLN	Term loan note
TNFD	Taskforce on Nature-related Financial Disclosures
TOLL REVENUE	Revenue from customers, specifically tolls, service and fee revenue
TOLLAUST	Service provider including O&M and retail services to NSW assets
TQ	Transurban Queensland
TRANSURBAN CHESAPEAKE	Transurban Chesapeake owns 100% of the entities that developed, built, financed and now operate and maintain the 95 Express Lanes, 395 Express Lanes and 495 Express Lanes (including the NEXT extension, currently under construction). Transurban has a 50% interest in Transurban Chesapeake
TSR	Total shareholder return
UN SDGs/SDGs	United Nations Sustainable Development Goals
UNDERLYING EBITDA	EBITDA excluding significant items
US/USA	United States of America
USD	US dollars
USPP	US private placement
VA	Virginia, United States of America
VDOT	Virginia Department of Transportation
VENTIA	Service provider including operational and maintenance services to QLD assets
VIC	Victoria, Australia
VTIB	Virginia Transportation Infrastructure Bank
WCX	WestConnex
WEIGHTED AVERAGE COST OF DEBT	Calculated using proportional drawn debt exclusive of issued letters of credit
WEIGHTED AVERAGE MATURITY	Calculated using proportional drawn debt exclusive of issued letters of credit
WGEA	Workplace Gender Equality Agency (Australia)
WGF	West Gate Freeway
WGT	West Gate Tunnel
WGTP	West Gate Tunnel Project
WHO	World Health Organization

Forward-looking statements

This report contains certain forward-looking statements. The words "continue", "expect", "forecast", "potential", "estimated", "projected", "likely", "anticipate" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings, financial position, distributions, capex requirements and performance and interest rate and CPI sensitivity are also forward-looking statements as are statements regarding plans, strategies and objectives of management and internal management estimates and assessments of traffic expectations and market outlook. These statements discuss future expectations concerning the results of asset and/or financial conditions or provide other forward-looking information. The forward-looking statements are based on the information available as at the date of this report and/or the date of Transurban's planning processes or scenario analysis processes.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Transurban Group, its related bodies corporate, or their respective directors, officers, employees, agents and advisors, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements, noting that information in this report is not intended to provide guidance in relation to the future performance of the Transurban Group. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and their differences may be material. There can be no assurance that potential opportunities will eventuate on the timetable outlined or at all, or that Transurban will be able to participate in them. Transurban's ability to participate in any future projects or acquisitions will be subject to, among other things, applicable government and other processes and the receipt of relevant regulatory approvals.

Investors should not place undue reliance on forward-looking statements, particularly in light of the current economic climate and significant global volatility, uncertainty and disruption.

To the maximum extent permitted by law, none of the Transurban Group, nor its related bodies corporate or affiliates, and none of their respective directors, officers, employees or agents or any other person: (1) accept any responsibility or liability including, without limitation, any liability arising from fault or negligence for any loss arising from any forward-looking statement; (2) make any representation or warranty, express or implied, as to the likelihood of fulfilment of any forward-looking statements or any event or results expressed or implied in any forward-looking statement; or (3) have any obligation to correct or update any forward-looking statement.

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Find us

Feedback

We welcome feedback on our Corporate Report, including on what worked well, and what we could do better. Share your thoughts here: corporate@transurban.com

Acknowledgment of Country

Transurban acknowledges the Traditional Owners of the lands throughout Australia, and we pay respect to Elders past and present.

We acknowledge our roads and infrastructure are built on Country. With deep respect, we incorporate the voice of First Nations people in our approach, supporting equitable access to mobility across communities.

Transurban Group

Transurban International Limited
ABN 90 121 746 825

Transurban Holdings Limited
ABN 86 098 143 429

Transurban Holding Trust
ABN 30 169 362 255

ARSN 098 807 419

transurban.com