ANNUAL REPORT 2024

Waypoint REIT

Waypoint REIT is Australia's largest listed REIT owning solely fuel and convenience (F&C) retail properties; it has a high-quality network across all Australian states and mainland territories.

Waypoint REIT's objective is to maximise long-term returns from the portfolio for the benefit of all securityholders.

Contents

About this report

This Annual Report is a summary of Waypoint REIT's activities and financial position as at 31 December 2024. In this report, references to 'Waypoint REIT', 'Group', 'Company', 'we', 'us' and 'our' refer to Waypoint REIT consisting of, together, Waypoint REIT Limited and its controlled entities, and Waypoint REIT Trust and its controlled entities unless otherwise stated.

References in this report to a 'year', '2024' and 'FY24' refer to the financial year ended 31 December 2024 unless otherwise stated. All dollar figures are expressed in Australian dollars (AUD) unless otherwise stated. More information, particularly latest Company announcements, can be found on Waypoint REIT's website.

Waypoint REIT is committed to reducing the environmental footprint associated with the production of the Annual Report, and printed copies are only posted to securityholders who have elected to receive a printed copy.

The following symbol is used in this report to cross-refer to more online information on a topic:

References additional information available on the Waypoint REIT website.

Additional information

We produce a suite of reports to meet the needs and requirements of our stakeholders.

The following documents are available at www.waypointreit.com.au

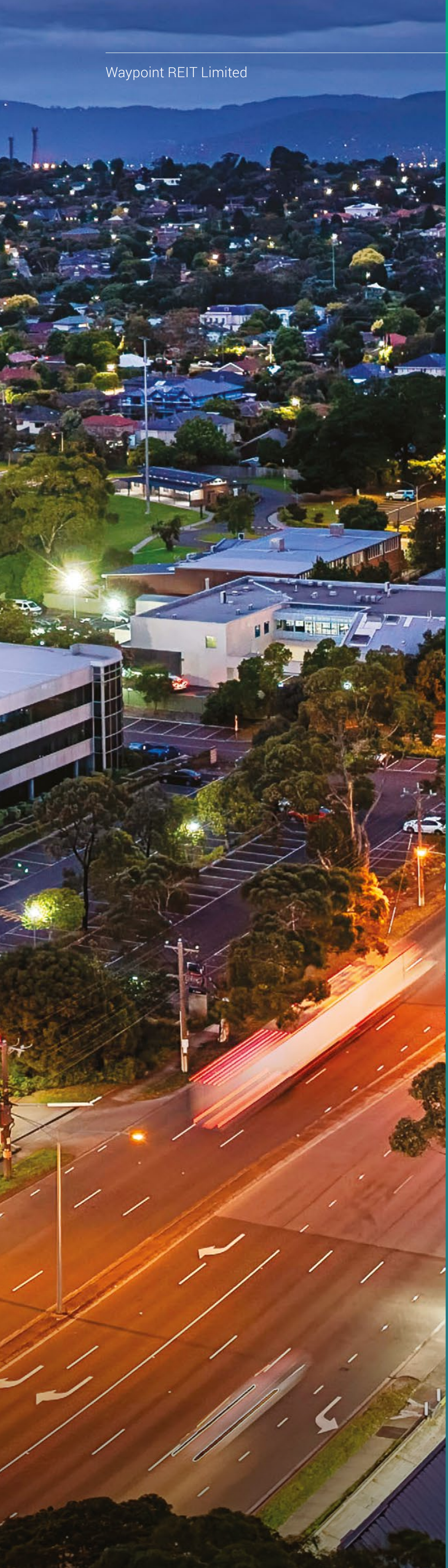
- 2024 Corporate Governance Statement
- 2024 Modern Slavery Statement (to be released prior to 30 June 2025)

Acknowledgement

In the spirit of reconciliation, Waypoint REIT acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

Cover image: Shell OTR Hope Valley (SA)

Image: Shell Reddy Express Brandon Park (VIC)



Investment Proposition

Secure rental income with embedded growth, underpinned by long-term leases to top-tier tenants

Essential Economic Infrastructure

- ~7,500 F&C outlets in Australia,[1] providing an 'essential service' to ~21 million vehicles
- More than 80% of Australian drivers refuel at least once a fortnight (c. 45% at least once a week)[2]
- Convenience store sales growth of 3.9% p.a. for the five-year period 2019-2023[3]

ASX-listed Major Tenant (Viva Energy)

- Australia's largest owned and operated F&C network (890 sites)
- Supplies about one-quarter of Australia's fuel requirements[4]
- Exclusive supplier of Shell fuels in Australia
- Market capitalisation of ~$2.8 billion (February 2025)

Predictable Income and Growth

- 99.9% occupancy, 7.1-year WALE, 89.8% NNN leases
- Strong organic rental growth underpinned by 3.0% WARR[5]
- Further growth potential via acquisitions, development fund-throughs and reinvestment in the portfolio

Irreplicable Network

- National portfolio accumulated over 100+ years
- Aligned with population density and concentrated in metropolitan locations along Australia's eastern seaboard
- Underpinned by ~2 million square metres of land with 95% of assets (by book value) zoned to 'high value' land uses[6]

Conservative Capital Structure

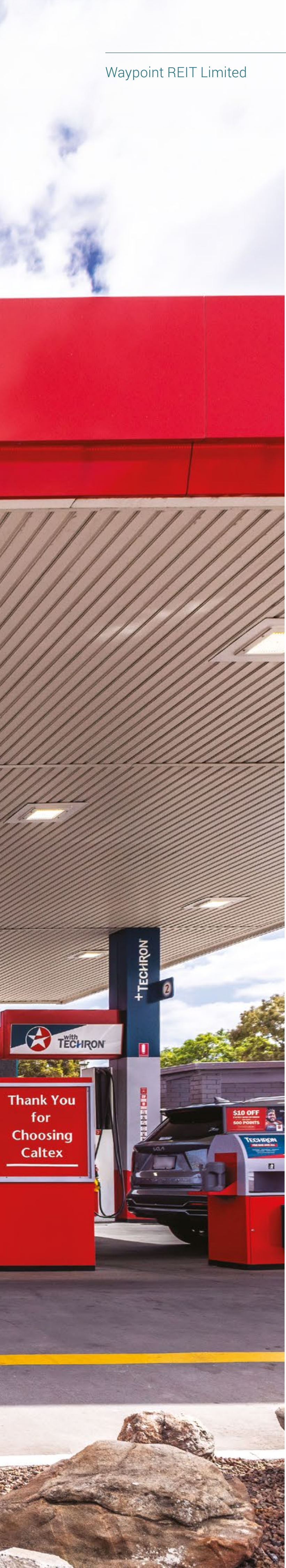
- Target gearing range of 30-40%
- Diversified debt sources and tenor

Internal Management Structure

- Majority independent Board of Directors
- One of the lowest MERs in the S&P/ASX 200 REIT Index (FY24: 30bp)

1. Gapmaps 'All service stations' as at Feb-2025.
2. Source: Budget Direct Fuel Consumption Survey and Statistics 2023.
3. Source: AACS State of the Industry Report 2023.
4. Source: vivaenergy.com.au.
5. Assumes long-term CPI of 3.0% for leases with CPI-linked rent reviews.
6. Potential 'high value' uses include commercial, industrial, residential, retail, mixed use.

Image: Caltex Findon (SA)



FY24 Highlights[1]

Solid performance in a challenging macroeconomic environment

Financial Performance

Distributable EPS: 16.48 cents
In line with guidance

NTA: $2.76 per security
↑ 1.1% vs Dec-23 ($2.73)

MER: 30bp
Unchanged on FY23
Remains one of the lowest MERs in the S&P/ASX REIT 200 index

Property Portfolio

WACR: 5.72%
↑ 4bp vs. Dec-23

Portfolio value of $2.80bn
(+1.1% vs. Dec-23)

Asset Sales/Leasing
Two assets sold in FY24 ($6.55m, +3.8% vs book)
Terms agreed on seven of eight FY24/25 expiries

OTR Conversions
Four WPR sites converted
Landlord consent provided on a further five sites

Capital Management

Gearing: 32.6%
Lower end of 30-40% target range

WADM: 4.1 years
$600m of new or extended debt facilities
Available liquidity of $148.5m

Hedging: 93%
$325m of swaps implemented in FY24
WAHM of 2.6 years

Other

ESG
75% reduction in FY24 Measured Emissions[2]
Measured Emissions offset through purchase/retirement of accredited carbon offsets[3]

Viva Energy Australia[4]
FY24 NPAT down 20% to $254m
Challenging industry conditions for Convenience and Mobility division
OTR roll-out slower than anticipated

Credit Rating[5]
Moody's Baa1 rating affirmed
(December 2024)

1. Information on this page is as at 31 December 2024 unless otherwise stated.
2. Measured Emissions = direct greenhouse gas (GHG) emissions in WPR's operational footprint (Scope 1, 2 and selected Scope 3 categories: fuel and energy consumption, waste generated, business travel, employee commuting and upstream leased assets emissions).
3. Australian Carbon Credit Units purchased through Tasman Environmental Markets Pty Ltd (TEM). Offsets retired by TEM in December 2024.
4. Source: VEA's FY24 results presentation.
5. Credit rating must not be used, and WPR does not intend to authorise its use, in the support of, or in relation to, the marketing of its securities to retail investors in Australia or internationally.

Chair and Managing Director & CEO's Letter

"Waypoint REIT continues to take a prudent approach to capital management, maintaining a strong liquidity position, low gearing and a relatively high level of interest rate hedging."

Georgina Lynch
Independent Non-Executive Chair

Hadyn Stephens
Managing Director & CEO

Dear Securityholder,

On behalf of the Board of Directors and management team, we are pleased to present Waypoint REIT's Annual Report for the year ended 31 December 2024.

Financial performance

Waypoint REIT delivered Distributable EPS of 16.48 cents in 2024, which was at the top end of the initial guidance range provided in February 2024 and in line with the revised guidance provided in August 2024.

Rising interest rates have had a major impact on earnings for Australian REITs since 2022, with many of our peers having reported declining earnings over this period. A combination of prudent gearing, relatively high interest rate hedging, high occupancy, contracted rental growth and a disciplined approach to expense management have enabled Waypoint REIT to offset the impact of rising interest rates. Waypoint REIT has maintained its Distributable EPS at 16.48 cents for three consecutive financial years.

Waypoint REIT recorded a statutory net profit of $131.5 million in 2024, compared with a statutory loss of $79.1 million in 2023. The key contributor to this improvement was a $28.4 million net increase in the valuation of Waypoint REIT's investment portfolio during the year, compared with a $184.5 million net reduction in 2023.

This increase in the value of Waypoint REIT's investment portfolio during the year also underpinned a 1.1% increase in NTA per security to $2.76 at 31 December 2024.

Waypoint REIT's management expense ratio remained unchanged at 30 basis points for 2024 and remains one of the lowest in the S&P/ASX 200 REIT Index.

Property portfolio

Waypoint REIT owned 401 fuel and convenience properties across Australia as of 31 December 2024, including one asset held for sale, that has subsequently settled. This national portfolio consists of strategically located sites, with 91% of the portfolio (by value) in metropolitan or highway locations and 95% of the portfolio (by value) zoned to high value land uses (commercial, industrial, residential, retail or mixed use).

Waypoint REIT continues to offer investors secure rental income with embedded growth, underpinned by long-term leases to top-tier tenants. As of 31 December 2024, the portfolio had an occupancy rate of 99.9% and a weighted average lease expiry of 7.1 years, with 90% of leases being triple-net and 94% of income derived from the ASX-listed Viva Energy Australia.

158 investment properties (39% of the portfolio by number) were independently valued during the year, with Directors' valuations performed on the balance of the portfolio. The weighted average capitalisation rate (**WACR**) of the portfolio increased by four basis points during the year to 5.72%, with the portfolio WACR now having increased by 71 basis points since June 2022. It is worth noting that Waypoint REIT's WACR actually contracted by two basis points in the second half of 2024, with fuel and convenience capitalisation rates stabilising during this period as a result of a more benign outlook for interest rates and increased buyer appetite for the asset class.

Waypoint REIT sold two assets in 2024 for a combined consideration of $6.55 million, representing a 3.8% premium to the prevailing book value of these assets. Waypoint REIT will continue to evaluate opportunities to improve overall portfolio quality by selling assets when it makes sense to do so, with approximately $60 million of assets currently designated as non-core. As at the time of writing, three assets with a combined book value of approximately $15 million were in due diligence with potential buyers.

Capital management

Waypoint REIT continues to take a prudent approach to capital management, maintaining a strong liquidity position, low gearing and a relatively high level of interest rate hedging.

Debt facilities of $600 million were refinanced in 2024, with Waypoint REIT's weighted average debt maturity increasing from 3.7 years at 31 December 2023 to 4.1 years at 31 December 2024. 93% of drawn debt is hedged with a weighted average hedge maturity of 2.6 years.

Gearing of 32.6% remains at the lower end of the 30–40% target gearing range and provides significant headroom to lending covenants and capacity to assess accretive opportunities.

Waypoint REIT's Baa1 investment grade credit rating was affirmed by Moody's Investor Services in December 2024.

Viva Energy Australia

Approximately 94.2% of Waypoint REIT's rental income is derived from Viva Energy, which recorded a 20.1% decline in net profit after tax for the financial year ended 31 December 2024 to $254.2 million (2023: $318.2 million), primarily due to higher interest expense as a result of the debt-funded acquisition of OTR Group in March 2024.

The roll-out of the OTR brand and offering across Viva Energy's network of Coles/Reddy Express stores (**Express Network**) remains a key focus of Viva Energy and, by extension, Waypoint REIT, which is the landlord on 350 of the 676 Express Network sites operated by Viva Energy. The OTR roll-out has been slower than expected to date, with only four Express Network sites converted to OTR by Viva Energy by the end of 2024, all of which are owned by Waypoint REIT. However, Viva Energy expects conversion to ramp up significantly from 2025, with 40 to 60 conversions expected in 2025 and approximately 100 per year thereafter, with 50% of the Express Network expected to be converted to OTR by 2028.

Waypoint REIT continues to view the OTR roll-out as a positive development for our key tenant, Viva Energy, as it seeks to improve the convenience offering across its network and diversify its earnings over time.

Outlook

With 93% of drawn debt hedged for the year ahead Waypoint REIT is confident that it's Distributable EPS guidance of 16.46 cents for 2025 will be met, marking the fourth year in a row of earnings at this level despite significant headwinds during this period.

Waypoint REIT's focus for 2025 and beyond is on identifying opportunities to drive future earnings growth, with the primary opportunity relating to Viva Energy's OTR roll-out. As noted earlier,

"Waypoint REIT continues to view the OTR roll-out as a positive development for our key tenant, Viva Energy, as it seeks to improve the convenience offering across its network and diversify its earnings over time."

Waypoint REIT is the landlord on approximately half of the Express Network and remains open to providing landlord funding for the conversion of sites provided that the returns are acceptable for Waypoint REIT's securityholders. Discussions with Viva Energy on this opportunity remain preliminary and high-level only at this point, but we look forward to receiving further information on its plans in due course.

With the Reserve Bank of Australia recently cutting the official cash rate by 25 basis points and market expectations of further rate cuts to come in 2025, Waypoint REIT is of the opinion that fuel and convenience capitalisation rates are likely to stabilise in 2025. Accordingly, Waypoint REIT is well-placed to consider growth opportunities such as the OTR roll-out, with liquidity of approximately $150 million and gearing at the lower end of our target range.

On behalf of the Board and management team, we thank you for your ongoing support of Waypoint REIT.

Georgina Lynch
Independent
Non-Executive Chair

Hadyn Stephens
Managing Director & CEO

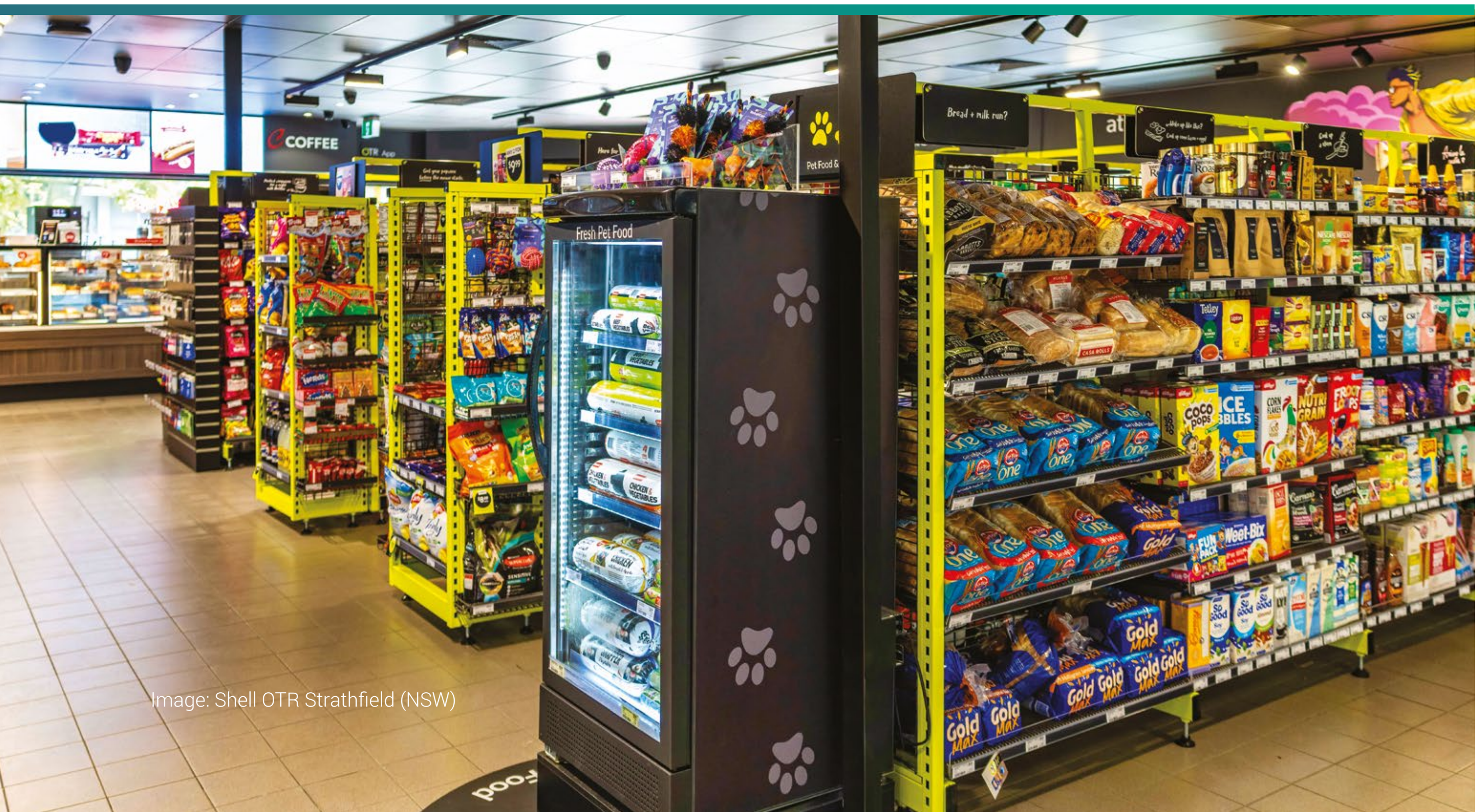


Image: Shell OTR Strathfield (NSW)

Board of Directors

Georgina Lynch

Independent Non-Executive Chair, Chair of the Nomination Committee and a member of the Audit and Risk Management and Remuneration Committees

Georgina is an experienced company director who has over 30 years' experience in the financial services and property industry. She is currently the Independent Non-Executive Chair of Cbus Property and an Independent Non-Executive Director of both Vicinity Centres and PEXA.

Georgina has significant global experience in corporate transactions, capital raisings, initial public offerings (**IPOs**), funds management, corporate strategy and acquisitions and divestments.

Georgina holds a Bachelor of Arts and Bachelor of Laws from the University of Tasmania.

Christopher Lawton

Independent Non-Executive Director, Chair of the Audit and Risk Management Committee and member of the Remuneration and Nomination Committees

Chris has over 40 years' experience in professional services, including 25 years as an audit partner with EY during which he focused on the real estate sector. Chris's experience includes both assurance and transaction advisory roles working with some of the largest real estate owners, managers and developers in Australia. Chris also spent time in the USA supporting organisations with international portfolios spanning North America, Japan and Europe.

Chris is currently an Independent Non-Executive Director of Stockland Corporation Limited.

Chris holds a Bachelor of Commerce from the University of New South Wales and is a member of Chartered Accountants Australia and New Zealand.

Susan MacDonald

Independent Non-Executive Director, member of the Audit and Risk Management, Nomination and Remuneration Committees

Susan has over 30 years of domestic and international experience in property investment management, primarily in the retail sector, including asset, development and funds management.

Susan has held executive positions with Mirvac, Lend Lease, AMP Capital and Galileo Funds Management, and is a former Joint Deputy Chair, Shopping Centre Council of Australia, and a former Global Trustee of the Urban Land Institute (**ULI**).

Susan is currently a Non-Executive Director of both Queensland Investment Corporation (**QIC**) and Landcom, an Independent Non-Executive Director of Cbus Property and a Strategic Advisor to the Board of Mainbrace Constructions.

Susan holds a Bachelor of Arts from the University of New South Wales and is a Graduate of the Australian Institute of Company Directors (**GAICD**).

Gai McGrath (appointed 1 August 2024)

Independent Non-Executive Director, Chair of the Remuneration Committee and member of the Audit and Risk Management Committee

Gai is currently an Independent Non-Executive Director of Insignia Financial Group, Steadfast Group and HBF Health. She is a former chair of BT Funds Management and Humanitix and a former director of a number of entities including Investa Office Fund, Helia Group and Landcom.

