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## ASX RELEASE

### Macquarie Atlas Roads

#### **Announcement of Graeme Bevans as Chief Executive Officer elect**

Macquarie Atlas Roads (MQA) today announced that it will appoint internationally respected global infrastructure executive Graeme Bevans as Chief Executive Officer (CEO) elect. He will begin in the role on 1 May 2018.

Graeme Bevans' appointment follows the MQA Independent Board Committees' announcement on 9 April 2018 that they had reached agreement with Macquarie on the terms of the internalisation which will be put to a vote of securityholders at the AGM on 15 May 2018. If these terms are approved, the current Macquarie management agreements will be terminated by no later than May 2019. The current CEO, James Hooke, has decided to remain with Macquarie post the internalisation but will continue as the MQA CEO until that time.

Subject to a successful vote at the AGM, as CEO elect, Graeme's immediate priority will be the recruitment of a new management team and the establishment of the necessary infrastructure, systems and processes in order for MQA to manage its own operations independently and separately from Macquarie.

Whilst the new team and infrastructure are being established, the existing MQA management team, led by James Hooke, will continue to run the business and Macquarie will continue to provide the full suite of services to MQA.

This division of responsibility will ensure continued focus on MQA's strategic objectives during the transition period.

Macquarie Atlas Roads Limited (MARL) Chairman, Dr Nora Scheinkestel, said "Graeme has a very deep understanding of the global infrastructure arena and the emerging trends. He has a strong track record in infrastructure investment globally. He is acknowledged to have played a leading role in the creation of infrastructure capability of two significant funds, Industry Funds Management (IFM) and Canada Pension Plan Investment Board (CPPIB). The performance of the funds under his leadership was impressive, most recently 12.1% per annum over the five-year period during which he was the head of infrastructure for CPPIB. CPPIB was voted the world's number one institutional investor in infrastructure for both 2009 and 2010, years during which Graeme led the business.

Macquarie Atlas Roads International Limited (MARIL) Chairman, Mr Jeffery Conyers, said "Graeme brings to MQA experience of having invested in a broad range of infrastructure assets and he has sat on the boards of varied assets. He has deep experience with some very complex joint venture arrangements both locally in Australia and overseas, particularly in Europe and the Americas. He has a very disciplined process for assessing value in a new opportunity, and excellent capital market skills and importantly has built three different executive teams from scratch during his career. We have no doubt that he is the right person to lead MQA in this next stage."

Graeme Bevans said "I know the MQA assets well and will hit the ground running. I am looking forward to working with the boards to build an internationally-respected executive team. With the new team in place we will be focused on ensuring a smooth transition of the business to its new internalised management structure, while strategically reviewing the portfolio to add to the significant work already undertaken by Macquarie as Manager."

"Our focus over the long term once internalised management is in place, will be on delivering to our securityholders predictable growing income and capital growth from our strong portfolio of toll roads. We will achieve this through efficient operation of our roads and a strong focus on the development of our road networks."

The key terms of Graeme's employment will be as set out in the attachment. MQA will develop an executive remuneration framework including equity incentive plans, broadly as described in the attachment, which will be presented to securityholders in 2019.

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**Mr Graeme Bevans**  
**Career History**

2014 – 2017 ANNUITY INFRASTRUCTURE  
Chief Executive Officer UK

2010 - 2013 ALINDA CAPITAL PARTNERS  
Partner, Head of Core Strategies – Alinda Capital Partners LLC USA

2006 - 2010 CANADA PENSION PLAN  
INVESTMENT BOARD  
Vice President - Head of Infrastructure

2002 - 2006 INDUSTRY FUNDS MANAGEMENT  
Manager, Head of Infrastructure Investment Australia

1997 - 2002 COPERNICAN SECURITIES  
Executive Director Australia

1995 - 1997 Executive Director - AIDC Ltd Australia

1991 - 1995 Director - AIDC Ltd Australia

1988 - 1991 TRUST BANK  
Manager Corporate Advisory Australia

1977 - 1988 COMMERCIAL BANK OF AUSTRALIA/WESTPAC  
Various roles Australia

**Key terms of MQA employment agreement (Agreement) with  
Mr Graeme Bevans (Executive)**

<b>Office</b>	<p>Chief Executive Officer elect</p> <p>Chief Executive Officer following internalisation</p>
<b>Commencement Date</b>	1 May 2018
<b>Term</b>	No fixed term. Ongoing until terminated by either party in accordance with the Agreement.
<b>Termination</b>	<p><b>Termination without cause:</b> MQA may terminate the Agreement at any time by providing the Executive with not less than 12 months' written notice or providing the Executive with payment in lieu of that notice. The Executive may terminate the Agreement by providing MQA with not less than 12 months' written notice.</p> <p><b>Termination with cause:</b> MQA may immediately terminate the Agreement with cause.</p> <p><b>Termination for fundamental change:</b> On or after the date the Executive assumes the office of Chief Executive Officer, the Executive may terminate the Agreement on 30 days' notice, within 21 days of a "fundamental change" (i.e. where the Executive ceases to be the most senior executive of the Group, ceases to report to the Board or otherwise in case of a substantial adverse diminution of responsibilities or authority), and receive a payment in lieu of 12 months' notice.</p>
<b>Fixed Annual Remuneration (FAR)</b>	\$1,100,000 (inclusive of statutory superannuation contributions)
<p><b>Performance Based Remuneration</b></p> <p><b>Short Term Incentive (STI)</b></p> <p><b>Long Term Incentive (LTI)</b></p>	<p>Eligible to participate in the MQA short term incentive plan annually, subject to receiving shareholder approval as required.</p> <p>FY18 STI opportunity: 100% of FAR at target, (150% FAR maximum opportunity), subject to performance conditions. 50% of any resulting STI award will be payable in cash and 50% will be deferred into equity for a period of 1 year, subject to applicable plan rules.</p> <p>To the extent that any required shareholder approvals are not obtained, cash payments equivalent to the deferred STI awards will be made, subject to the relevant performance conditions.</p> <p>Unless otherwise determined by the MQA Board in its absolute discretion, unvested deferred STI awards will vest in full on a change of control event.</p> <p>Eligible to participate in the MQA long term incentive plan annually, subject to receiving shareholder approval as required.</p> <p>FY18 LTI opportunity: 100% of FAR, subject to performance conditions tested from the date of the 2018 MQA AGM until 31 December 2020.</p> <p>Future LTI grants to be tested over a three year performance period.</p>

	<p>To the extent that any required shareholder approvals are not obtained, cash payments equivalent to the LTI awards will be made, subject to the relevant performance conditions.</p> <p>Unless otherwise determined by the MQA Board in its absolute discretion, unvested LTI awards will vest pro-rata with regard to service and performance on a change of control event.</p>
<b>Post-employment restraint</b>	<p>12 month non-compete and non-solicit of customers, suppliers and employees applies from the date that notice of termination of employment is given (other than in the first 12 months of employment, in which case the restraint period will be equal to the Executive's length of service).</p>