Prior to her board career, Gai was a senior executive in the financial services sector. She was with the Westpac Group for 12 years including having responsibility for the flagship retail banks in Australia and New Zealand and in senior roles in the bank's wealth management division, BT Financial Group.

Gai holds a Master of Laws (Distinction) from London School of Economics, Bachelor of Laws (Hons) and Bachelor of Arts from the University of Sydney and is a Graduate of the Australian Institute of Company Directors (**GAICD**).

Hadyn Stephens

Managing/Executive Director and CEO

Hadyn has approximately 25 years' experience in finance and commercial real estate, principally in strategy and transaction-related roles in the real estate funds management space covering direct capital transactions, corporate transactions (M&A), debt and equity (listed and unlisted).

Hadyn's previous positions in real estate include senior roles with AMP Capital, Centuria Capital, LaSalle Investment Management, GPT Group and Merrill Lynch.

Hadyn holds a Bachelor of Laws and Bachelor of Commerce from the University of Otago, New Zealand.

Laurence Brindle (retired 15 May 2024)

Up to the date of his retirement, Laurence was Independent Non-Executive Chair and a member of the Nomination and Remuneration Committees

Laurence has extensive experience in funds management, finance and investment and is currently an Independent Non-Executive Director of Stockland Corporation Limited.

Until 2009, Laurence was an executive with Queensland Investment Corporation (**QIC**). During his 21 years with QIC he served in various senior positions including Head of Global Real Estate, where he was responsible for QIC's large global investment portfolio. Laurence was also a long-term member of QIC's Investment Strategy Committee.

Laurence provides advice to a number of investment institutions on real estate investment and funds management matters. He is a former Chair of the Shopping Centre Council of Australia and National Storage REIT, and a former Independent Non-Executive Director of Westfield Retail Trust and Scentre Group.

Laurence holds a Bachelor of Engineering (Honours) and a Bachelor of Commerce from the University of Queensland, and a Master of Business Administration from Bayes Business School, London, where he graduated with distinction.

Our Board is committed to maintaining and promoting a high standard of corporate governance. Our corporate governance platform is integral to supporting our strategy, protecting the interests of our securityholders and maximising long-term total returns.

Corporate governance

Our Corporate Governance Statement outlines our approach to governance including the structure and responsibilities of our Board and various Committees. Please refer to the Corporate Governance/Reporting Suite section of our website at:
www.waypointreit.com.au/investors

Senior Management Team

Hadyn Stephens

Managing Director and Chief Executive Officer

Hadyn has approximately 25 years' experience in finance and commercial real estate, principally in strategy and transaction-related roles in the real estate funds management space covering direct capital transactions, corporate transactions (M&A), debt and equity (listed and unlisted).

Hadyn's previous positions in real estate included senior roles with AMP Capital, Centuria Capital, LaSalle Investment Management, GPT Group and Merrill Lynch.

Hadyn holds a Bachelor of Laws and Bachelor of Commerce from the University of Otago, New Zealand.

Aditya Asawa

Chief Financial Officer

Aditya has 19 years' experience in investment banking, strategy and corporate finance roles across listed and unlisted real estate.

Aditya's experience covers corporate advisory, capital markets and operational finance in the commercial real estate sector. Aditya has worked at organisations including Macquarie Capital, Australand, Frasers Property, AMP Capital and Dexus.

Aditya is a Certified Practising Accountant and holds a Bachelor of Commerce Finance and Bachelor of Laws from the University of NSW.

Tina Mitas

General Counsel and Company Secretary

Tina has over 17 years' experience in corporate law including corporate governance, compliance, mergers and acquisitions, private equity and information technology.

Tina's previous positions include senior legal counsel roles at Aconex Limited and SMS Management Limited and senior associate at Herbert Smith Freehills.

Tina holds a Bachelor of Laws (Hons) and Bachelor of Commerce from the University of Melbourne, and a Graduate Diploma in Applied Corporate Governance from the Governance Institute of Australia (**GIA**). Tina is a Chartered Secretary and Associate of the GIA, a member of the Institute of Chartered Secretaries and Administrators (**ICSA**) and the Australian Institute of Company Directors (**AICD**).

Rodney Smith

General Manager, Property

Rodney has more than 22 years' experience in property management, network planning and operations, having worked across retail fuel, convenience and downstream businesses for Shell and Viva Energy Australia in Australia as well as internationally.

Rodney's previous positions include Operations Manager for Retail in Australia and New Zealand, Retail Network Planning Manager in Shell's Oceania region, Global Operation Excellence Manager for Shell Retail, and Development Project Manager at Waypoint REIT.

Rodney holds a Bachelor of Commerce from the University of Tasmania.

Image: Shell OTR Strathfield (NSW)

Portfolio Overview

Five year overview

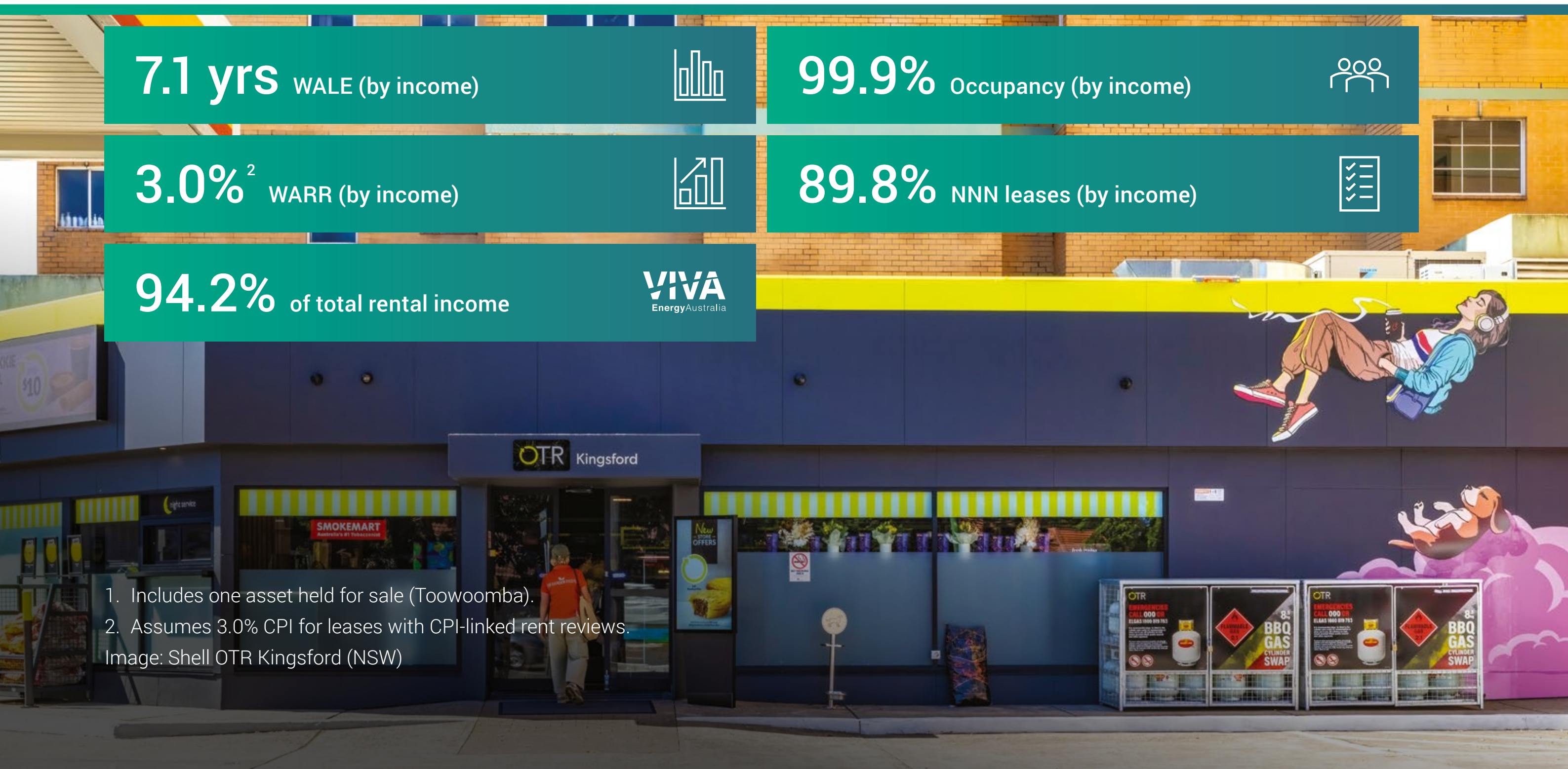
As at 31 December 2024		FY20	FY21	FY22	FY23	FY24
Number of properties	no.	470	433	402	402	**401**
Property portfolio value	$m	2,898	3,091	2,948	2,769	**2,797**
Average value per property	$m	6.2	7.1	7.3	6.9	**7.0**
Total land area	'000 sqm	2,213	2,092	1,972	1,972	**1,968**
WACR	%	5.62	5.16	5.28	5.68	**5.72**

Portfolio snapshot

High-quality portfolio with 91% weighting to metropolitan and highway locations.

Category	Description	#	Book value (Dec-24)	WACR (Dec-24)	Avg. value (Dec-24)	Avg. site area	Avg. popn (500m/3km)	WALE (Dec-24)
Capital Cities	Capitals of the 8 states and territories of Australia	271	$1,950.4m (70% of portfolio)	5.35%	$7.2m	3,513sqm	1,967/ 58,711	7.1yrs
Other Metro[1]	Urban areas with populations ~100k+	42	$299.6m (11% of portfolio)	5.92%	$7.1m	4,027sqm	1,384/ 32,131	7.5yrs
Highway	Service centres along key transport routes	36	$296.6m (10% of portfolio)	6.75%	$8.2m	18,195sqm	288/ 7,462	7.4yrs
Regional	Smaller regional cities and towns (<100k population)	52	$250.8m (9% of portfolio)	7.13%	$4.8m	3,685sqm	601/ 10,946	6.4yrs
Total		**401**	**$2,797.3m**	**5.72%**	**$7.0m**	**4,907sqm**	**1,578/45,133**	**7.1yrs**

Data as at 31 December 2024.



7.1 yrs WALE (by income)

99.9% Occupancy (by income)

3.0%[2] WARR (by income)

89.8% NNN leases (by income)

94.2% of total rental income — VIVA Energy Australia

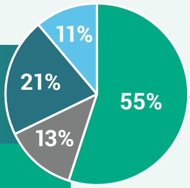
1. Includes one asset held for sale (Toowoomba).
2. Assumes 3.0% CPI for leases with CPI-linked rent reviews.

Image: Shell OTR Kingsford (NSW)

Geographic diversification

Queensland

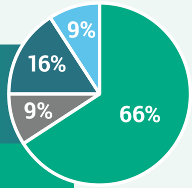
20%*



79^ properties
$561.9m book value
6.09% WACR

New South Wales

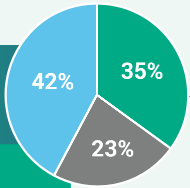
30%*



118 properties
$847.1m book value
5.47% WACR

Northern Territory

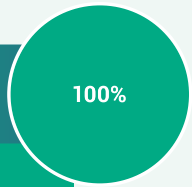
1%*



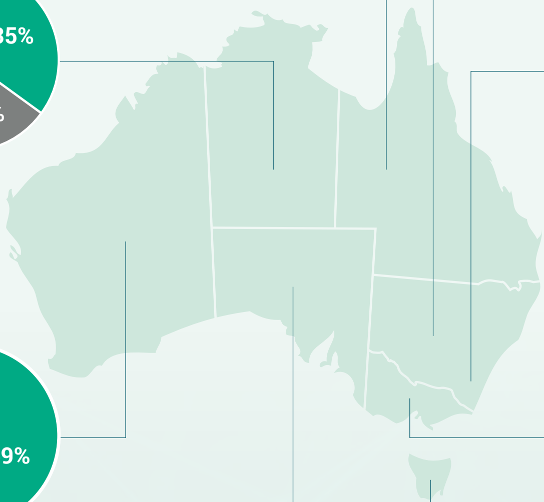
4 properties
$20.0m book value
7.37% WACR

Australian Capital Territory

2%*

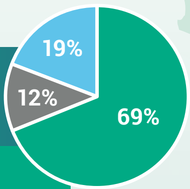


11 properties
$72.3m book value
5.61% WACR



Western Australia

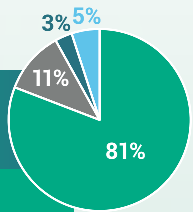
10%*



47 properties
$269.9m book value
6.74% WACR

Victoria

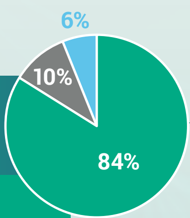
30%*



105 properties
$834.5m book value
5.29% WACR

South Australia

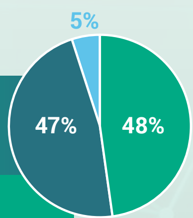
5%*



27 properties
$146.1m book value
5.92% WACR

Tasmania

2%*



10 properties
$45.5m book value
6.45% WACR

Chart key (% by value):

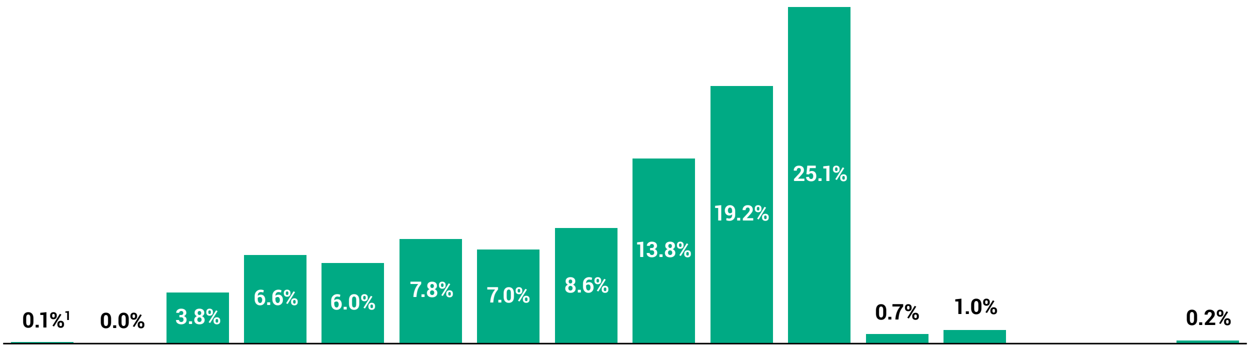
Capital Cities · Other Metro · Highway · Regional

* Denotes % of fuel and convenience portfolio by value.
^ Includes one asset held for sale as at 31 December 2024 – Toowoomba (QLD).

Portfolio Overview continued

Lease expiry profile (31 December 2024)

Portfolio WALE of 7.1 years with a staggered expiry profile

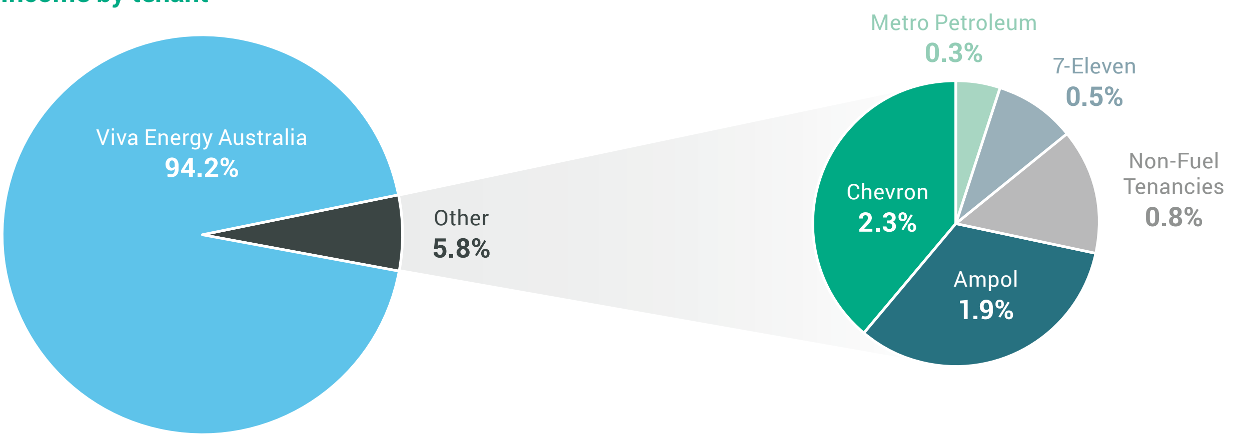


	Vacant	FY25	FY26	FY27	FY28	FY29	FY30[2]	FY31	FY32	FY33	FY34	FY35	FY36	FY37	FY38	FY39
VIVA Energy Australia			26	28	32	28	28	39	59	66	69	2	3			1
Other F&C[3]				4	3	5	2	2	2	2						
Non F&C	2	1	2		3	3	4			1						

1. Assumed income for vacant tenancies.
2. 2030 expiries includes five 2025 lease renewals where commercial terms are agreed (three with documentation to be completed).
3. Includes Chevron (14) Ampol (3), 7-Eleven (2) and Metro Petroleum (1).

Tenancy mix

Income by tenant



Sustainability Report

Our approach to sustainability

Our four core values (**Values**), set out below, reflect what Waypoint REIT stands for, and the entire organisation is guided by these Values when making decisions.

Values

Excellence
Doing our best, and always looking for ways to do better

Respect
For our people, community, environment, customers and investors

Trust
Building and maintaining long-term relationships through our actions

Integrity
Operating in an ethical manner that is transparent and honest

These Values underpin and guide our approach to sustainability.

We are committed to:

1. The continuous improvement of the ESG aspects of our business to keep pace with the expectations of our stakeholders.
2. Managing, minimising and mitigating (where possible and within our risk appetite) the ESG-related risks associated with our business.
3. Engaging and collaborating with our tenants and other stakeholders to influence positive change and drive mutually beneficial ESG outcomes.
4. Being transparent about progress.

Our approach to sustainability considers the nature of our business model. Our investment focus on leasing sites to fuel and convenience retailers presents specific environmental challenges associated with those sectors. However, these challenges are tempered by our portfolio being predominantly comprised of triple-net leases, which limits our ability to directly address these challenges compared with our tenants who occupy and operate the assets under the leases. The portfolio is also underpinned by a strong landbank of underlying real estate, particularly in high exposure metropolitan locations.

Waypoint REIT seeks to support our tenants, within the scope of the lease terms in place, to minimise the environmental impact of their operations on our sites.

We are committed to continuing broader discussions on these challenges with our tenants, particularly given the potential risks and opportunities the transition to a lower carbon economy presents in the fuel and convenience retail sector.

The sustainability data in this report relates specifically to assets and activities within Waypoint REIT's direct operational control, unless stated otherwise.

2024 Highlights

Waypoints REIT's key ESG highlights and achievements for 2024 are summarised in the table below.

Focus area	2024 achievement
Climate change and energy	• Maintained full offset of Measured Emissions[1] through the purchase of carbon offsets.[2] • Measured Emissions decreased 75% compared with 2024, including reduction of Scope 1 and Scope 2 emissions to zero, and decreased Scope 3 emissions under our direct operational control. • Continued preparatory work for mandatory reporting under the Australian Sustainability Accounting Standards (**ASRS**).
Our people	• Zero employee turnover – stable team of eight employees. • Continued support for gender diversity and flexible working arrangements. • 100% of mandatory training completed by all employees.
Workplace health, safety and environment	• No employee recordable injuries and no environmental infringements by Waypoint REIT.[3]
Ethical conduct and transparency[4]	• **Information Risk Management Policy** updated to provide guidelines for the responsible use of artificial intelligence (**AI**). • A **Cyber Incident Response Plan** (**CIRP**) was established to operate alongside the existing **Business Continuity Plan** (**BCP**) and **Disaster Recovery Plan** (**DRP**). • Issued fourth annual Modern Slavery Statement. • Employees completed cyber security training and modern slavery training. • No reportable compliance breaches or notifiable data breaches. • Improvement in ratings from S&P CSA and Sustainalytics ESG surveys.

1. Measured Emissions = Greenhouse gas (**GHG**) emissions included in WPR's operational footprint (Scope 1, 2 and selected Scope 3 categories: fuel and energy-related activities, waste generated in operations, business travel, employee commuting and upstream leased assets emissions).
2. Australian Carbon Credit Units purchased and surrendered through Tasman Environmental Markets Australia Pty Ltd (**TEM**) in December 2024.
3. With respect to facilities under Waypoint REIT's operational control.
4. For further details, refer to Corporate Governance Statement 2024.

Sustainability Report continued

Annual materiality assessment – overview

The ESG Working Group conducts an annual materiality assessment of ESG topics. In 2024, this assessment included:

- incorporation of Waypoint REIT's ESG risks and opportunities into our Risk Management Framework;
- monitoring and understanding the implementation of mandatory reporting under the Australian Sustainability Reporting Standards;
- understanding what topics leading ESG rating agencies deem most material for companies in our industry;
- consultation with our largest tenant Viva Energy about its own sustainability priorities and initiatives, and opportunities for collaboration to improve sustainability practices; and
- understanding how our investors view sustainability.

The outcomes of this materiality assessment have been used to inform Waypoint REIT's ESG strategy, with the most material ESG topics facing Waypoint REIT today categorised into focus areas. These focus areas are also considered as part of Waypoint REIT's broader Risk Management Framework and are reflected in our Risk Appetite Statement.

The focus areas are aligned to six of the United Nations' 17 Sustainable Development Goals (**UN SDGs**). The UN SDGs are non-binding voluntary initiatives. The UN SDGs underpin the 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, which provides a shared blueprint for peace and prosperity for people and the planet, now and into the future.[1]

Focus areas	Stakeholders	UN SDGs
Climate change and energy	Employees Tenants Communities Securityholders	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION
Our people	Employees Communities Government Securityholders	3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY
Workplace health, safety and environment	Employees Tenants Contractors Communities Government Securityholders	3 GOOD HEALTH AND WELL-BEING 15 LIFE ON LAND
Ethical conduct and transparency (including compliance and risk management)	Employees Communities Business partners Securityholders	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Reporting standards and assurance

Waypoint REIT is committed to progressively aligning its disclosures with the requirements under the ASRS, released in 2024. Based on current grouping criteria, Waypoint REIT expects to be a group 3 reporting entity, and expects to commence reporting under the ASRS from FY28.

A first step taken towards alignment with the ASRS is to integrate our Sustainability Report within our Annual Report, which ensures all risks and opportunities are captured in a single location supporting transparency of reporting. In addition, we continue to engage PricewaterhouseCoopers (**PwC**) to provide limited assurance over selected ESG performance data. PwC's limited assurance report is included on page 29 of this report.

Governance framework

The Waypoint REIT Board is ultimately responsible for setting Waypoint REIT's ESG strategy. In the ESG context, the Board:

- considers climate-related risks and opportunities within the Waypoint REIT Risk Management Framework;
- reviews and endorses the annual ESG work plan;
- monitors delivery of the ESG work plan at least quarterly throughout the year; and
- considers present and emerging ESG trends and issues through engagement with subject matter experts.

Waypoint REIT's Risk Management Framework is used to identify, assess, manage, monitor and report key risks. The Board, via the Audit and Risk Management Committee (**ARMC**), is responsible for overseeing the establishment and implementation of the Risk Management Framework and for setting and monitoring compliance with Waypoint REIT's Risk Appetite Statement.

The ESG Working Group is responsible for bringing Waypoint REIT's ESG strategy to life and for actioning ESG goals set by the Board. The ESG Working Group reports directly to the Board.

The ESG Working Group comprises a cross-functional team that works to identify and recommend strategic focus areas and initiatives to respond to current and emerging ESG matters (including climate-related risks and opportunities). The ESG Working Group:

- prioritises and delivers the annual ESG work plan endorsed by the Board;
- engages support of subject matter experts as required to ensure appropriate insight and expertise on ESG topics; and
- keeps the ARMC and Board updated, at least quarterly, on the delivery of the annual ESG work plan and current and emerging ESG trends and issues.

1. https://sdgs.un.org/goals.

Image: Shell OTR Hope Valley (SA)

Commitments

Waypoint REIT is committed to operating its business in a way that is ethical, responsible and transparent through:

- operating in accordance with its Values and enforcing Waypoint REIT's Code of Conduct for employees and leadership;
- providing whistleblower protection and confidential reporting channels for unethical behaviour as outlined in Waypoint REIT's Whistleblower Policy;
- maintaining strict anti-bribery and fraud prevention measures via Waypoint REIT's Anti-Bribery and Corruption and Anti-Terrorism Financing Policy;
- maintaining strong governance via a fit for purpose Risk Management Framework;
- promoting equal opportunity employment via diversity in hiring and leadership roles;
- disclosing ESG performance annually;
- supporting the health, safety and wellbeing of its employees; and
- endeavouring to support ethical trade in our purchasing practices.

By adopting high standards, we aim to achieve commercial success for our investors and earn the respect of our stakeholders, business partners and the communities where we operate.

Climate change and the energy transition

As a landlord to suppliers of hydrocarbon-derived products, we recognise we have a role to play in supporting the transition to lower-carbon energies while at the same time facilitating the safe and reliable supply of traditional hydrocarbon fuels to motorists.

Disruptions to the supply and demand for traditional fuel, alternative fuels and/or convenience retail products, the supply and demand for fuel and convenience retail properties, and the availability and cost of credit (including sector-specific ESG considerations) have a collective impact on Waypoint REIT.

Given the existential nature of such risks, however, we consider that these risks and our tenants' responses to them should continue to be monitored and assessed to best prepare Waypoint REIT for the medium to long term.

Waypoint REIT's property portfolio has a weighted average lease expiry of 7.1 years, and most leases have multiple option periods in place. This, coupled with almost 90% (by income) of our leases being on triple-net terms, provides a secure rental income stream to securityholders but moderates our ability to monitor and reduce the environmental impact of our sites, as operational control and responsibility for a site's environmental impact largely resides with our tenants. Noting our own direct ESG impacts are both relatively modest and localised in their scope, Waypoint REIT aims to support our tenants to the best of our ability under the lease terms in place to minimise the environmental impact of their operations on our sites.

Sustainability Report continued

Climate change and energy

There are two main types of risks and opportunities that have been identified which relate to climate change and are relevant to Waypoint REIT:

1. **Physical risks** from climate change following an acute event or more material longer-term shifts in the climate that may have financial implications because of damage to physical assets, or indirect impacts such as supply chain disruption. Financial performance may also be affected by climate change impacting Waypoint REIT's physical space, operations, supply chain, transport needs and employee safety.
2. **Transition risks and opportunities** from the move to a low-carbon economy may result from government policy, legal, technological and market changes. Despite this Waypoint REIT supports the need for action to limit global temperature rise to 2°C or less from pre-industrial levels.

Physical risk

In prior years, to better understand its climate change resilience, Waypoint REIT has conducted climate exposure assessments across its geographically diversified portfolio of assets. This has included a 'first pass' assessment, which isolated the specific physical risk factors that posed a material risk to Waypoint REIT's portfolio across several long-term climate scenarios; and 'second pass' assessments, which involved grouping assets with common characteristics to enable scalable plans to be developed to respond to these physical risks. The result of this work has been integrated into strategic asset plans and is a consideration in the ongoing active portfolio management strategies of Waypoint REIT.

The Waypoint REIT asset base is geographically dispersed across Australia, and while individual climate events such as floods, fires or storms may impact a particular area, it is expected that the impact would be limited to a small portion of our total 401 assets for any single event. While assets with greater exposure to climate hazards may experience shorter useful lives, higher maintenance costs and/or insurance costs, these impacts are largely borne by our tenants given 90% of leases are triple-net. Insurance coverage and maintenance capital expenditure programs are regularly reviewed and continue to be deemed adequate. Considering these factors, impacts of physical climate risk are not considered material to the overall Waypoint REIT business in the short term.

Transition risk

Waypoint REIT acknowledges the longer-term trends that will affect the fuel and convenience sector over time, with the key issue identified being the energy transition and the shift from traditional fuels to alternate fuels.

According to Australian road vehicle fleet and new car sales data (shown on page 17), there are nearly 22 million vehicles on Australian roads. Traditional fuel sources still dominate, representing 96% of the total vehicle fleet. Low or zero emissions vehicles (battery electric vehicles (**BEV**) and petrol hybrid electric vehicles (**PHEV**)) accounted for approximately 10% of 1.19 million new light vehicles sales in 2024, and while their share of new vehicle sales may continue to grow, these vehicles still account for less than 1% of the overall vehicle fleet.

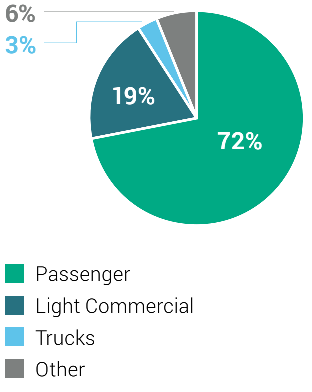
This data indicates an evolving transition in demand for energy and mobility solutions. Waypoint REIT believes it can be best positioned to adapt to this transition by maintaining a strong portfolio of sites that meets the current requirements of our tenants and their customers, while also offering flexibility of use to adapt alongside evolving tenant and customer needs over time. The property portfolio resilience is highlighted by a strong weighting towards high-exposure metropolitan land holdings with good average land size, many of which are expected to be attractive for alternate uses in the future should the current fuel and convenience usage no longer be highest and best use.

Australian road vehicle fleet and new car sales

While there were record new car sales in 2024, BEV sales growth moderated, while hybrid vehicles experienced strong growth in sales. It still remains that the significant majority of new car sales are solely or partly internal combustion engine vehicles.

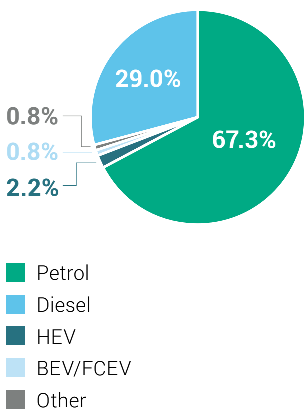
We note that fuel and convenience (mobility) operators are also acknowledging the transition underway, and they continue to adapt their strategies and plans (and the velocity of these) to the changing demands of their customers.

Australian fleet by type (Jan-24)[1]



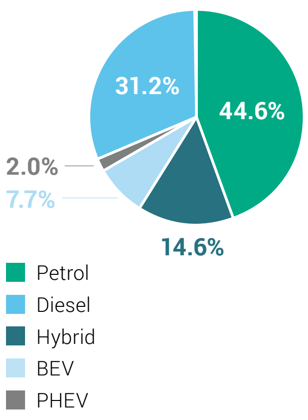
- 21.7m vehicles on Australian roads (January 2024).
- Vehicle fleet dominated by passenger vehicles (15.7m) and light commercial vehicles (4.1m).
- 'Other' includes motorcycles, buses, campervans and non-freight-carrying vehicles.

Australian fleet by power source (Jan-24)[1]



- Traditional fuel sources still dominate, with petrol (14.6m) and diesel (6.3m) powering 96% of all Australian vehicles.
- Fleet population for traditional fuel sources grew, petrol +0.6% and diesel +5.1% compared with 12 months earlier.
- HEV includes traditional hybrids and PHEVs.

New vehicle sales by power source (calendar year 2024)[2]



- 1.19m new light vehicles were delivered in 2024 – a 1.8% increase on 2023.
- Traditional fuel sources continue to dominate new vehicle sales, accounting for ~92% of total sales (including trucks and traditional hybrids).
- BEVs and PHEVs accounted for 9.7% of total vehicle sales.
- Hybrids experienced strong sales growth compared with 2023 (plug-in hybrids +106.6% to 23,163 and traditional hybrids +75.4% to 172,696).

1. Source: BITRE, Road Vehicles, Australia (July 2024). Figures as at 31 January 2024.
2. Source: VFACTS media release (6 January 2025). Figures include passenger vehicles, SUVs, and light commercial vehicles.

Image: Shell Reddy Express Hallam (VIC)

Sustainability Report continued

Waypoint REIT's strategy to mitigate transition risk continues to be threefold

Waypoint REIT looks forward to the continued conversion of Coles Express sites to OTR by Viva Energy and the potential opportunities this may bring for further portfolio enhancement. In the meantime, Waypoint REIT continues to have a threefold strategy and approach to managing transition risk.

Strategy	Aim	Description/comments
Actively managing our portfolio	Improve portfolio quality and increase likelihood of lease renewals at expiry	• Selective acquisitions • Non-core disposals • Focus on long-term risks/returns (including underlying land value) • Acquisition/disposal criteria to be refined over time as the sector evolves • Portfolio diversification over time
Supporting our operators	Assist long-term viability/success of our operators, primarily as a capital partner	• Optimise current offering (e.g. site redevelopments) • Adapt offering over time (e.g. reconfiguration for addition of alternative fuels to site mix) • Facilitate innovation and sustainability (e.g. updated convenience offerings, EV charging)
Prudently managing capital	Capital management strategy consistent with portfolio strategy	• Sustainable gearing levels and diversified sources and tenor of debt • Disciplined allocation of capital to optimise risk-adjusted securityholder returns

Tenant initiatives[1]

Waypoint REIT also acknowledges the sustainability commitments and actions of its biggest tenant operator Viva Energy, which remains committed to its voluntary target to achieve net zero Scope 1 and 2 greenhouse gas emissions across its Convenience and Mobility and Commercial and Industrial businesses by 2030.

In 2024, Viva Energy completed the acquisition of On-the-Run and commenced the conversion of existing Express sites to this more convenience-focused offer. At the announcement of the OTR acquisition in 2023, Viva Energy disclosed, on a proforma basis, that the OTR acquisition would lift non-fuel share of earnings to approximately 50% for its Convenience and Mobility segment.[2]

The Scope 1 and 2 greenhouse gas emissions from Viva Energy's Convenience and Mobility business are predominantly related to electricity use and in 2024 Viva Energy commenced a three-year direct-action program to reduce greenhouse gas emissions across its Convenience and Mobility network, including:

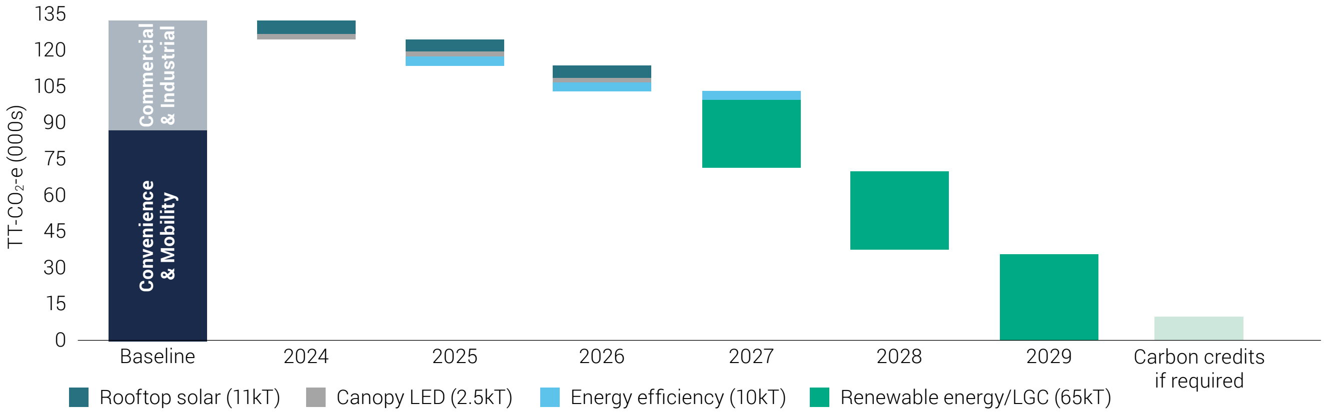
- rooftop solar PV rollout – with 141 stores completed in 2024 across NSW, ACT, QLD, WA and NT, this included 80 locations owned by Waypoint REIT; and
- canopy LED lighting upgrades – with 147 stores completed in 2024 across NSW and ACT, this included 96 locations owned by Waypoint REIT.

Viva Energy estimates that the three-year program will result in an overall Scope 1 and 2 greenhouse gas emissions reduction of 13,500 t CO_2-e per year. In addition to the direct-action plan, green power procurement will be utilised as part of decarbonisation plans, with any emissions unable to be abated planned to be offset.

In December 2023, Viva Energy entered into a co-funding agreement with the NSW Government for the development of 30 EV charging stations across its Shell-branded network in NSW, including 19 Waypoint REIT sites. The first site commenced construction in late 2024, with deployments expected to continue in 2025.

1. Source: Viva Energy 2024 Annual Report.
2. Source: ASX announcement - Viva Energy to acquire OTR Group - 5 April 2023.

Viva Energy Australia – emissions reduction pathway to 2030 – non-refining



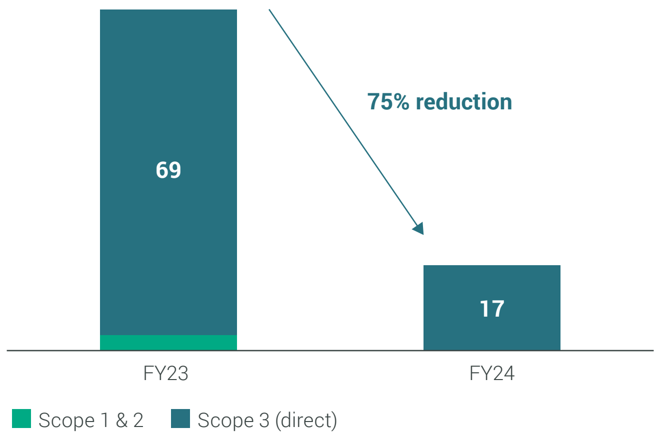
Source: VEA Annual Report 2024.

Emissions reduction

In 2024, Waypoint REIT continued to measure its Scope 1, Scope 2 and Scope 3 (direct) greenhouse gas emissions (**Measured Emissions**); these emissions have been determined by Waypoint REIT as most directly related to, and within more direct influence of, its business.

Measured Emissions for 2024 were 17.16 tonnes of carbon dioxide equivalent (t-CO_2-e), a decrease of 75% (51.64 t-CO_2-e) from the 2023 Measured Emissions.

Measured Emissions (t-CO_2-e)



Details of key change drivers for 2024 GHG emissions include:

- Emissions from electricity supply at Waypoint REIT's corporate offices decreased to zero (down from 2.84 t-CO_2-e in 2023), achieved by the take-up of certified carbon neutral electricity agreements for the entirety of 2024. Scope 1 and Scope 2 emissions are now zero.
- Travel-related emissions decreased by 51.91 t-CO_2-e (90%) compared with 2023, mainly due to no international travel being recorded during 2024.
- Employee commuting emissions decreased by 1.44 t-CO_2-e (22%) compared with 2023, predominantly due to a natural variation between home working and office commuting patterns as employees continued to work flexibly throughout 2024.

Since 2021, Waypoint REIT has offset its Measured Emissions through the purchase and surrender of carbon offsets. In 2024, Measured Emissions were offset via the purchase and surrender of Australian Carbon Credit Units sourced through Tasman Environmental Markets Pty Ltd (**TEM**) in December 2024.

Waypoint REIT's Measured Emissions are relatively modest and considered to be approaching a practicable low, with Scope 1 and Scope 2 emissions now calculated as zero. Waypoint REIT remains committed to keeping Measured Emissions as low as practicable, and in the immediate term offsetting residual emissions through the acquisition and retirement of carbon offsets.

Sustainability Report continued

Carbon offsets

Australian Carbon Credit Units (**ACCUs**) carbon offsets have been purchased from TEM, a leading Asia-Pacific carbon offsetting solutions provider.

Project type

Native Forest Protection

Carbon standard

Australian Government Emissions Reductions Fund

Methodology

Carbon Farming Initiative – Designated Verified Carbon Standard Projects (Methodology Determination 2015)

Project description

The New Leaf Carbon Projects is a pioneering initiative by the not-for-profit Tasmanian Land Conservancy, dedicated to conserving landscapes sustainably and into perpetuity through the establishment of perpetual conservation covenants. Covering 12,000 hectares in Tasmania, this project focuses on ecological restoration and biodiversity enhancement.

Project location

The New Leaf Carbon Projects comprises of 12,000 hectares of native forests across Tasmania.

Information provided by TEM
www.tem.com.au

The project meets the following United Nations Sustainable Development Goals:

8 DECENT WORK AND ECONOMIC GROWTH

13 CLIMATE ACTION

15 LIFE ON LAND

TEM

Further details of the measurement methodologies applied for Measured Emissions are contained in the Sustainability Data Basis of Preparation – refer to page 33.

Image: Shell OTR Greystanes (NSW)

Our people

Culture and engagement

The Board and the Managing Director and CEO work with senior management to successfully cultivate a team culture focused on performance, governance, risk management and inclusiveness. Culture is reviewed periodically by the Board in conjunction with senior management. Given the small size of the team, the Board has the unique opportunity to interact with the majority of employees directly in some capacity during the year.

Diversity and inclusion

Waypoint REIT's **Diversity Policy** describes Waypoint REIT's approach to diversity and the benefits of diversity in a competitive labour market. It also articulates the importance of diversity to innovative thinking and overall success, including attracting talent, decreasing employee turnover, increasing job satisfaction, and better overall employee performance. This policy commits Waypoint REIT to fostering and maintaining an inclusive workplace that respects individuals.

The Diversity Policy scope extends beyond gender and includes, but is not limited to, issues of gender, gender identity, physical appearance, political views, age, language, race, nationality, ethnicity, country of origin or cultural background, relationship status, family responsibilities, carer's responsibilities, pregnancy or potential pregnancy, religious beliefs or activity, social origin, sexuality or sexual orientation, disability, medical record and trade union activity. Diversity also refers to other ways in which people are different, such as educational level, life experience, work experience, socio-economic background, personality and marital status. Workplace diversity involves recognising the value of individual differences and managing them in the workplace. Waypoint REIT fosters an environment that supports diversity of thoughts and opinions.

The Remuneration Committee recommends measurable objectives for achieving gender diversity to the Board for adoption each year and reports to the Board, at least annually, on the progress in achieving those objectives.

There were no incidents of discrimination or corrective actions during 2024.

Gender diversity

For 2024, the proportion of women employed by Waypoint REIT (as compared with 2023) and targets for 2025 are summarised in the table below.

Waypoint REIT diversity objectives		FY23 outcomes	FY24 outcomes[2]	FY25 diversity targets
Board composition	Maintain gender balance by using the 40:40:20[3,4] model.	40% Female	60% Female	40:40:20[3,4]
Board and senior management team[1] composition	Maintain 50% female representation on the Board and senior management team.	37%	50%	50%
Workforce composition	Maintain 50% representation of employees as females.	50%	50%	50%
Employee training	All employees to complete induction and ongoing training in relation to diversity and inclusion.	100%	100%	All employees to complete induction and ongoing training in relation to diversity and inclusion.
Employee recruitment	At least one male and one female candidate to be interviewed for any advertised position.	Satisfied	Satisfied	At least one male and one female candidate to be interviewed for any advertised position.

1. The senior management team comprises Executives as defined in the Basis of Preparation on page 34 of this report. In 2024, there were three Executives reporting to the Managing Director and CEO.
2. As at 31 December 2024.
3. 40% male Directors, 40% female Directors, 20% flexible to any gender (women, men or non-binary persons).
4. The new gender diversity target remains subject to, where reasonably possible, having regard to business circumstances, recruitment opportunities arising, Waypoint REIT's desire to appoint the best candidate and the need to maintain an appropriate mix of skills, experience and expertise at the Board level respectively.

Sustainability Report continued

The next table summarises Waypoint REIT's gender diversity objectives and progress made in achieving those objectives in 2024 (noting all have been achieved).

FY24 diversity objective	Outcome as at 31 December 2024
1. Maintain current proportion of female Board representation and to achieve a 40:40:20[1] gender representation.	**Achieved** – Female Board representation increased from 25% in 2021 to 40% in 2022 and 2023 to 60% in 2024. Independent Non-Executive Directors' female representation also increased from 33% in 2021 to 50% in 2022 and 2023 to 75% in 2024.
2. Maintain female representation on the Board and ensure senior management team[2] and to endeavour to increase female representation to 50% as and when opportunities arise.	**Achieved** – Female representation on Waypoint REIT's Board and senior management team has increased from 37% in 2023 to 50% in 2024. Given the small number of employees, any change can have an amplified effect on diversity outcomes.
3. Maintain 50% of employees as female.	**Achieved** – 50% of Waypoint REIT's workforce is female.
4. Ensure all employees complete induction and ongoing training in relation to diversity and inclusion.	**Achieved** – In 2024, all employees read and acknowledged Waypoint REIT's Diversity Policy and have completed diversity online training (topics included: cultural diversity, ethnic diversity, aged-based diversity, gender-based diversity, religious diversity, and disability diversity) and completed harassment in workplace online training (topics included: harassment in the workplace, ethnic harassment, psychological harassment, sexual harassment and workplace bullying).
5. Ensure at least one male and one female candidate are interviewed for any advertised position.	**Achieved**

1. 40% male Directors, 40% female Directors, 20% flexible to any gender (women, men or non-binary persons).
2. The senior management team comprises Executives as defined in the Basis of Preparation on page 34 of this report. In 2024, there were three Executives reporting to the Managing Director and CEO.

Overall, gender representation remains stable. Due to the small number of employees and Board members, any change has the potential to make a notable movement on diversity outcomes. FY25 diversity targets and other diversity measures can be found in the Corporate Governance Statement 2024, which is available on the Waypoint REIT website **www.waypointreit.com.au/investors**

Staff turnover

Waypoint REIT has a small group of employees, a strong workforce culture and low employee turnover. All of Waypoint REIT's employees are located in Australia. During 2024, there was one new Independent Non-Executive Director appointed, replacing one Independent Non-Executive Director who retired. Voluntary and involuntary employee turnover was 0%.

Employees by employment status

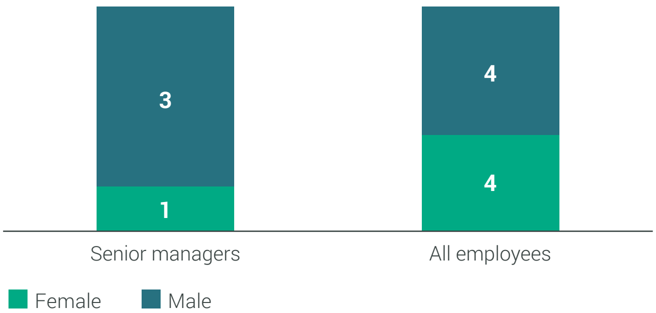
The number of female and male permanent full-time and permanent part-time employees remains consistent with the previous year.

	2023		2024	
	Female	Male	Female	Male
Permanent full-time	–	4	**–**	**4**
Permanent part-time	4	–	**4**	**–**

Note:
- Includes all employees as at 31 December 2024.

Employees by gender

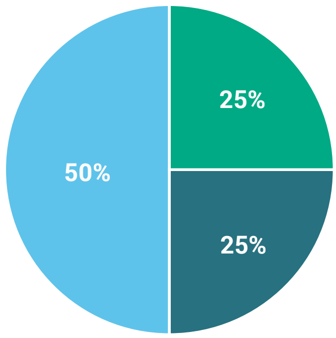
Female representation at the senior manager level and for the overall workforce remains consistent with the previous year.



Note:
- Includes permanent full-time and permanent part-time employees as at 31 December 2024.

Employees by location

Employee numbers have remained constant in New South Wales and Victoria.



Note:

- Includes, permanent full-time and permanent part-time employees as at 31 December 2024.

Also refer to our 2024 Corporate Governance Statement for further information on diversity.

www.waypointreit.com.au/investors

Flexible working and parental leave

Our approach to flexible working and parental leave has been an important part of promoting greater gender balance in our workplace. Waypoint REIT has established a **Flexible Working Policy**, and flexible working arrangements are in place for all staff. Waypoint REIT's employees continued to work flexibly during 2024 with regard to work location.

Throughout 2024, four of Waypoint REIT's eight team members continued to work on a formal part-time working arrangement. Flexible working from home practices are the 'new normal' for Waypoint REIT staff.

As per Waypoint REIT's **Parental Leave Policy**, Waypoint REIT offers all eligible employees parental leave of up to 14 weeks for the primary carer within the first 24 months of their child's birth or adoption/permanent fostering of a child. Parental leave is also available to eligible permanent employees from the time they start working with us, in order to help provide greater access to paid parental leave and flexible unpaid leave. During 2024, all employees were entitled to parental leave and there were no employees that took parental leave or returned to work in the reporting period after parental leave ended.

Performance, training and development

All permanent employees are entitled to earn an 'at risk' component of remuneration designed to maximise performance in key strategic areas. This 'at-risk' component is set and measured through a balanced scorecard approach, with key performance indicators (**KPIs**) aligned to the key financial and non-financial value drivers of Waypoint REIT's business agreed between each employee and their manager at the start of the year. The Board believes that having a mix of financial and non-financial KPIs will provide measurable performance criteria strongly linked to year-on-year securityholder returns and encourage the achievement of individual goals consistent with Waypoint REIT's overall strategic, financial and non-financial objectives.

At the end of each year, the performance of employees is measured against the KPIs as set out in their balanced scorecard, and evidence of behaviour in line with Waypoint REIT's corporate values and Risk Management Framework.

Waypoint REIT has an **Employee Continuous Learning Policy** entitling all employees up to $1,000 of employer-paid training plus two paid study days and the opportunity to apply for additional resources to be assessed on a case-by-case basis.

A **Health and Wellbeing Policy** provides all employees with the opportunity to undertake annual health checks. Benefits are applied to all permanent employees (full time and part time).

Waypoint REIT has partnered with an employee assistance program (**EAP**) provider to provide all our employees with wellbeing support to feel mentally well and ensure they have 24/7 access to support when they need it. All employees have full access to our dedicated EAP online platform via website or mobile app. It features mental health information and interactive self-help tools, such as a digital wellbeing assistant that employees can chat to, a mood journal and a deep-breathing tool. Employees can also book three pre-approved therapy sessions, either online or in person, with a therapist of choice through our EAP provider's online booking system should they need professional support.

Waypoint REIT is also committed to building employee capability via on-the-job training and development opportunities, such as participating in special projects, attending conferences and industry forums, as well as formal classroom and web-based training to ensure their skills remain current.

All Waypoint REIT employees are required to complete ongoing mandatory training modules on Key Policies and procedures, including, but not limited to, compliance training, WHS&E training and cyber security awareness training, to ensure they understand our regulatory obligations in relation to their individual role. The mandatory training requirements are reviewed annually and updated as required to ensure they remain relevant and reflective of current market trends and regulatory requirements.

All new Directors and employees receive training on the Code of Conduct and complete comprehensive induction training to understand their responsibilities and accountabilities with respect to the Key Policies.

In 2024, Waypoint REIT's Responsible Managers undertook extensive in-house compliance, cyber security and WHS&E training. The total hours of training in these important areas are noted in the table on the next page. Approximately 28 hours of training (average per employee) was completed in 2024.

Sustainability Report continued

All employees completed training in mandatory compliance modules, including a tailored modern slavery awareness e-learning module, Code of Conduct, and anti-bribery and corruption policies and procedures, which were provided free of charge and during paid working hours. In 2024, the training delivered to all employees also included approximately four hours of WHS&E training (average per employee) and included topics on diversity and harassment. For further details, refer to the table below.

Training	FY23 hours of training	FY24 hours of training	Inclusions
Compliance training	66	90	Modern slavery awareness training, spotting, preventing and reporting human trafficking and Key Policies and procedures.
Cyber security training	39	73	Security awareness training, social engineering, phishing, artificial intelligence, mobile device security, ransomware, security for workplace messaging platforms, etc.
Responsible Managers' training	143[1]	24	WHS&E regulatory update, state of industry, the state of cyber security, ESG and sustainability, continuous disclosure obligations, etc.
WHS&E training	29	34	Diversity (topics included: cultural, ethnic, aged-based, gender-based, religious and disability), harassment in the workplace (topics included: ethnic harassment, psychological harassment, sexual harassment and workplace bullying), WHS&E Governance Framework and WHS&E reporting escalation protocols.
Total hours of training	278	221	
Hours of training (average per employee)	35	28	
% of eligible employees completing training in mandatory compliance, cyber security and WHS&E	100%	100%	

1. Higher training and development hours reflect a European study tour and attendance at the Australian Petroleum and Fuels Institute Conference in 2023.

All Directors and employees are required to complete attestations that they have read and acknowledge the obligations of all Key Policies, with more extensive training provided depending on their role within the organisation.

Waypoint REIT, as an Australian Financial Services Licence (**AFSL**) holder, is also required to have a development program for our Responsible Managers. The **Responsible Manager Development Policy** approved by the Board is designed to ensure that our Responsible Managers maintain competence in their particular area of responsibility, thereby complying with our AFSL.

Newly appointed Responsible Managers receive appropriate induction and then relevant training on an ongoing basis. Waypoint REIT provides all Responsible Managers with in-house training and gives representatives the opportunity to attend external training courses and/or seminars and conferences that are relevant to their area of expertise.

Remuneration

Waypoint REIT's long-term remuneration objectives are to reward strong performance, encourage executive retention, achieve the right balance between 'fixed' and 'at risk' pay and achieve alignment between executive and securityholders' interests. The Board recognises the key to Waypoint REIT's ongoing success lies in providing competitive long-term incentives to retain and attract high-performing employees.

All Waypoint REIT employees earn wages above Australian legal minimum requirements, are based in Australia, and are free to associate and enter into collective bargaining agreements. None of Waypoint REIT's employees are employed under collective bargaining agreements.

Refer to the Remuneration Report on page 45 for further details.

Workplace health, safety and environment

Safety

Waypoint REIT carefully considers the safety credentials of the tenants and parties it deals with across its portfolio. This extends to ensuring alignment with industry standard compliance procedures (and/or contractor requirements specified by tenants) where contractors are engaged by Waypoint REIT to carry out landlord works at Waypoint REIT sites.

Further, Waypoint REIT's incident reporting protocols require us to confirm with tenants our expectations on work, health, safety and environment matters. Incidents reported by tenants are managed under Waypoint REIT's WHS&E Reporting Escalation Protocols. A summary of reported incidents is reviewed by the ARMC quarterly and 'as required' should urgent review be required.

Waypoint REIT's **Health and Wellbeing Policy** promotes health and wellbeing by providing employees with the opportunity for an annual health check and with an EAP, which may be accessed when required.

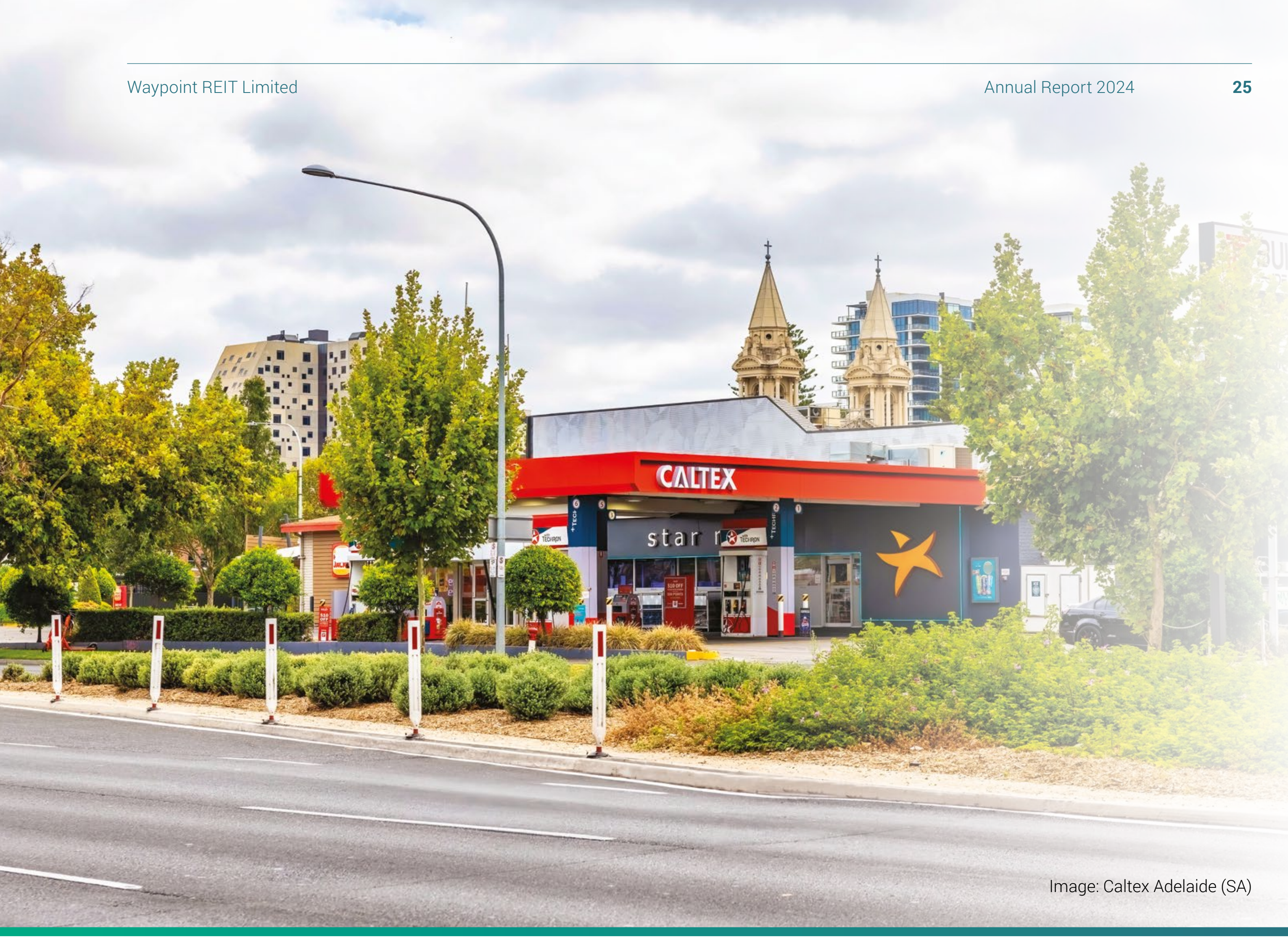


Image: Caltex Adelaide (SA)

Waypoint REIT's **Family and Domestic Violence Support Policy** supports the health, safety and wellbeing of its employees. Waypoint REIT does not tolerate family and domestic violence and provides its employees with an EAP, up to 10 days' paid family and domestic violence support leave, flexible work arrangements, changes to work location, email and contact numbers, and financial assistance to access support such as legal services at the discretion of Waypoint REIT.

Environmental responsibility

Properties in the portfolio are subject to various environmental standards, regulations and laws, which, from time to time, may give rise to liabilities in terms of the status and remediation of those properties. The main environmental risk associated with fuel and convenience retail properties is soil and groundwater contamination caused by fuel leaks. However, the lease attaching to most sites requires tenants to use reasonable endeavours to prevent contamination at each site and indemnify Waypoint REIT for any contamination caused by their operations. Waypoint REIT has an indemnity from Viva Energy in respect of certain liability for historical environmental contamination across 355 assets acquired at the time of Waypoint REIT's initial public offering.

If any property in the portfolio is contaminated by a fuel tenant or its invitee during the term of the lease, the tenant under that lease must remediate it at its cost to a standard consistent with operating the site as a service station (or similar commercial use). However, if the tenant were to fail to meet its obligations under these arrangements (including due to its insolvency), Waypoint REIT may incur significant costs to rectify contamination on the properties and also on other properties that may be consequently impacted.

To minimise Waypoint REIT's potential exposure, we ensure our fuel tenants are strong operators with a focus on environmental protection and personal safety. As at 31 December 2024, 94% of Waypoint REIT's income was derived from Viva Energy.

Viva Energy is a sophisticated and experienced operator of fuel and convenience retail infrastructure. It has policies and procedures in place to minimise the risk of harmful fuel leaks and prioritises early fuel leak detection. Viva Energy has in place a comprehensive work, health, safety and environment control framework and management system. Viva Energy has also implemented spill prevention and control measures across all of its operations, including operational procedures, routine surveillance and risk-based inspection programs, and utilises leak detection technology.

Key metrics

Waypoint REIT did not receive any environmental infringements or notices from environmental regulators in 2024.

Employees of Waypoint REIT had no recordable, work-related injuries in 2024.

Sustainability Report continued

Ethical conduct and transparency

The Board has adopted the following policies governing ethical conduct and transparency:

- Anti-Bribery and Corruption and Anti-Terrorism Financing Policy
- Charitable Giving Policy
- Code of Conduct
- Complaints Handling Policy
- Conflicts of Interest Policy
- Disclosure Policy
- Diversity Policy
- External Auditor Independence and Rotation Policy
- Human Rights Policy
- Investor Relations Policy
- Privacy Policy
- Related Parties Transactions Policy
- Securities Trading Policy
- Supplier Code of Conduct
- Whistleblower Policy

(Collectively referred to as **Key Policies**).

Our **Code of Conduct** outlines how we expect our Directors, senior management, employees and any third party acting on our behalf to behave and conduct themselves in the workplace and is supported by our **Anti-Bribery and Corruption and Anti-Terrorism Financing Policy** and **Conflicts of Interest Policy**.

Our **Supplier Code of Conduct** encourages suppliers and contractors to abide by our Values and we aim to procure goods and services from those organisations demonstrating good ethical practices.

Our **Human Rights Policy** demonstrates our commitment to managing our operations and investments in line with the United Nations Guiding Principles on Business and Human Rights and the Australian *Modern Slavery Act 2018*. This commitment extends to our Directors, employees, contractors, sub-contractors, consultants and suppliers, which we expect to comply with applicable laws, regulations and standards when conducting business.

Our **Charitable Giving Policy** is tied to Waypoint REIT's commitment to help make the communities where Waypoint REIT operates better places to live and do business. The employee matching policy also allows for employees' charitable donations to Waypoint REIT's nominated charity partners to be matched by the company.

We aim to be fully accountable and transparent with the market around fines, breaches and other business transgressions that may occur. A **Whistleblower Policy** and whistleblower hotline support this outcome. Our grievance mechanism is supported by an independent provider. Waypoint REIT had no whistleblower complaints during 2024.

We are subject to several ESG corporate ratings and participate in or respond to information requests or both, where appropriate and feasible based on our resources.

Image: Shell Reddy Express, Mulgrave (NSW)

2024 update

- Waypoint REIT published its fourth **Modern Slavery Statement** in June 2024 in accordance with the *Modern Slavery Act 2018* (Cth). Waypoint REIT will publish its fifth report (relating to FY24) in the coming months.
- Time and effort were also dedicated during the year towards understanding and assessing our external sustainability rankings.
  - Participation in the S&P Global Corporate Sustainability Assessment (**CSA**) was proactively undertaken for the first time in 2022 and Waypoint REIT participated again in 2023 and 2024. Compared with the previous year, the disclosure-based CSA Score is 38, which is higher by one point. The most material drivers by weight are climate strategy, corporate governance and community relations.
  - An improved ranking was achieved on the Sustainalytics assessment compared with the previous year. This was largely driven by changes in Sustainalytics' ESG risk rating score methodology.

External sustainability ratings	2023	2024	Improvement/ (decline)[1]
Sustainalytics risk ratings	15.40 LOW risk	**13.04 LOW risk**	2.36
S&P Global CSA score	37	**38**	1

1. The ESG ratings disclosed for Waypoint REIT are the historical average ESG risk ratings per year.

Cyber security risk

Management of cyber risks was an area of focus for Waypoint REIT in 2024. Key initiatives included:

- **Information Risk Management Policy** – updated to provide guidelines and best practices for the responsible use of AI, and to document how employees can report misuse or concerns about the inappropriate use of AI. In addition, all employees in FY24 undertook training on this policy and were asked to formally acknowledge that they will comply with this policy. This policy is available to all Directors and employees on the intranet.
- **Cyber Incident Response Plan** (**CIRP**) – adopted alongside the existing **Business Continuity Plan** (**BCP**) and **Disaster Recovery Plan** (**DRP**). The CIRP specifically targets the response to cyber incidents such as data breaches, ransomware attacks or phishing incidents. It provides detailed steps and the response needed to handle the unique complexities of cyber incidents such as detecting, containing, eradicating and recovering from these cyber threats while also preserving evidence for potential legal actions.
- **Employee training**: In FY24, all employees undertook training on the CIRP, BCP and DRP policies and were asked to formally acknowledge that they will comply with these policies. All three policies are available to all Directors and employees on the intranet.

Sustainability Report continued

Sustainability consolidated data tables

	Units	FY24	FY23
Our people			
Total employees	#	8	8
Total employees in full-time roles	#	4	4
Total employees in part-time roles	#	4	4
Employee turnover voluntary	%	–	–
Employee turnover involuntary	%	–	–
Total employees (male/female)	%	50/50	50/50
Executives (male/female)	%	75/25	75/25
Board of Directors (male/female)	%	40/60	60/40

Climate change and energy			
Greenhouse gas (GHG) emissions			
Total Scope 1	t-CO_2-e	–	–
Total Scope 2	t-CO_2-e	–	2.84
Direct Scope 3			
Category 3: Fuel and energy related emissions	t-CO_2-e	-	0.35
Category 5: Waste generated in operations	t-CO_2-e	0.86	0.11
Category 6: Business travel	t-CO_2-e	5.60	57.51
Category 7: Employee commuting	t-CO_2-e	4.99	6.43
Category 8: Upstream leased assets	t-CO_2-e	5.71	1.56
Total – Direct Scope 3	t-CO_2-e	17.16	65.96
Total Scope 1, Scope 2 and Direct Scope 3 GHG emissions – Measured Emissions	**t-CO_2-e**	**17.16**	**68.80**
Carbon offsets purchased and surrendered	t-CO_2-e	25.00	115.00[1]

Workplace health, safety and the environment			
Health and safety			
Total recordable injuries	#	–	–
Environment			
Total environmental infringement or notices	#	–	–

1. FY23 carbon offsets purchased and surrendered included offsets representing the avoidance, reduction or removal of 45 tonnes of greenhouse gas emissions surrendered in relation to a prior period restatement of FY22 GHG emissions.

Limited Assurance Report

To the **Directors of Waypoint REIT Limited**

Independent Limited Assurance Report on identified Subject Matter Information within the Sustainability Report section of the Waypoint REIT Annual Report 2024

The Board of Directors of Waypoint REIT Limited engaged us to perform an independent limited assurance engagement in respect of the identified Subject Matter Information specified below in the Sustainability Report section of the Waypoint REIT Annual Report 2024 for the year ended 31 December 2024 (the '**Subject Matter Information**').

Subject Matter Information and criteria

The Subject Matter Information and the criteria of Waypoint REIT Limited and its controlled entities, and Waypoint REIT Trust and its controlled entities (together '**Waypoint**' or '**the Group**') are as set out below:

Table 1 – Subject Matter Information

Our people (as at 31 December 2024)

- Total employees – **8**
- Total employees in permanent full-time roles – **4**
- Total employees in permanent part-time roles – **4**
- Employee turnover (voluntary) % – **0**
- Total employees (male/female) % – **50/50**
- Executives (male/female) % - **75/25**
- Board of Directors (male/female) % - **40/60**

Workplace health and safety (for the 12 months ended 31 December 2024)

- Total recordable injuries – **0**
- Total environmental infringements or notices – **0**

Climate change and energy (for the year ended 31 December 2024)

- Greenhouse gas (GHG) emissions
    - Total Scope 1 – **0 t CO2-e**
    - Total Scope 2 – **0 t CO2-e**
    - Direct Scope 3
        - Category 3: Fuel and energy related emissions – **0 t CO2-e**
        - Category 5: Waste generated in operations – **0.86 t CO2-e**
        - Category 6: Business travel – **5.60 t CO2-e**
        - Category 7: Employee commuting – **4.99 t CO2-e**
        - Category 8: Upstream leased assets – **5.71 t CO2-e**
- Carbon offsets:
    - Carbon offsets purchased and surrendered – **25 t CO2-e**

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Sustainability Report continued

The criteria used by Waypoint to prepare the Subject Matter Information is set out in the *"Sustainability data basis of preparation"* disclosed on page 33-34 within the Sustainability Report section of the Waypoint REIT Annual Report 2024 (the '**Reporting Criteria**'). We assessed the Subject Matter Information against the Reporting Criteria. The Subject Matter Information needs to be read and understood together with the Reporting Criteria.

Our assurance conclusion is with respect to the year ended 31 December 2024, or for the periods otherwise specified within Table 1, and does not extend to information in respect of earlier periods or to any other information included in, or linked from, the Sustainability Report section of the Waypoint REIT Annual Report 2024 including any images, audio files or videos.

Responsibilities of Management

Management of Waypoint ('**Management**') is responsible for the preparation of the Subject Matter Information in accordance with the Reporting Criteria. This responsibility includes:

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring, evaluating and preparing the underlying Subject Matter Information;
- ensuring that those criteria are relevant and appropriate to Waypoint and the intended users; and
- designing, implementing and maintaining systems, processes and internal controls relevant to the preparation of the Subject Matter Information, which is free from material misstatement, whether due to fraud or error.

The maintenance and integrity of Waypoint's website is the responsibility of Management; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Subject Matter Information or Reporting Criteria when presented on Waypoint's website.

Our independence and quality control

We have complied with the ethical requirements of the Accounting Professional and Ethical Standard Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* relevant to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Australian Standard on Quality Management ASQM 1*, Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibilities

Our responsibility is to express a limited assurance conclusion based on the procedures we have performed and the evidence we have obtained.

Our engagement has been conducted in accordance with the Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and ASAE 3410 *Assurance Engagements on Greenhouse Gas Statements*. Those standards require that we plan and perform this engagement to obtain limited assurance about whether anything has come to our attention to indicate that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Reporting Criteria, for the year ended 31 December 2024, or for the periods otherwise specified within Table 1.

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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 and 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. Accordingly, we do not express a reasonable assurance opinion.

In carrying out our limited assurance engagement we:

- Assessed the suitability of the Reporting Criteria and the preparation and collation of the Subject Matter Information against this Reporting Criteria;
- Made enquiries of Management to obtain an understanding of the processes and controls in place for capturing, collating, calculating, and reporting the Subject Matter Information;
- Performed limited substantive testing on a selective basis of the Subject Matter Information to assess that data had been appropriately measured, recorded, collated and reported;
- Assessed the appropriateness of assumptions, estimates, and methodologies, including relevant greenhouse gas emission factors and energy conversion factors, applied in calculating the Subject Matter Information;
- Tested the mathematical accuracy of the underlying calculations of the Subject Matter Information;
- Agreed the Subject Matter Information to underlying data sources;
- Undertook analytical procedures over the Subject Matter Information and the underlying data utilised within its preparation; and
- Considered the disclosure and presentation of the Subject Matter Information.

The Subject Matter Information includes carbon offsets ('**offsets**') purchased and surrendered of 25 tonnes of CO2-e as part of Waypoint's commitment to offset its Measured Emissions. We have performed procedures as to whether these offsets:

- were purchased and surrendered; and
- met the requirements to be considered Eligible Offset Units set out within the Reporting Criteria.

We have not, however, performed any procedures regarding the external providers of these offsets, and express no conclusion about whether the offsets have resulted, or will result, in a reduction of 25 tonnes of CO2-e.

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

Inherent limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or non-compliance may occur and not be detected. A limited assurance engagement is not designed to detect all instances of non-compliance of the Subject Matter Information with the Reporting Criteria, as it is limited primarily to making enquiries of Management and applying analytical procedures.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time. In addition, GHG quantification is subject to inherent uncertainty because of evolving knowledge and information to determine emissions factors and the values needed to combine emissions of different gases. The limited assurance conclusion expressed in this report has been formed on the above basis.

Sustainability Report continued

Our limited assurance conclusion

Based on the procedures we have performed, as described under 'Our responsibilities' and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Reporting Criteria for the year ended 31 December 2024, or for the periods otherwise specified within Table 1.

Use and distribution of our report

We were engaged by the board of directors of Waypoint on behalf of Waypoint to prepare this independent assurance report having regard to the criteria specified by Waypoint and set out in this report. This report was prepared solely for Waypoint for the information of the Directors of Waypoint in accordance with the agreement between us. Per our agreement, we will permit the disclosure of our limited assurance report, in full only and accompanied by the Waypoint REIT Annual Report 2024 which contains selected information to which our assurance report relates, and the Reporting Criteria used to evaluate or measure the Subject Matter Information.

We accept no duty, responsibility or liability to anyone other than Waypoint in connection with this report or to Waypoint for the consequences of using or relying on it for a purpose other than that referred to above. We make no representation concerning the appropriateness of this report for anyone other than Waypoint and if anyone other than Waypoint chooses to use or rely on it they do so at their own risk.

This disclaimer applies to the maximum extent permitted by law and, without limitation, to liability arising in negligence or under statute and even if we consent to anyone other than Waypoint receiving or using this report.

PricewaterhouseCoopers

PricewaterhouseCoopers

Adam Cunningham

Adam Cunningham
Partner

Melbourne
27 March 2025

Sustainability data basis of preparation

Environmental metrics

Reporting boundaries

- GHG emissions are reported in accordance with *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition, 2004* (*World Business Council for Sustainable Development and the World Resources Institute*).
- GHG emissions reporting boundaries have been established with reference to The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition, 2004 (*World Business Council for Sustainable Development and the World Resources Institute*), *and the WRI/WBCSD's Corporate Value Chain (Scope 3) Accounting and Reporting Standard, Supplement* to the *GHG Protocol Corporate Accounting and Reporting Standard* (together, the **GHG Protocol**).
- Scope 1 and 2 emissions are reported for facilities under operational control of Waypoint REIT (as defined within the *National Greenhouse and Energy Reporting Act 2007*) (the **Waypoint facilities**).
- Selected (direct) Scope 3 emissions reported consist of the following GHG Protocol categories: fuel and energy-related activities (category 3), waste generated in operations (category 5), business travel (category 6), employee commuting (including working from home) (category 7) and upstream leased assets (category 8).
- Other (indirect) Scope 3 emissions not reported consist of the following GHG Protocol categories: Purchased goods and services (category 1), capital goods (category 2), and downstream leased assets (category 13), including but not limited to fuel and convenience tenants' electricity consumption, shop refrigerant use and fugitive emissions.
- The selected emissions measured and reported are collectively referred to as Waypoint's **Measured Emissions**.
- All other GHG Protocol Scope 3 emissions categories were not deemed relevant.

Emissions calculations

- Scope 1, 2 and selected (direct) Scope 3 emissions are calculated in accordance with the GHG Protocol methodology using available emission factors, in order of priority, from the *Australian National Greenhouse Accounts Factors 2024* (Department of Climate Change, Energy, the Environment and Water (Fed)) (**NGA Factors**), *UK Government GHG Conversion Factors for Company Reporting 2024* (Department for Energy Security & Net Zero (UK)) (**UK Company Reporting factors**) and other industry-based methodologies. Emission factors including well-to-tank emissions and radiative factoring have been utilised where applicable where UK Company Reporting factors have been applied.
- Where buildings in which Waypoint facilities are located, or products and services which Waypoint acquires are certified as carbon neutral by Climate Active, emission factors of zero are applied where relevant.
- Activity data for emission calculations is actual data where available, supplemented by management estimates, spend-based consumption data and relevant industry information and/or research, as set out below:
  - **Scope 1 emissions:** Direct emissions generated from the operation of Waypoint facilities, consisting primarily of emissions from the combustion of fuels. Total fuel consumption at Waypoint facilities is based on third-party invoices supplemented by management estimates.
  - **Scope 2 emissions:** Indirect emissions as a result of one or more activities that generate electricity or, where relevant, heating, cooling or steam, that is consumed at Waypoint facilities, where the direct emissions are generated at facilities that are not Waypoint facilities. Scope 2 emissions for Waypoint facilities consist primarily of emissions associated with the consumption of electricity, with the amount of electricity consumed based on third-party invoices supplemented by management estimates. Scope 2 emissions in relation to electricity are reported using a market-based method in accordance with Method B – market-based method from the *National Greenhouse and Energy Reporting (Measurement) Determination 2008*.
  - **Direct Scope 3 emissions:** Direct Scope 3 emissions reported consists of the following GHG Protocol categories:
    a) **Scope 3 emissions: fuel and energy-related activities (category 3)** – Emissions associated with the production, transmission and distribution of fuel and energy consumed at Waypoint facilities (where not included as Scope 1 or Scope 2 emission). Total fuel and energy consumption at Waypoint facilities is based on third-party invoices supplemented by management estimates.
    b) **Scope 3 emissions: waste generated in operations (category 5)** – Emissions associated with waste generated by Waypoint facilities. Total waste generated, including both waste recycled and waste sent to landfill, is based on waste amounts for each Waypoint facility reported by relevant property managers within the most recent available reporting period for these buildings.
    c) **Scope 3 emissions: business travel (category 6)** – Emissions associated with business travel of Waypoint REIT employees, consisting of emissions associated with air and land travel and accommodation.
      i) **Air travel** – Emissions are estimated using the total distance travelled and class of travel based on travel data provided by Waypoint REIT's corporate travel providers.
      ii) **Car hire/taxi** – Emissions are estimated using the total distance travelled based on total spend on taxis and other car travel (Uber etc) converted with reference to the 2014 State & Territory Taxi Statistics from the Australian Taxi Industry Association (ATIA), adjusted for inflation.
      iii) **Public transport** – Emissions are estimated using the total distance travelled, which is estimated based on spend on public transport and average trip distances of routes utilised.
      iv) **Accommodation** – Emissions are estimated using the total nights of accommodation based on actual spend on accommodation and meals while travelling converted to nights of accommodation using an estimated average spend per night.

Sustainability Report continued

d) **Scope 3 emissions: employee commuting (including working from home) (category 7)** emissions associated with Waypoint REIT employees commuting and working from home.

  i) Employee commuting – Days/hours working from office, travel distances and methods of travel are based on data from office facility access reports and employee surveys undertaken by Waypoint REIT.

  ii) Working from home – Working-from-home employee data are based on data from office facility access reports employee surveys undertaken by Waypoint REIT. The working-from-home emissions have been calculated with reference to the UK Company Reporting factors.

e) **Scope 3 emissions: upstream leased assets (category 8)** – Emissions associated with the operation of assets that are leased by Waypoint REIT and not already included in the reporting of Scope 1, Scope 2 or other Scope 3 categories consisting primarily of share of base building emissions for offices in which Waypoint REIT leases office space on a share of net lettable area basis. Emissions are based on actual data provided by the building managers for the most recent annual reporting period and/or management estimates.

- Scope 3 emissions not reported consists of the following GHG Protocol categories: purchased goods and services (category 1), capital goods (category 2), and downstream leased assets (category 13).

Carbon offsets

Carbon offsets are purchased and surrendered to compensate for the Measured Emissions generated by Waypoint REIT's activities during the reporting period. Each carbon offset represents the offset of one tonne of CO_2 equivalent greenhouse gas emissions, with carbon offsets purchased and surrendered considered 'Eligible Offset Units' as set out in Appendix A of the *Climate Active Carbon Neutral Standard for Organisations* effective from 26 October 2022.

Total environmental infringements or notices

The total number of environmental infringement or notices reported during the 12-month reporting period issued by an environmental or government regulator to a WPR entity for any environmental incidents reported under the operational control of the relevant WPR entity.

People metrics

- **Total employees** – Total number of permanent, fixed-term and part-time employees of Waypoint REIT as at the end of the reporting period.
- **Total employees in full-time roles** – An employee of Waypoint REIT under a permanent contract who works a standard work week, which is 38 hours.
- **Total employees in part-time roles** – An employee of Waypoint REIT under a permanent contract who works less than the 38 hours deemed to be a standard work week.
- **Employee turnover %** – The number of employees who left Waypoint REIT as a percentage of the average total employees during the 12-month reporting period.

Voluntary turnover covers voluntary exits of employees of Waypoint REIT as a result of resignation, relocation or retirement.

Involuntary turnover covers involuntary exits of employees of Waypoint REIT as a result of employment termination by the employer.

- **Total employees (male/female) %** – The number of permanent, fixed-term and part-time casual employees of Waypoint REIT of each gender as a percentage of the total employees as at the end of the reporting period.
- **Executives** – Executives are defined as the Managing Director and CEO and direct reports of the Managing Director and CEO who are heads of organisational function areas (e.g. Finance, Legal/Compliance, Property).
- **Executives (male/female) %** – The number of executives of each gender as a percentage of the total number of executives.
- **Board of Directors (male/female) %** – The number of Directors of the Waypoint REIT Board of Directors (Board members) of each gender as a percentage of the total number of Board members as at the end of the reporting period.

Safety metrics

Total recordable injuries

The total number of recordable injuries to Waypoint REIT employees during the 12-month reporting period.

Recordable injuries include work-related injuries or illness suffered by a Waypoint REIT employee and include the following types of injury classification:

- **Medical treatment injuries** – An injury or illness requiring medical treatment by a qualified medical practitioner, other than first aid, that is sustained during a single work-related event. Such treatment must be provided by a medical practitioner and evidenced through a valid medical certificate.
- **Lost time injuries** – Any work-related physical injury/illness that results in absence from work for at least one scheduled day or full shift after the event (i.e. next shift).

Recordable injuries do not include first aid injuries and non-work-related injuries. A first-aid injury is any work-related injury to an employee that results in minor treatment (e.g. dressing on a minor cut, removal of a splinter, hot and cold compresses) regardless of who administers the first aid treatment and does not result in lost time, i.e. treatment given is within the scope of a trained first aider.

Financial Report

Image: Caltex Findon (SA)

Directors' Report

The Directors of Waypoint REIT Limited (**Company**) and VER Limited (**Responsible Entity**), the Responsible Entity of Waypoint REIT Trust (**Trust**), present their report together with the financial statements of Waypoint REIT (**Waypoint REIT**) and the financial statements of Waypoint REIT Trust Group (**Trust Group**) for the year ended 31 December 2024.

Waypoint REIT is a stapled group consisting of the Company and the Trust and their respective controlled entities. The financial statements of Waypoint REIT comprise the Company, the Trust and their respective controlled entities. The financial statements of the Trust Group comprise the Trust and its controlled entities. The portfolio of fuel and convenience retail properties is held by 100% controlled entities of the Trust.

The Company owns all of the shares in VER Limited (the **Responsible Entity**).

Directors of Waypoint REIT Limited

The following persons were Directors of Waypoint REIT Limited during the year and up to the date of this report, unless otherwise noted:

Georgina Lynch	Independent Non-Executive Chair
Susan MacDonald	Independent Non-Executive Director
Christopher Lawton	Independent Non-Executive Director
Gai McGrath	Independent Non-Executive Director (appointed 1 August 2024)
Laurence Brindle	Independent Non-Executive Chair (retired 15 May 2024)
Hadyn Stephens	Managing Director and Chief Executive Officer

Tina Mitas was appointed as Company Secretary on 15 May 2018 and continues in office at the date of this report.

Directors of VER Limited

The following persons were Directors of VER Limited during the year and up to the date of this report, unless otherwise noted:

Georgina Lynch	Independent Non-Executive Chair
Susan MacDonald	Independent Non-Executive Director
Christopher Lawton	Independent Non-Executive Director
Gai McGrath	Independent Non-Executive Director (appointed 1 August 2024)
Laurence Brindle	Independent Non-Executive Chair (retired 15 May 2024)
Hadyn Stephens	Managing Director and Chief Executive Officer

Tina Mitas was appointed as Company Secretary on 15 May 2018 and continues in office at the date of this report.

Principal activities

During the period, the principal activity of Waypoint REIT was investment in fuel and convenience retail property.

Waypoint REIT is Australia's largest listed REIT owning solely fuel and convenience retail properties, with a high-quality network across all Australian states and mainland territories. Waypoint REIT's objective is to maximise the long-term income and capital returns from its ownership of the portfolio for the benefit of all securityholders.

The majority of the properties in the portfolio are leased to Viva Energy Australia Pty Limited (**Viva Energy** – a wholly owned subsidiary of Viva Energy Group Limited (**Viva Energy Group**)), with other tenants including other fuel and convenience retail operators and non-fuel tenants.

Significant changes in state of affairs

There were no significant changes in the state of affairs of Waypoint REIT that occurred during the period.

Distribution to securityholders

Distributions paid during the period were as follows:

	2024 $ million	2023 $ million
Distributions paid in the period to 31 December 2024		
Final distribution for year ended 31 December 2023 – 4.10 cents per security paid on 26 February 2024	**27.5**	–
Interim distribution for the quarter ended 31 March 2024 – 4.12 cents per security paid on 10 May 2024	**27.7**	–
Interim distribution for the quarter ended 30 June 2024 – 4.12 cents per security paid on 29 August 2024	**27.7**	–
Interim distribution for the quarter ended 30 September 2024 – 4.12 cents per security paid on 15 November 2024	**27.7**	–
Distributions paid in the period to 31 December 2023		
Final distribution for year ended 31 December 2022 – 4.03 cents per security paid on 27 February 2023	**–**	27.1
Interim distribution for the quarter ended 31 March 2023 – 4.12 cents per security paid on 12 May 2023	**–**	27.7
Interim distribution for the quarter ended 30 June 2023 – 4.16 cents per security paid on 28 August 2023	**–**	27.9
Interim distribution for the quarter ended 30 September 2023 – 4.10 cents per security paid on 15 November 2023	**–**	27.5
Total distributions paid	**110.6**	**110.2**

A distribution of 4.12 cents per security ($27.7 million) is to be paid on 27 February 2025 for the quarter ended 31 December 2024 and this has been provided for in the financial statements.

Operating and financial review

Distributable Earnings in FY24 were consistent with FY23 at $110.7 million, with increased rental income from annual rent escalations ($4.8 million) and lower operating expenses ($0.2 million) offset by higher net interest expense due to a higher cost of debt ($4.8 million) and higher tax expense ($0.2 million).

Distributable Earnings per security were 16.48 cents, in line with FY23.

The statutory result increased by $210.6 million from a statutory net loss of $79.1 million in FY23 to a net profit of $131.5 million in FY24, primarily driven by valuation movements on investment property, with a net gain of $28.4 million in FY24 compared to a net loss of $184.5 million in FY23.

The management expense ratio (MER) in FY24 was 0.30% (FY23: 0.30%) with lower operating expenses offset by the impact of a lower asset base as a result of valuation movements on investment properties.

Gearing was 32.6%[1] as at 31 December 2024 (31 December 2023: 32.8%). Net tangible assets per security at 31 December 2024 increased by 1.1% to $2.76 (31 December 2023: $2.73) primarily due to net valuation movements on investment property.

1. Calculated as net debt (excluding foreign exchange and fair value hedge adjustments)/total assets excluding cash. This differs from Covenant Gearing which is equal to 34.3%.

Directors' Report continued

Operating and financial review continued

Key financial metrics

	FY24	FY23
Statutory net profit/(loss) after tax	**$131.5 million**	($79.1) million
Distributable Earnings[1]	**$110.7 million**	$110.7 million
Distributable EPS	**16.48 cents**	16.48 cents
Management expense ratio[2]	**0.30%**	0.30%

	31 Dec 2024	31 Dec 2023
Total assets	**$2,825.0 million**	$2,797.9 million
Gross borrowings	**$931.6 million**	$927.6 million
Net assets	**$1,854.8 million**	$1,832.6 million
NTA per security	**$2.76**	$2.73
Gearing[3]	**32.6%**	32.8%
Covenant Gearing[4]	**34.3%**	34.6%

1. Distributable Earnings is a non-statutory measure of profit and is calculated as net profit adjusted to remove transaction costs, amortisation of tenant incentives, specific non-recurring items and non-cash items (including straight-lining of rental income, the amortisation of debt establishment fees, long-term incentive expense and any fair value adjustment to investment properties and derivatives).
2. Management expense ratio is calculated on an annualised basis as the ratio of operating expenses (excluding net property expenses) over average total assets (excluding derivative financial assets).
3. Gearing is calculated as net debt (excluding foreign exchange and fair value hedge adjustments)/total assets excluding cash.
4. Covenant Gearing is calculated as total liabilities/total assets but excluding any mark-to-market valuations of derivative assets/liabilities. This is the measure used to determine compliance with Waypoint REIT's gearing covenants.

Financial results

	FY24 $ million	FY23 $ million
Rental income	**162.3**	157.5
Finance income	**1.1**	0.9
Total operating income	**163.4**	**158.4**
Operating expenses	**(9.7)**	(9.9)
Interest expense	**(42.8)**	(37.8)
Income tax expense	**(0.2)**	–
Distributable Earnings	**110.7**	**110.7**
Net fair value gain/(loss) on investment properties	**28.4**	(184.5)
Net profit/(loss) on sale of investment properties	**0.2**	–
Straight-line rental income	**1.6**	5.9
Amortisation of borrowing costs	**(2.8)**	(1.7)
Amortisation of tenant incentives	**–**	–
Net loss from derivative financial instruments	**(6.4)**	(9.3)
Long-term incentive expense	**(0.2)**	(0.2)
Statutory net profit/(loss) after tax	**131.5**	**(79.1)**

Investment property portfolio

	31 Dec 2024	31 Dec 2023
Total value of investment properties	**$2,793.5 million**	$2,769.3 million
Total properties in portfolio	**400**	402
Portfolio occupancy	**99.9%**	99.9%
Weighted average capitalisation rate	**5.72%**	5.68%
Weighted average lease expiry	**7.1 years**	8.1 years

During the year, 158 investment properties (representing approximately 40% of the portfolio, by number) were independently valued, including 77 at 30 June 2024 and 81 at 31 December 2024. Directors' valuations were performed on the balance of the portfolio at each balance date (319 investment properties at 31 December 2024).

Capital management

As at 31 December 2024:

- Gearing was 32.6%[2] (within the target range of 30-40%);
- Drawn debt was $931.6 million with $167.0 million of undrawn facilities;
- Weighted average debt maturity was 4.1 years; and
- 93% of Waypoint REIT's debt was hedged through a combination of fixed rate debt and interest rate swaps. The weighted average maturity of fixed rate debt and hedges was 2.6 years.

During the year, Waypoint REIT entered into a new $500.0 million syndicated bank debt facility with proceeds used to repay and cancel $450.0 million of existing bank facilities and term loans. The new facility ranks equally with Waypoint REIT's existing senior, unsecured debt and is structured across three tranches: a $150.0 million three-year term loan, a $250.0 million five-year revolving credit facility and a $100.0 million seven-year term loan.

During the period, Waypoint REIT also entered into $325.0m million of additional forward start interest rate swaps. These swaps add to interest rate hedging between FY25 and FY29, further supporting the resilience of Waypoint REIT's earnings against volatility in floating interest rates.

Matters subsequent to the end of the financial period

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect:

- the operations of Waypoint REIT in future financial years;
- the results of those operations in future financial years; or
- the state of affairs of Waypoint REIT in future financial years.

2025 outlook

Waypoint REIT expects to deliver Distributable Earnings per security of 16.48 cents in 2025, in line with 2024.

The guidance assumes no buybacks/capital returns, acquisitions or redevelopment expenditure in 2025, although we will consider opportunities to do so if in the best interests of securityholders. The guidance also assumes the sale of three non-core assets currently in due diligence (book value of approximately $15.0 million) and no material changes in Waypoint REIT's operating environment.

2. Calculated as net debt (excluding foreign exchange and fair value hedge adjustments)/total assets excluding cash. This differs from Covenant Gearing which is equal to 34.3%.

Directors' Report continued

Material business risks

The material business risks that could adversely affect Waypoint REIT's financial prospects include the following:

Tenant concentration risk, financial standing and sector concentration risk

94.2% of Waypoint REIT's rental income is currently received from Viva Energy. If Viva Energy's financial standing materially deteriorates and impacts its ability to make rental payments, Waypoint REIT's financial results, financial position and ability to service and/or obtain financing will be adversely impacted. Furthermore, a material decline in the profitability of Viva Energy's business due to the global transition to a low carbon economy, the possible termination of Viva Energy's right to use the Shell brand (current agreement expires in 2029), risks to the successful integration of the recent acquisition of Coles Express or On The Run or other factors outside the control of Waypoint REIT could affect the perceived stability of the rental income of Waypoint REIT and may affect Waypoint REIT's security price and/or ability to obtain financing on acceptable terms. A material decline in the profitability of Viva Energy's business could also lead to reduced capacity or ability for Viva Energy to pay market rents when renewal options are exercised, which could result in lower rental receipts and/or a decline in the values of Waypoint REIT's investment properties if Waypoint REIT is unable to lease the property to an alternate tenant.

Collection risk

Waypoint REIT performs financial due diligence on potential new tenants and holds collateral in the form of security deposits or bank guarantees where appropriate. Rent is due in advance on the first day of each billing period (typically monthly), with arrears monitored and arrears notices issued on a regular basis (where required). Waypoint REIT applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other financial assets. The loss allowances for trade and other financial assets are based on assumptions about risk of default and expected loss rates. Waypoint REIT uses judgement in making these assumptions, based on Waypoint REIT's past history and existing market conditions as well as forward looking estimates at the end of each reporting period.

Market rents

Market rents are a key component of Waypoint REIT's biannual investment property valuation process, with independent market rent determinations also incorporated into the majority of lease extension options where the parties cannot agree on the market rent for a particular property. The assessment of market rents is subjective, and there is a risk that the market rent set by an independent valuer at the end of the current lease term will be different to the market rent used by Waypoint REIT's independent valuer (for independently valued properties) or Waypoint REIT itself (for Directors' valuations), which could have an impact on future investment property valuations and Waypoint REIT's future income.

Re-leasing and vacancy risk

Waypoint REIT's property portfolio is 99.9% occupied with a weighted average lease expiry of 7.1 years and only 6 leases (representing 0.7% of annual rental income) are due to expire before the end of 2025. The majority of the portfolio (354 of 416 contracted leases) is subject to multiple 10-year options in favour of the tenant, with the rent from commencement of each option period to either be agreed between the parties or set by independent market rent determination. However, there is a risk that tenants may not exercise their option, or that the commencing rent will be lower than passing rent and/or market rent (if agreed between the parties).

Investment property value risk

The value of Waypoint REIT's portfolio of investment properties may be adversely affected by a number of factors, including factors outside the control of Waypoint REIT, including the supply of, and demand for, fuel and convenience retail properties, general property market conditions, climate risks, the remaining lease term of individual properties, the availability and cost of credit including sector-specific environmental, sustainability and governance considerations, the ability to attract and implement economically viable rental arrangements, Viva Energy's financial condition deteriorating, occupiers not extending the term of leases, and general economic factors such as the level of inflation and interest rates, which may adversely impact capitalisation rates.

A key long-term consideration in the valuation of fuel and convenience properties is an increasing uptake of vehicles fuelled by alternative energy sources due to factors including changes in consumer behaviour, pro-emission reduction policies, reduced supply and/or higher pricing of fossil fuels.

As changes in valuations are recorded on the statutory statements of comprehensive income, any decreases in value will have a negative impact on the statutory statements of comprehensive income and balance sheets (including the net tangible assets per security) and in turn the market price of Waypoint REIT's securities may fall. Waypoint REIT's financing facilities also contain gearing covenants, and the headroom to these gearing covenants is affected by changes in the valuation of the portfolio.

The property portfolio is geographically diversified to mitigate the risk of localised valuation impacts and the majority of assets are located in metropolitan areas which typically have higher underlying land values and alternative use potential. Active portfolio management, including the disposal of assets with heightened vacancy or negative rental reversion risk, also, in part, can mitigate this risk.

In addition, where a tenant proposes to undertake capital works on the property, there is a risk that this will adversely impact the value of the asset. The majority of leases with Viva Energy include clauses that allow the tenant to undertake capital works on the property. This right is typically subject to the landlord's consent, which cannot be unreasonably withheld. As landlord, a key consideration for Waypoint REIT when providing this consent is any potential adverse impact on the value of the asset and this will largely depend on the facts in any given situation.

Environmental and climate change risk

Waypoint REIT depends on its tenants to perform their obligations under various environmental arrangements in relation to properties they lease. Waypoint REIT has an indemnity from Viva Energy in respect of certain liability for historical environmental contamination across 354 assets acquired at the time of Waypoint REIT's initial public offering. Waypoint REIT also carries out environmental due diligence in relation to potential property acquisitions. If any property in the portfolio is contaminated by a fuel tenant or its invitee during the term of the lease, the tenant under that lease must remediate it, at their cost, to a standard consistent with operating the site as a fuel and convenience property or similar commercial use. If the tenants were to fail to meet their obligations under these arrangements (including due to their insolvency), Waypoint REIT may incur significant costs to rectify contamination on its properties and also on other properties which may be consequently impacted.

Waypoint REIT is subject to a range of regulatory regimes (including environmental or climate-change related regulations) that cover the specific assets of Waypoint REIT and how they are operated. These regulatory regimes are subject to ongoing review and change that may increase the cost of compliance, reporting and maintenance of Waypoint REIT's assets. There remains a risk that Waypoint REIT, as owner of the properties in the portfolio, may face liability for breach by others of environmental laws and regulations.

Extreme weather and other climate change-related events have the potential to damage Waypoint REIT's assets and disrupt the tenants' operations. Although 376 of Waypoint REIT's 400 properties (89.8% of the portfolio by value) are subject to triple-net leases where the tenant is responsible for maintenance and insurance costs, such events may result in higher maintenance and insurance costs for Waypoint REIT's assets that are not subject to triple-net leases. Such events may also affect the ability to re-lease Waypoint REIT's investment properties in the future and the rent levels for which they can be leased, thereby adversely affecting future investment property valuations and rental cash flows. Insurance premiums and/or deductibles may change, or insurance may not be able to be obtained at all.

The precise nature of these risks is uncertain as it depends on complex factors such as policy and regulatory change, technology development, market forces, and the links between these factors and climatic conditions. The impacts of physical and transition risks on the valuation of Waypoint REIT's property portfolio are further considered under 'investment property valuation' risk above.

AFSL compliance risk

VER Limited, a subsidiary of Waypoint REIT Limited, holds an Australian Financial Services Licence (**AFSL**) and acts as the Responsible Entity for Waypoint REIT Trust. The AFSL requires, among other matters, minimum levels of net tangible assets, liquid assets, cash reserves and liquidity, which may restrict Waypoint REIT in paying distributions that would breach these requirements.

The Directors review and monitor VER Limited's balance sheet quarterly and the adequacy and ongoing training of responsible managers annually to ensure compliance with its AFSL requirements.

Personnel risk

Loss of key personnel could potentially have an adverse impact on the management and the financial performance of Waypoint REIT and in turn may affect the returns to securityholders. To mitigate this risk, processes and procedures are standardised and automated to the extent practicable, remuneration structures include components payable on a deferred basis, and employees are subject to market-standard notice periods to ensure that Waypoint REIT has sufficient time in which to identify and hire replacement employees.

Directors' Report continued

Material business risks continued

Cyber security risk

Cyber-attacks are becoming increasingly sophisticated and a material data breach, ransom attack or data loss could have an adverse financial or reputational impact. To help mitigate this risk, Waypoint REIT uses the services of third-party technology experts, has a business continuity and cyber incident response plan, maintains regular data back-ups, provides regular staff training and performs pre-implementation and annual reviews over key Software as a Service providers.

Debt agreement and refinancing risk

Waypoint REIT has outstanding debt facilities. General economic and business conditions, changes to Waypoint REIT's credit rating as well as sector-specific environmental, sustainability and governance considerations could impact Waypoint REIT's ability to refinance its debt facilities when required or may result in Waypoint REIT being subject to increased interest rate margins and covenants restricting its ability to engage in certain types of activities or to pay distributions to securityholders. Debt may not be able to be renewed or obtained at all.

If debt facilities are not available or are not available in adequate volume, Waypoint REIT may need to sell assets or raise equity to repay debt. There is no guarantee that there will be willing purchasers for Waypoint REIT's assets or that purchasers will pay prices at or greater than the book value of these investment properties. There is also no guarantee that Waypoint REIT will be able to raise equity. To help mitigate this risk, debt maturities are staggered, debt is held across a diverse set of sources, lenders and geographies, and debt is typically refinanced at least 12 months in advance of maturity.

If a third-party entity gains control of Waypoint REIT, this would constitute a review event under certain of Waypoint REIT's debt facility agreements, and (subject to specified negotiation and notification periods) a repayment of some or all of Waypoint REIT's debt facilities may be required.

The Directors regularly monitor the debt facility covenants for compliance and consider the refinancing options and timing available to Waypoint REIT.

Cash flow and fair value interest rate risk

Waypoint REIT's floating rate borrowings and derivative financial instruments expose it to a risk of change in future cash flows or the fair value of derivative financial instruments due to changes in interest rates. Waypoint REIT uses interest rate derivative financial instruments to partially hedge its economic exposure to changes in interest rates on variable rate borrowings. By hedging against changes in interest rates, Waypoint REIT has reduced exposure to changes in interest rates on its outward cash flows so long as the counterparties to those interest rate derivative financial instruments meet their obligations to Waypoint REIT.

Foreign exchange rate risk

A portion of Waypoint REIT's debt is denominated in US dollars and as a result, Waypoint REIT is exposed to a risk of change in fair value or future cash flows due to changes in foreign exchange rates. Waypoint REIT economically hedges 100% of its exposure to changes in foreign exchange rates by using cross-currency derivative financial instruments. By hedging against changes in foreign exchange rates, Waypoint REIT eliminates its exposure to changes in foreign exchange rates on its outward cash flows so long as the counterparties to those cross-currency derivative financial instruments meet their obligations to Waypoint REIT.

Liquidity risk

Liquidity risk is the risk that Waypoint REIT may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. Waypoint REIT monitors its exposure to liquidity risk by setting budgets and projecting cash flows to help ensure there is sufficient cash on hand as required or debt facility funding is available to meet financial liabilities as they fall due.

Environmental regulation

As a landlord, the operations of Waypoint REIT are subject to a range of environmental laws and regulations under Commonwealth, state and territory law. However, the lease attaching to the majority of sites requires the tenant to use reasonable endeavours to prevent contamination at each site and indemnify Waypoint REIT for any contamination caused by their operations.

Waypoint REIT did not receive any environmental infringements or notices from environmental regulators in the year ended 31 December 2024.

Information on Directors

Georgina Lynch

Independent Non-Executive Chair, Chair of the Nomination Committee and a member of the Audit and Risk Management and Remuneration Committees

Georgina is an experienced company director who has over 30 years' experience in the financial services and property industry. She is currently the Independent Non-Executive Chair of Cbus Property, and an Independent Non-Executive Director of both Vicinity Centres and PEXA.

Georgina has significant global experience in corporate transactions, capital raisings, initial public offerings (**IPOs**), funds management, corporate strategy and acquisitions and divestments.

Georgina holds a Bachelor of Arts and Bachelor of Laws.

Susan MacDonald

Independent Non-Executive Director, member of the Audit and Risk Management, Nomination and Remuneration Committees

Susan has over 30 years of domestic and international experience in property investment management, primarily in the retail sector, including asset, development, and funds management.

Susan has held executive positions with Mirvac, Lend Lease, AMP Capital, and Galileo Funds Management, and is a former Joint Deputy Chair, Shopping Centre Council of Australia and a former Global Trustee of the Urban Land Institute (**ULI**).

Susan is currently a Non-Executive Director of both Queensland Investment Corporation (**QIC**) and Landcom, an Independent Non-Executive Director of Cbus Property, and a Strategic Advisor to the Board of Mainbrace Constructions.

Susan holds a Bachelor of Arts degree from the University of New South Wales, and is a Graduate of the Australian Institute of Company Directors (**GAICD**).

Christopher Lawton

Independent Non-Executive Director, Chair of the Audit and Risk Management Committee and member of the Remuneration and Nomination Committees

Chris has over 40 years' experience in professional services, including 25 years as an audit partner with EY during which he focused on the real estate sector. Chris's experience includes both assurance and transaction advisory roles working with some of the largest real estate owners, managers and developers in Australia. Chris also spent time in the USA supporting organisations with international portfolios spanning North America, Japan and Europe.

Chris is currently an Independent Non-Executive Director of Stockland Corporation Limited.

Chris holds a Bachelor of Commerce from the University of New South Wales and is a member of Chartered Accountants Australia and New Zealand.

Gai McGrath (appointed 1 August 2024)

Independent Non-Executive Director, Chair of the Remuneration Committee and member of the Audit and Risk Management Committee

Gai is currently an Independent Non-Executive Director of Insignia Financial Group, Steadfast Group, and HBF Health. She is a former chair of BT Funds Management and Humanitix and a former director of a number of entities including Investa Office Fund, Helia Group and Landcom.

Prior to her board career, Gai was a senior executive in the financial services sector. She was with the Westpac Group for 12 years including having responsibility for the flagship Retail Banks in Australia and New Zealand and in senior roles in the bank's wealth management division, BT Financial Group.

Gai holds a Master of Laws (Distinction), Bachelor of Laws (Hons) and Bachelor of Arts.

Directors' Report continued

Information on Directors continued

Hadyn Stephens

Managing Director and Chief Executive Officer

Hadyn has approximately 25 years' experience in finance and commercial real estate, principally in strategy and transaction related roles in the real estate funds management space covering direct capital transactions, corporate transactions (M&A), debt and equity (listed and unlisted).

Hadyn's previous positions in real estate included senior roles with AMP Capital, Centuria Capital, LaSalle Investment Management, GPT Group and Merrill Lynch.

Hadyn holds a Bachelor of Laws and Bachelor of Commerce from the University of Otago, New Zealand.

Laurence Brindle (retired 15 May 2024)

Up to the date of his retirement, Laurence was Independent Non-Executive Chair, and a member of the Nomination and Remuneration Committees.

Laurence has extensive experience in funds management, finance and investment and is currently an Independent Non-Executive Director of Stockland Corporation Limited.

Until 2009, Laurence was an executive with Queensland Investment Corporation (**QIC**). During his 21 years with QIC, he served in various senior positions including Head of Global Real Estate, where he was responsible for QIC's large global investment portfolio. Laurence was also a long-term member of QIC's Investment Strategy Committee.

Laurence provides advice to a number of investment institutions on real estate investment and funds management matters. He is a former Chair of the Shopping Centre Council of Australia and National Storage REIT, and a former Independent Non-Executive Director of Westfield Retail Trust and Scentre Group.

Laurence holds a Bachelor of Engineering (Honours) and a Bachelor of Commerce from the University of Queensland, and a Master of Business Administration from Bayes Business School, London, where he graduated with distinction.

Tina Mitas

Company Secretary

Tina has over 17 years' experience in corporate law including corporate governance, compliance, mergers and acquisitions, private equity and information technology.

Tina's previous positions include senior legal counsel roles at Aconex Limited and SMS Management Limited and senior associate at Herbert Smith Freehills.

Tina holds a Bachelor of Laws (Hons) and Bachelor of Commerce from the University of Melbourne, and a Graduate Diploma in Applied Corporate Governance from the Governance Institute of Australia (**GIA**). Tina is a Chartered Secretary and Associate of the GIA, a member of the Institute of Chartered Secretaries and Administrators (**ICSA**) and the AICD.

Meetings of Directors

The numbers of meetings of the Directors and of each Board Committee held during the year ended 31 December 2024, and the numbers of meetings attended by each Director were:

	Waypoint REIT Limited		VER Limited		Audit and Risk Management Committee		Remuneration Committee		Nomination Committee	
Name	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**
Georgina Lynch	11	11	11	11	5	5	3	3	2	2
Susan MacDonald	11	10	11	10	5	4	3	3	2	2
Christopher Lawton	11	11	11	11	5	5	3	3	2	2
Gai McGrath***	4	4	4	4	3	3	1	1	1*	1*
Laurence Brindle**	5	5	5	5	1	1	2	2	–	–
Hadyn Stephens	11	11	11	11	5*	5*	3*	3*	2*	2*

A Number of meetings held during the time the Director held office or was a member of the Board Committee during the year.
B Number of meetings attended.
* Attends Committee meeting as an invitee/guest.
** Retired as a Director on 15 May 2024.
*** Appointed as a Director on 1 August 2024.

Remuneration Report

This remuneration report (**Remuneration Report**) presents Waypoint REIT's remuneration arrangements for Key Management Personnel (**KMP**) for the year ended 31 December 2024. The report has been prepared and audited in accordance with the requirements of the *Corporations Act 2001* and Corporations Regulations 2001.

Letter from Chair of the Remuneration Committee

On behalf of the Remuneration Committee and the Board, I am pleased to present the Remuneration Report for the year ended 31 December 2024.

Waypoint REIT's long-term remuneration objectives are to:

- reward strong performance;
- encourage executive retention;
- achieve the right balance between 'fixed' and 'at risk' pay; and
- achieve alignment between the interests of our executives and securityholders.

2024 remuneration considerations

Waypoint REIT entered 2024 in a solid position with a high-quality, well-positioned fuel and convenience portfolio. The strategic and capital management initiatives undertaken in preceding years have enabled Waypoint REIT to maintain earnings and distributions in the face of continued macro-economic headwinds, including elevated inflationary pressures and higher interest rates. These previous initiatives included selling $284 million of non-core assets in a strong market for vendors, returning $303 million of capital to securityholders, maintaining gearing at the lower end of our target range and ensuring Waypoint REIT was insulated against higher interest rates by maintaining a high level of interest rate hedging.

2024 saw a continuation of macro-economic pressures across the Australian economy, including persistent inflation and 'higher for longer' interest rates, with the Reserve Bank of Australia maintaining its target cash rate at 4.35% following 425 basis points of increases since 2022. Rising interest rates have had a significant impact on real estate markets, including fuel and convenience retail real estate, with subdued transaction activity and increasing capitalisation rates throughout the year.

Waypoint REIT's major tenant, Viva Energy, also made a number of important changes across its Convenience and Mobility Division in 2024, including the acquisition of leading convenience retailer On The Run (**OTR**) in March 2024 following the acquisition of Coles Express in May 2023.

Against this backdrop, the Board believes that Waypoint REIT's management team has demonstrated a solid performance in 2024, delivering Distributable Earnings per security (**DEPS**) in line with both guidance and 2023 DEPS, prudently managing Waypoint REIT's capital structure and interest rate hedging profile and completing several initiatives related to Waypoint REIT's medium and long-term strategy.

The key achievements of Waypoint REIT's team in 2024 include:

- Delivering 2024 DEPS of 16.48 cents, in line with guidance and in line with the 2023 result;
- Significant refinancing of bank debt facilities via the establishment of a new $500.0 million multi-tranche syndicated debt facility, the extension of a $100.0 million bilateral facility and the early termination and repayment of $450.0 million of existing syndicated debt facilities and term loans;
- 100% tenant retention on 2024 lease expiries and solid progress on 2025 lease expiries;
- Disciplined operating cost control with Waypoint REIT's Management Expense Ratio (MER) steady at 30 bps despite declining asset values;
- Further insulating Waypoint REIT's interest rate exposure by actively managing its interest rate hedging profile, with 93% of Waypoint REIT's drawn debt being hedged at 31 December 2024;
- Comprehensive analysis completed on risks and opportunities arising from VEA's proposed OTR roll-out, including potential landlord funding structures;
- Preparing and executing disposal strategies for the priority non-core asset list resulting in two non-core assets being sold/ unconditionally exchanged by year end despite subdued purchaser sentiment; and
- Progressing Waypoint REIT's ESG framework and Board-level reporting, including further preparatory work readying Waypoint REIT for mandatory climate reporting, and maintaining net measured emissions with respect to Scope 1, Scope 2 and direct Scope 3 emissions at zero via the utilisation of accredited carbon offsets.

Remuneration Report continued

Board and management

Laurence Brindle retired as a non-executive director on 15 May 2024. Laurence joined the Board as Non-Executive Chair in July 2016 and was a member of the Remuneration Committee and Nomination Committee.

Georgina Lynch was elected as Non-Executive Chair with effect from 15 May 2024. Georgina joined the Board as a Non-Executive Director in July 2016 and remains the Chair of the Nomination Committee and a member of the Audit and Risk Management Committee and Remuneration Committee.

Gai McGrath joined the Board as a Non-Executive Director on 1 August 2024. Gai has been a professional Non-Executive Director for over 8 years at both listed and unlisted organisations. Prior to her board career, Gai was a senior executive in the financial services sector including 12 years with the Westpac Group, where she was responsible for the flagship retail banks in Australia and New Zealand and held senior roles in the bank's wealth management division, BT Financial Group. Gai is Chair of Waypoint REIT's Remuneration Committee and a member of the Audit and Risk Management Committee.

There were no changes to Waypoint REIT's management team during 2024.

2024 summary remuneration outcomes

In recognition of the above achievements, the Board has awarded Executive KMP 66.7% of their maximum short-term incentive (**STI**) for the year ended 31 December 2024.

The 2021 long-term incentive (**LTI**) plan's three-year performance period ended on 31 December 2023. The vesting outcome for this plan was considered by the Remuneration Committee and Board in 2024 and resulted in approximately 38% of the securities under the plan (or 43,188 securities) vesting.

The 2022 LTI plan's three-year performance period ended on 31 December 2024. The vesting outcome for this plan will be considered by the Remuneration Committee and Board in 2025.

On behalf of the Directors and the Remuneration Committee, I look forward to welcoming you and receiving your feedback at our upcoming Annual General Meeting.

Gai McGrath
Chair, Remuneration Committee

Report structure

This report is divided into the following sections:

(i) Key Management Personnel (**KMP**)
(ii) Remuneration governance
(iii) Remuneration Policy for Executive KMP (defined as the Managing Director and Chief Executive Officer (**MD/CEO**) and Other Reported Executives)
(iv) FY24 annual remuneration summary
(v) Detailed remuneration outcomes
(vi) Executive KMP equity holdings
(vii) Other information
(viii) Remuneration Policy for Non-Executive Independent Directors
(ix) Non-Executive Independent Directors fees and other information

(i) Key Management Personnel (KMP)

This report discloses the remuneration arrangements and outcomes for the individuals listed below, being individuals who have been determined as KMP as defined by AASB 124 *Related Party Disclosures.*

Name	Role	KMP period
Independent Non-Executive Directors		
Georgina Lynch	Chair from 15 May 2024	Full year
Susan MacDonald	Director	Full year
Christopher Lawton	Director	Full year
Gai McGrath	Director	From appointment on 1 August 2024
Laurence Brindle	Chair	Up to retirement on 15 May 2024
Managing Director		
Hadyn Stephens	Managing Director & Chief Executive Officer	Full year
Other Reported Executives		
Aditya Asawa	Chief Financial Officer	Full year
Tina Mitas	General Counsel & Company Secretary	Full year

Remuneration Report continued

(ii) Remuneration governance

The Remuneration Committee oversees all remuneration-related matters, balancing both short-term and long-term strategic objectives, corporate values and Waypoint REIT's broader risk management framework. The Remuneration Committee considers a range of remuneration matters (including Fixed Annual Remuneration (**FAR**), Short-Term Incentives (**STI**) and Long-Term Incentives (**LTI**) for Executive KMP), Board and Committee fees and makes recommendations to the Board for approval. The Remuneration Committee's Charter, setting out its detailed responsibilities, is reviewed annually.

To ensure that it is fully informed when making decisions, including on recent market trends and practices and other remuneration-related matters, the Remuneration Committee may seek external remuneration advice from time to time. Remuneration consultants are engaged directly by the Remuneration Committee as needed.

(iii) Remuneration Policy for Executive KMP

Remuneration objectives

The Board recognises the key to Waypoint REIT's ongoing success lies in retaining and attracting high performing people. Our remuneration framework is designed to link Waypoint REIT's strategy of maximising long-term income, capital returns and performance with the remuneration outcomes for Executive KMP and foster strong alignment between executive pay and the interests of securityholders.

Remuneration structure

Our Executive KMP compensation structure maintains an appropriate balance of fixed and variable elements, aligning with both Waypoint REIT's needs and principles of fair reward.

The table below sets out Waypoint REIT's Executive KMP remuneration arrangements.

Type	What?	Why?
FAR	Comprises base salary, superannuation contributions and other benefits. Reviewed annually and independently benchmarked on a periodic basis against comparable organisations.	Fixed component set with reference to role, market, experience and skill-set to attract and retain high performing executives to lead and deliver the strategy.
STI	Opportunity award based on a percentage of fixed remuneration, subject to specific performance and employment conditions (including a deferred equity component).	'At risk' component designed to maximise performance in key strategic areas set and measured through a balanced scorecard approach, with KPIs aligned to the key financial and non-financial value drivers of Waypoint REIT's business. Deferred equity component designed to encourage retention and securityholder alignment.
LTI	Opportunity award based on a percentage of maximum STI, in the form of performance rights with a three-year performance period.	'At risk' component designed to align executive performance with securityholder interests, to attract and retain executives and provide the opportunity to reward executives for long-term performance.

There were no changes to the remuneration framework for Executive KMP in 2024.

STI details

Basis	Each executive may be eligible for participation in an STI program, which may be amended, replaced or withdrawn at any time at the Board's absolute discretion. STI awards are set with reference to a maximum STI opportunity level relative to the executive's FAR, with the actual STI award to be determined based on performance against KPIs determined by the Board.
Purpose	To motivate and reward executives for increasing securityholder value by meeting or exceeding Waypoint REIT and individual targets determined by the Board.
Performance conditions	The value of the STI award for each Executive KMP is determined as follows.

Criteria	Award scale	Criteria
Financial	0 – 33.3%	Delivery of initial Distributable Earnings per security (**DEPS**) guidance. Initial guidance must be met in order for any award under this criteria.
Financial – outperformance	0 – 33.3%	Delivery of DEPS in excess of initial guidance. Award determined at the Board's discretion based on the level of outperformance achieved.
Individual KPIs	0 – 33.3%	Delivery of financial and non-financial performance criteria set out in KMP balanced scorecards agreed at the start of the year.

The Board believes that having a mix of financial and non-financial KPIs will provide measurable performance criteria strongly linked to year-on-year securityholder returns and encourage the achievement of individual goals consistent with Waypoint REIT's overall strategic objectives. The key FY24 KPIs are detailed in section (v). The Board has selected DEPS (as defined on page 38) as the most appropriate financial measure as it enables alignment with the actual distributions paid to securityholders.

Performance assessment	The MD/CEO evaluates the performance of the other Executive KMP against their KPIs as set out in their balanced scorecard and other applicable measures, including evidence of behaviour in line with Waypoint REIT's corporate values and risk management framework. This information is presented to the Remuneration Committee, which performs the same evaluation of the MD/CEO performance. The Remuneration Committee then recommends the STI awards, if any, to the Board for approval.
Delivery	MD/CEO 50% of the STI entitlement is payable in cash and the remaining 50% is payable in securities subject to trade-lock with 25% vesting approximately one year after grant date and 25% vesting approximately two years after grant date. Other Reported Executives Two-thirds of the STI entitlement is payable in cash and the remaining one-third is payable in securities subject to trade-lock with vesting approximately one year after grant date. While under trade-lock, Executive KMP will be entitled to distributions and voting rights (subject to customary voting restrictions).
Cessation of employment	Executive KMP will generally not be entitled to be paid any outstanding or unvested STI award if they resign or if their employment is terminated with cause. In all other circumstances (including due to genuine retirement, redundancy, death, permanent disability, ill health, the expiry of a fixed term contract or separation by mutual agreement), Executive KMP will be eligible for an STI award based on the portion of the vesting period that has elapsed up until the date of cessation (unless the Board determines otherwise).
Board discretion	STI entitlements are at the sole discretion of the Board. Waypoint REIT can amend, replace or withdraw any incentive program in its absolute discretion.

Remuneration Report continued

(iii) Remuneration Policy for Executive KMP continued

LTI details

Basis

An LTI award will be delivered in the form of an annual grant of performance rights to Waypoint REIT stapled securities under the Waypoint REIT Equity Incentive Plan, with a three-year performance period. Performance rights will be allocated to eligible executives (including all Executive KMP) on or around the date of the Annual General Meeting (e.g. FY24 performance rights were allocated in May 2024) based on a percentage of maximum STI (as determined by the Remuneration Committee).

Purpose

The LTI program is designed to align the interests of eligible executives with the interests of securityholders by providing them with the opportunity to receive an equity interest in Waypoint REIT through the granting of performance rights. Waypoint REIT uses performance rights because they create alignment between eligible executives and securityholders, but do not provide eligible executives with the full benefits of security ownership (such as distribution and voting rights) unless and until the performance rights vest.

Value determination

The value of performance rights granted is determined by dividing the dollar value of an eligible executive's annual LTI opportunity (as recommended by the Remuneration Committee and approved by the Board) by the weighted average traded price of Waypoint REIT's stapled securities traded on the ASX during the 10 business days following the release of the annual results, rounded up to the nearest whole number of performance rights.

Vesting period

The performance period commences on 1 January of the year performance rights are granted and concludes on the third anniversary date (e.g. FY24 performance rights: 1 January 2024 to 31 December 2026).

Performance rights will vest on or around 1 March following the end of the performance period (e.g. the FY24 performance rights will vest on or around 1 March 2027).

Vesting conditions

Vesting of the performance rights will be subject to the achievement of two vesting conditions:

- 50% of the performance rights will be tested against a relative Total Securityholder Return (**TSR**) condition; and
- the remaining 50% of the performance rights will be tested against an average growth in DEPS condition.

See below for further details.

TSR condition (50% weighting)

The TSR condition measures Waypoint REIT's performance relative to a peer group over the performance period (e.g. the FY24 comparator group of companies comprises the constituents of the S&P/ASX 300 A-REIT index as at 1 January 2024). TSR measures the growth in Waypoint REIT's security price together with the value of distributions paid during the period, assuming that all those distributions are reinvested into new securities.

The vesting schedule applicable for the FY24 performance rights is shown in the table.

Percentile ranking	Vesting level of performance rights subject to TSR condition
Equal to the 75th percentile or higher	100%
Between the 50th and 75th percentile	Straight-line pro rata vesting between 50% and 100%
Equal to the 50th percentile	50%
Below the 50th percentile	0%

DEPS condition (50% weighting)

The DEPS condition measures the average annual growth in Waypoint REIT's DEPS over the performance period.

The vesting schedule applicable for the FY24 performance rights is shown in the table.

Average annual growth in DEPS	Vesting level of performance rights subject to the DEPS condition
Equal to 4.5% or higher	100%
Between 3.75% and 4.5%	Straight-line pro rata vesting between 50% and 100%
At 3.75%	50%
Less than 3.75%	0%

Rationale for conditions	The LTI performance conditions have been set by the Board to align with securityholder expectations and Waypoint REIT's strategy. The TSR condition measures the overall returns that an entity has provided its securityholders, reflecting security price movements and the theoretical reinvestment of distributions over a specified period. Relative TSR is the most widely used LTI hurdle adopted in Australia. It ensures that value is only delivered to participants if the investment return actually achieved for Waypoint REIT securityholders is sufficiently high relative to the returns they could have received by investing in a portfolio of alternative S&P/ASX 300 A-REIT index securities over the same period. The DEPS condition aligns the LTI plan with commercial long-term performance which is within executives' ability to influence and aligns with securityholder expectations. The performance hurdles have been set with reference to: • organic rental growth of WPR's property portfolio (the majority of the portfolio is subject to fixed annual rental reviews of 3.0%); • the effect of gearing (target gearing: 30–40%); and • WPR's historical performance.
Distributions on unvested LTI awards	Prior to vesting, performance rights do not entitle eligible executives to any distributions or voting rights.
Forfeiture	LTI awards will usually be forfeited if an executive resigns or is summarily dismissed prior to the vesting date (see the 'Cessation of employment' section below for more detail). If the Board determines that an executive is responsible for misconduct resulting in material non-compliance with financial reporting requirements or for excessive risk taking, the executive will forfeit all unvested performance right entitlements.
Delivery	Each performance right entitles eligible executives to one ordinary security in Waypoint REIT on vesting. Securities allocated on vesting of performance rights carry the same distribution and voting rights as other securities issued by Waypoint REIT. The Board retains discretion to make a cash equivalent payment in lieu of an allocation of securities.
Claw-back provisions	The Board has broad 'claw-back' powers to determine that performance rights lapse, any securities allocated on vesting of performance rights are forfeited or clawed back, or that amounts are to be repaid, in certain circumstances.
Cessation of employment	Where eligible executives' employment with Waypoint REIT is terminated for cause or ceases due to resignation, all unvested performance rights will lapse, unless the Board determines otherwise. In all other circumstances (including genuine retirement, redundancy, death, permanent disability or ill health, the expiry of a fixed term contract or separation by mutual agreement), a pro rata portion of unvested performance rights will remain on foot unless the Board determines otherwise.
Change of control	Where there is a change of control event (including a takeover bid or any other transaction, event or state of affairs that, in the Board's opinion, is likely to result in a change in the control of Waypoint REIT), the Board may determine the manner in which all unvested performance rights will be dealt with.
Board discretion	While the number of performance rights that vest will primarily be determined by testing against the vesting conditions, the Board retains an overriding discretion to reduce or increase the vesting outcome where it considers it appropriate in light of Waypoint REIT's performance overall and any other relevant circumstances.
Restrictions on dealing	Eligible executives must not sell, transfer, encumber, hedge or otherwise deal with performance rights, unless the dealing is required by law.

Remuneration Report continued

(iv) FY24 annual remuneration summary

The were no changes to the remuneration framework for Executive KMP in 2024.

STI outcomes

In assessing Executive KMP delivery against their respective and collective KPIs, the Remuneration Committee has determined the following assessment of achievement against the KPI criteria.

Criteria	Award scale	Criteria	Remuneration Committee assessment
Financial	0 – 33.3%	Delivery of initial Distributable Earnings per security (**DEPS**) guidance.	Achieved in full.
Financial – outperformance	0 – 33.3%	Delivery of DEPS in excess of initial guidance.	Not achieved.
Individual KPIs	0 – 33.3%	Delivery of financial and non-financial performance criteria set out in KMP balanced scorecards agreed at the start of the year.	Achieved in full.

Accordingly, all members of the Executive KMP have been awarded 66.7% (two-thirds) of their maximum STI for the year ended 31 December 2024.

LTI outcomes

The 2021 LTI plan's three-year performance period ended on 31 December 2023. The vesting outcome for this plan was considered by the Remuneration Committee and Board in 2024 and resulted in approximately 38% of the securities under the plan vesting.

For the TSR condition, Waypoint REIT delivered a TSR of 6.71% over the performance period, which ranked WPR 11 out of 28 constituents in the comparator group (62nd percentile). After applying the vesting schedule applicable to the TSR condition, this resulted in a vesting outcome of approximately 76% for this vesting condition.

For the DEPS condition, Waypoint REIT delivered average annual DEPS growth of 2.83% over the performance period, which is below the minimum 3.75% required for vesting. This resulted in a vesting outcome of 0% for this vesting condition.

Vesting condition	Weight	Vesting outcome	Weighted vesting outcome
TSR condition	50%	76%	38%
DEPS condition	50%	0%	0%
Overall plan			**38%**

The 2022 LTI plan's three-year performance period ended on 31 December 2024. The vesting outcome for this plan will be considered by the Remuneration Committee and Board in 2025.

(v) Detailed remuneration outcomes

Performance indicators

The Remuneration Committee and Board aim to align Executive KMP remuneration with Waypoint REIT's strategic and business objectives and securityholder returns. The table below shows statutory and non-statutory measures of Waypoint REIT's historical financial performance. Statutory measures are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to Executive KMP as noted above. Consequently, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

	2020	2021	2022	2023	2024
Statutory profit/(loss) after tax ($m)	279.9	443.6	133.8	(79.1)	**131.5**
Distributable earnings[1] ($m)	118.5	122.6	116.1	110.7	**110.7**
Basic earnings per security (cents)	35.79	57.17	19.00	(11.77)	**19.57**
DEPS[1] (cents)	15.15	15.80	16.48	16.48	**16.48**
Distributions paid/payable (cents)	15.14	15.97	16.60	16.48	**16.48**
Capital return (cents)	–	17.00	–	–	**–**
Closing security price (31 December)	$2.73	$2.83	$2.75	$2.44	**$2.33**
Net tangible assets per security	$2.49	$2.95	$3.02	$2.73	**$2.76**
Weighted average securities on issue (m)	782.0	775.8	704.4	671.8	**671.8**

1. These measures are unaudited.

FY24 STI annual assessment

The STI balanced scorecard contains three equally weighted elements that are assessed independently of each other. These elements and the relevant criteria for FY24 are shown in the following table.

Element	Award scale	Criteria
Financial	0 – 33.3%	Achieve FY24 DEPS guidance as announced on 26 February 2024 (16.32 to 16.48 cents). Initial guidance must be met in order for any award under this criteria.
Financial – outperformance	0 – 33.3%	Exceed the FY24 DEPS guidance as announced on 26 February 2024 (16.32 to 16.48 cents). Award determined at the Board's discretion based on the level of outperformance achieved.
Individual KPIs	0 – 33.3%	Individual financial and non-financial performance criteria set in conjunction with the Board or MD/CEO (as applicable). Please refer to the table below.

Remuneration Report continued

(v) Detailed remuneration outcomes continued

FY24 STI annual assessment continued

Individual KPIs are formulated to align with Waypoint REIT's investment objective of maximising long-term income and capital returns for securityholders, whilst also promoting a strong risk management and corporate governance culture.

Individual KPIs for Executive KMP in FY24 varied from person to person; however, the key KPIs driving the Remuneration Committee's recommendation and Board's decision to award the FY24 STIs are summarised in the table below.

KPI categories	KPI performance
Portfolio management	
• Proactively manage lease expiries. • Assess longer-term leasing risk across the portfolio and formulate appropriate asset strategies (including disposals and contingency plans). • Engage with tenants on site and portfolio optimisation opportunities. • Deliver acquisitions in line with approved criteria and return hurdles.	• 100% tenant retention in FY24 (two leases); terms agreed on five out of six leases expiring in FY25. • Two non-core assets sold or unconditionally exchanged (at an average premium to prevailing book value of 3.7%). • 14 leases assigned from VEA to Chevron; involved detailed review of proposed assignee and establishment of appropriate security arrangements. • Comprehensive analysis completed on risks and opportunities arising from VEA's proposed OTR roll-out, including potential landlord funding structures. • Landlord consent provided for eight Reddy Express sites in the portfolio being converted to OTR. • A number of acquisition opportunities were assessed in FY24 but no acquisitions were completed due to them not meeting the approved criteria and return hurdles.
Financial and capital management	
• Diversify and optimise debt funding sources. • Optimise Waypoint REIT's debt maturity profile. • Manage Waypoint REIT's exposure to market interest rates through prudent interest rate hedging. • Manage liquidity to support the delivery of Waypoint REIT's strategy. • Optimise capital management in coordination with portfolio management strategy.	• Bank debt restructured via the establishment of a new $500 million multi-tranche syndicated debt facility, the extension of a $100 million bilateral facility and the early termination and repayment of $450 million of existing syndicated debt facilities and term loans. • The refinancing activity significantly extended Waypoint REIT's debt maturity profile, secured six new lending relationships and accessed seven-year bank debt for the first time. Available liquidity covers all FY25 and FY26 debt maturities. • Waypoint REIT's interest rate hedge book was actively managed resulting in 93% of Waypoint REIT's drawn debt being hedged at 31 December 2024. • Business funding, liquidity and gearing maintained within approved parameters.

KPI categories	KPI performance
ESG	
• Ongoing focus on people, culture and safety. • Maintain strong corporate governance. • Maintain our net measured carbon emissions target of offsetting Scope 1, Scope 2 and direct Scope 3 emissions under our operational control through the purchase of carbon offsets from an accredited provider. • Actively seek to improve ESG external ratings. • Identify and execute other initiatives to further ESG strategy. • Prepare for mandatory reporting.	• Zero employee turnover; no employee injuries. • No reportable compliance breaches. • Zero Scope 1 and Scope 2 emissions in FY24 and maintained net measured carbon emissions of zero. • 75% reduction in measured emissions in FY24 with carbon offsets purchased from an accredited provider to offset these residual emissions. • Ongoing involvement in ESG surveys (S&P Global and ISS Corporate). Modest improvements were noted in ESG scores from S&P Global and Sustainalytics while ISS Corporate rating remained steady. • Further progressed Waypoint REIT's ESG framework and Board-level reporting, including further preparatory work to enable Waypoint REIT to be prepared for mandatory reporting. • Cyber Incident Response Plan created to address and provide governance around increasing macro cyber risks. • No whistle-blower reports or complaints. • 100% of mandatory employee training completed by all employees.

In assessing Executive KMP delivery against their respective and collective KPIs, the Remuneration Committee has determined the following assessment of achievement against the KPI criteria:

Criteria	Award scale	Criteria	Remuneration Committee assessment
Financial	0 – 33.3%	Delivery of initial Distributable Earnings per security (**DEPS**) guidance.	Achieved in full.
Financial – outperformance	0 – 33.3%	Delivery of DEPS in excess of initial guidance.	Not achieved.
Individual KPIs	0 – 33.3%	Delivery of financial and non-financial performance criteria set out in KMP balanced scorecards agreed at the start of the year.	Achieved in full.

Accordingly, all members of Executive KMP have been awarded approximately 66.7% (two-thirds) of their maximum STI for the year ended 31 December 2024. Refer to 'FY24 STI outcomes' section below for further details.

FY24 STI outcomes

The following table sets out the awards made to each Executive KMP based on their performance during the year ended 31 December 2024.

$	FAR as per contract[1]	Maximum STI as per contract	Actual STI awarded	% of maximum possible current award earned
Hadyn Stephens	606,690	606,690	404,662	66.7%
Aditya Asawa	452,025	339,019	226,126	66.7%
Tina Mitas[2]	302,925	151,462	101,025	66.7%

1. FAR comprises salary and superannuation.
2. FAR and maximum STI are based on a 0.9 Full-time Equivalent (FTE) basis consistent with Tina Mitas's standard terms of employment.

Remuneration Report continued

(v) Detailed remuneration outcomes continued

FY24 LTI outcomes

The 2021 LTI plan's three-year performance period ended on 31 December 2023. The vesting outcome for this plan was considered by the Remuneration Committee and Board in 2024 and resulted in the vesting of approximately 38% of the securities under the plan. The table below shows Waypoint REIT's performance against the vesting conditions for the 2021 LTI plan.

LTI year	Performance period	Vesting condition	Vesting schedule	Result	Vesting outcome
2021	1 January 2021 to 31 December 2023	TSR condition	50% of rights vest at the 50th percentile with pro-rata vesting until 100% vesting at the 75th percentile.	TSR ranked 11 out of 28 constituents (62nd percentile) in the comparator group over the performance period.	76%
		DEPS condition	50% of rights vest if DEPS growth is 3.75% with pro-rata vesting until 100% vesting if DEPS growth is 4.5% or greater.	Average annual DEPS growth (2.83%) was below 3.75% over the performance period.	0%
				Overall vesting	38%

A total of 43,188 securities were issued to meet the vesting outcome for the 2021 LTI plan.

FY24 Total remuneration (statutory basis)

All figures in the table below are in dollars, unless otherwise stated.

	Short-term benefits		Post-retirement benefits		Other long-term benefits		Total fixed	Short-term benefits	Share-based payments		Total variable	Grand total	At-risk element (%)
	Salary	Other benefits	Super-annuation	Term-ination benefits	Annual leave[1]	Long service leave[1]		Current STI (cash)	Deferred STI[2] (equity)	Deferred LTI[3] (rights)			
Hadyn Stephens													
2024	**578,972**	**3,033**	**28,665**	**–**	**7,829**	**17,132**	**635,631**	**202,230**	**215,293**	**101,991**	**519,514**	**1,155,145**	**45**
2023	553,475	4,220	26,346	–	(22,439)	14,706	**576,308**	182,874	235,869	71,934	**490,677**	**1,066,985**	46
Aditya Asawa													
2024	**423,360**	**–**	**28,665**	**–**	**(2,002)**	**11,141**	**461,164**	**150,675**	**69,171**	**63,388**	**283,234**	**744,398**	**38**
2023	404,154	–	26,346	–	18,728	10,128	**459,356**	136,253	44,161	41,471	**221,885**	**681,241**	33
Tina Mitas													
2024	**273,900**	**1,515**	**28,665**	**–**	**865**	**8,452**	**313,397**	**67,317**	**34,795**	**25,739**	**127,851**	**441,248**	**29**
2023	262,714	1,443	26,346	–	1,442	7,100	**299,045**	60,874	40,635	17,995	**119,504**	**418,549**	29
Total													
2024	**1,276,232**	**4,548**	**85,995**	**–**	**6,692**	**36,725**	**1,410,192**	**420,222**	**319,259**	**191,118**	**930,599**	**2,340,791**	
2023	1,220,343	5,663	79,038	–	(2,269)	31,934	**1,334,709**	380,001	320,665	131,400	**832,066**	**2,166,775**	

1. Amounts disclosed represent the movement in the associated leave provisions.
2. Represents the accounting expense attributed to each Executive KMP in accordance with AASB2 *Share-based Payment*. Subject to ongoing service conditions being satisfied, the difference in value will be expensed over FY25 ($182,771) and FY26 ($56,929) and FY27 ($6,427) accordingly.
3. Represents the accounting expense attributed to each Executive KMP in accordance with AASB2 *Share-based Payment*.

(vi) Executive KMP equity holdings

The table below outlines the movement in Executive KMP's security holdings during FY24.

Stapled securities

FY24 – number of securities	Balance 1 January[1]	On-market purchases	Granted as compensation[2]	Vesting of performance rights	Sold on-market	Balance 31 December
Hadyn Stephens	218,285	10,000	75,367	29,272	(134,250)	198,674
Aditya Asawa	10,481	10,097	28,459[3]	–	(10,097)	38,940
Tina Mitas	43,901	–	12,942[3]	6,398	–	63,241

1. During FY24, 133,113 securities granted to KMP under the FY21 and FY22 STI were released from holding-lock.
2. The deferred portion of FY23 STI payable in securities subject to trade-lock restrictions were acquired on-market in March 2024 and are held in Waypoint REIT's Employee Share Trust until the end of the deferral period which is 15 March 2025 (78,263 securities) and 15 March 2026 (37,683 securities). The securities were granted on 11 March 2024 at a fair value of $2.43 based on the security price at that date.
3. Includes 411 securities granted on 11 March 2024 under the General Employee Offer (refer note 3.(h) for details) at a fair value of $2.43.

Performance rights

Waypoint REIT performance rights granted in FY24 were all granted on 15 May 2024. All performance rights have a nil exercise price, vest on or around 22 March 2027 if vesting conditions are met or otherwise expire on this date and are subject to DEPS and TSR conditions over the performance period of 1 January 2024 to 31 December 2026.

Accounting standards require the fair value of the grants to be recognised over the performance period. The minimum value of the grant is nil if the vesting conditions are not met. The maximum value is based on the estimated fair value calculated at the time of the grant and amortised in accordance with the accounting standard requirements.

FY24	Balance 1 January #	Rights granted re FY24 LTI #	Rights vested and exercised re FY21 LTI #	Rights forfeited re FY21 LTI #	Balance 31 December #	Fair value to be expensed in future years[1] $
Hadyn Stephens	432,543	256,063	(29,272)	(47,843)	611,491	133,849
Aditya Asawa	198,993	143,089	–	–	342,082	76,011
Tina Mitas	105,576	63,928	(6,398)	(10,458)	152,648	33,469

1. The maximum value of the grants yet to vest is the fair value amount at the grant date yet to be reflected in Waypoint REIT's Consolidated Statement of Comprehensive Income.

Remuneration Report continued

(vi) Executive KMP equity holdings continued

Performance rights continued

The table below details performance rights granted to executives as part of their remuneration in the previous and current reporting periods:

KMP	Grant	Grant date	Performance period start date	Expected vesting date	No. of performance rights	Fair value per performance rights
Hadyn Stephens	LTI FY22 tranche 1 (TSR)	12 May 2022	1 January 2022	1 March 2025	68,925	$1.08
	LTI FY22 tranche 2 (DEPS)	12 May 2022	1 January 2022	1 March 2025	68,925	$2.02
	LTI FY23 tranche 1 (TSR)	18 May 2023	1 January 2023	1 March 2026	108,789	$1.09
	LTI FY23 tranche 2 (DEPS)	18 May 2023	1 January 2023	1 March 2026	108,789	$2.21
	LTI FY24 tranche 1 (TSR)	15 May 2024	1 January 2024	22 March 2027	128,031	$0.98
	LTI FY24 tranche 2 (DEPS)	15 May 2024	1 January 2024	22 March 2027	128,032	$1.98
Aditya Asawa	LTI FY22 tranche 1 (TSR)	4 October 2022	1 January 2022	1 March 2025	38,705	$1.68
	LTI FY22 tranche 2 (DEPS)	4 October 2022	1 January 2022	1 March 2025	38,705	$2.13
	LTI FY23 tranche 1 (TSR)	18 May 2023	1 January 2023	1 March 2026	60,792	$1.09
	LTI FY23 tranche 2 (DEPS)	18 May 2023	1 January 2023	1 March 2026	60,792	$2.21
	LTI FY24 tranche 1 (TSR)	15 May 2024	1 January 2024	22 March 2027	71,544	$0.98
	LTI FY24 tranche 2 (DEPS)	15 May 2024	1 January 2024	22 March 2027	71,545	$1.98
Tina Mitas	LTI FY22 tranche 1 (TSR)	11 May 2022	1 January 2022	1 March 2025	17,200	$1.14
	LTI FY22 tranche 2 (DEPS)	11 May 2022	1 January 2022	1 March 2025	17,200	$2.05
	LTI FY23 tranche 1 (TSR)	18 May 2023	1 January 2023	1 March 2026	27,160	$1.09
	LTI FY23 tranche 2 (DEPS)	18 May 2023	1 January 2023	1 March 2026	27,160	$2.21
	LTI FY24 tranche 1 (TSR)	15 May 2024	1 January 2024	22 March 2027	31,964	$0.98
	LTI FY24 tranche 2 (DEPS)	15 May 2024	1 January 2024	22 March 2027	31,964	$1.98

Performance rights are valued using the Black-Scholes-Merton methodology which discounts for distributions foregone. This is used for allocation purposes for all rights and accounting purposes for non-market-based performance rights. The Monte Carlo method is used for accounting purposes for market-based performance rights. The accounting value determined using a Monte Carlo simulation valuation is in accordance with AASB 2 *Share-based Payment*.

(vii) Other information

Employment contracts and termination entitlements

Notice periods applicable to termination of an Executive KMP varies as shown in the table.

Termination by Executive KMP	Hadyn Stephens:	12 months
	Aditya Asawa:	6 months
	Tina Mitas:	3 months
Termination by Waypoint REIT without cause	All Executive KMP:	12 months

Waypoint REIT may terminate an Executive KMP's service at any time without notice if serious misconduct has occurred. Where termination with cause occurs, the Executive KMP is only entitled to remuneration up to the date of termination.

Other transactions with Executive KMP

There were no loans made, guaranteed or secured, directly or indirectly, by Waypoint REIT to Executive KMP or their related parties during the year. There were no other transactions between Waypoint REIT and any Executive KMP or their related parties during the year.

(viii) Remuneration Policy for Non-Executive Independent Directors

Objective

The Remuneration Committee is responsible for making recommendations to the Board on the remuneration arrangements for the Independent Non-Executive Directors. The Board and the Remuneration Committee periodically assess, with the benefit of independent advice (as required), the appropriateness of the nature and amount of remuneration of Non-Executive Independent Directors by reference to market rates with the overall objective of attracting and retaining Board members with an appropriate combination of industry and specialist functional knowledge and experience.

Remuneration structure

Under the Waypoint REIT Limited Constitution, the Board may decide the remuneration to which each Non-Executive Independent Director is entitled for his or her services as a Director. However, the total amount provided to all Non-Executive Independent Directors for their services as Directors must not exceed in aggregate in any financial year the amount fixed by Waypoint REIT. This amount has been fixed at $1,000,000 per annum.

Annual fees payable, inclusive of superannuation, to Non-Executive Independent Directors during FY24 were as shown in the table. All fees increased 5.0% effective 1 January 2024.

Role	Board	Audit and Risk Management Committee	Remuneration Committee	Nomination Committee
Chair	$236,775[1]	$26,906	$21,525	$10,763
Member	$115,159	$13,453	$10,763	$5,381

1. The Board Chair does not receive fees for membership on Board Committees.

Remuneration Report continued

(ix) Non-Executive Independent Director fees and other information

Details of Non-Executive Independent Director fees and security interests are set out below.

Fees

Fees payable to each Non-Executive Independent Director of Waypoint REIT during the year are set out below.

	2024			2023		
	Base fee $	Super-annuation $	Total $	Base fee $	Super-annuation $	Total $
Georgina Lynch[1]	**187,472**	**21,153**	**208,625**	138,364	14,873	153,237
Susan MacDonald	**128,502**	**14,460**	**142,962**	119,854	12,884	132,738
Christopher Lawton[2]	**142,211**	**15,998**	**158,209**	25,234	2,776	28,010
Gai McGrath[3]	**56,105**	**6,452**	**62,557**	–	–	–
Laurence Brindle[4]	**79,705**	**8,768**	**88,473**	203,613	21,887	225,500
Stephen Newton[5]	**–**	**–**	**–**	113,426	12,136	125,562
Total	**593,995**	**66,831**	**660,826**	600,491	64,556	665,047

1. Appointed as Chair from 15 May 2024.
2. Appointed on 27 October 2023.
3. Appointed on 1 August 2024.
4. Retired on 15 May 2024.
5. Resigned on 27 October 2023.

Interests in securities

The number of securities held during the year by each Non-Executive Independent Director of Waypoint REIT, including their personally related parties, are set out below.

FY24	Balance 1 January	On-market purchases	On-market disposals	Other movements	Balance 31 December
Non-Executive Directors					
Georgina Lynch	**46,910**	**–**	**–**	**–**	**46,910**
Susan MacDonald	**43,000**	**–**	**–**	**–**	**43,000**
Christopher Lawton	**20,000**	**–**	**–**	**–**	**20,000**
Gai McGrath	**3,500**[1]	**–**	**–**	**–**	**3,500**
Laurence Brindle	**93,820**	**–**	**–**	**–**	**93,820**[2]

1. Opening balance is at date of appointment (1 August 2024).
2. Closing balance is at date of retirement (15 May 2024).

Other transactions with Non-Executive Independent Directors

There were no loans made, guaranteed or secured, directly or indirectly, by Waypoint REIT to any Non-Executive Independent Director or their related parties during the year. There were no other transactions between Waypoint REIT and any Non-Executive Independent Director or their related parties during the year.

Directors’ Report continued
(unaudited)

Insurance and indemnification of officers and auditors

The Company has paid premiums in respect of a contract insuring all Directors and officers of the Company and its related entities against certain liabilities incurred in that capacity. The insurance policies also cover former Directors and officers of the Company. Disclosure of the nature of the liability covered by the insurance and premiums paid is subject to confidentiality requirements under the contract of insurance.

The Company and the Responsible Entity are party to Deeds of Indemnity with each of its Directors (including Hadyn Stephens, Managing Director & Chief Executive Officer), and Aditya Asawa (Chief Financial Officer) and Tina Mitas (Company Secretary) providing these persons with an indemnity on a full indemnity basis, to the fullest extent permitted by law, against all losses and liabilities incurred in their respective roles for the Company, the Responsible Entity and its related entities. The Deeds also require the Company to grant the indemnified person access to certain Company documents and insure the indemnified persons.

In addition, the Company’s and the Responsible Entity’s constitutions provide for the indemnity of officers of the Company/Responsible Entity or its related bodies corporate from liability incurred by a person in that capacity.

No indemnity payment has been made under any of the documents referred to above during, or since the end of, the financial year.

Waypoint REIT has not during or since the end of the financial year indemnified or agreed to indemnify an auditor of Waypoint REIT or of any related body corporate against a liability incurred in their capacity as an auditor.

Audit and non-audit services

Waypoint REIT may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor’s expertise and experience with Waypoint REIT are important.

Details of the amounts paid or payable to the auditor for audit and non-audit services provided in relation to the year ended 31 December 2024 are disclosed in Note 4.(d) to the consolidated financial statements.

The Directors have considered the position and, in accordance with advice received from Waypoint REIT’s Audit and Risk Management Committee (**ARMC**), are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the ARMC to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermines the general principles relating to auditor independence as set out in APES 110 *Code of Ethics* for *Professional Accountants*.

Auditor’s independence declaration

A copy of the auditor’s independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 62.

Rounding of amounts to the nearest million dollars

Waypoint REIT is an entity of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the ’rounding of’ of amounts in the Directors’ Report. Amounts in the Directors’ Report have been rounded off in accordance with that instrument to the nearest hundred thousand dollars, or in certain cases to the nearest dollar.

The report is made in accordance with a resolution of Directors.

Georgina Lynch
Chair

27 February 2025

Auditor's Independence Declaration

Auditor's Independence Declaration

As lead auditor for the audit of Waypoint REIT Limited and Waypoint REIT Trust for the year ended 31 December 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 Waypoint REIT Limited and the entities it controlled during the period and Waypoint REIT Trust and the entities it controlled during the period.

JDP Wills
Partner
PricewaterhouseCoopers

Sydney
27 February 2025

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Consolidated Statements of Comprehensive Income

For the year ended 31 December 2024

	Notes	Waypoint REIT 2024 $ million	Waypoint REIT 2023 $ million	Trust Group 2024 $ million	Trust Group 2023 $ million
Rental income from investment properties (incl. non-cash straight-line lease adjustment)		**163.9**	163.4	**163.9**	163.4
Finance income	3.(b)	**1.1**	0.9	**0.5**	0.4
Net profit on sale of investment properties	2.(b)	**0.2**	–	**0.2**	–
Net fair value gain/(loss) on investment properties	2.(a)	**28.4**	(184.5)	**28.4**	(184.5)
Operating expenses		**(9.9)**	(10.1)	**(10.1)**	(10.1)
Finance expense	3.(b)	**(45.6)**	(39.5)	**(45.6)**	(39.5)
Net loss from derivative financial instruments	3.(b)	**(6.4)**	(9.3)	**(6.4)**	(9.3)
Net profit/(loss) before income tax		**131.7**	**(79.1)**	**130.9**	**(79.6)**
Income tax expense		**(0.2)**	–	**–**	–
Net profit/(loss) after tax		**131.5**	**(79.1)**	**130.9**	**(79.6)**
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Unrealised gains/(losses) on cash flow hedges		**1.1**	(6.2)	**1.1**	(6.2)
Total comprehensive income		**132.6**	**(85.3)**	**132.0**	**(85.8)**
Total comprehensive income for the period attributable to Waypoint REIT securityholders, comprising:					
– shareholders of Waypoint REIT Limited		**0.6**	0.5	**–**	–
– unitholders of Waypoint REIT Trust (non-controlling interests)		**132.0**	(85.8)	**132.0**	(85.8)
		132.6	(85.3)	**132.0**	(85.8)
Earnings per security		**cents**	**cents**	**cents**	**cents**
Basic earnings per security	1.(b)	**19.57**	(11.77)	**19.48**	(11.85)
Diluted earnings per security	1.(b)	**19.55**	(11.76)	**19.46**	(11.84)

The above Consolidated Statements of Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Balance Sheets

At 31 December 2024

	Notes	Waypoint REIT 31 Dec 2024 $ million	Waypoint REIT 31 Dec 2023 $ million	Trust Group 31 Dec 2024 $ million	Trust Group 31 Dec 2023 $ million
ASSETS					
Current assets					
Cash and cash equivalents	1.(c)	**14.7**	13.3	**1.4**	0.7
Derivative financial instruments	3.(c)	**4.9**	9.1	**4.9**	9.1
Other current assets		**1.6**	1.6	**5.0**	4.7
		21.2	24.0	**11.3**	14.5
Assets held for sale	2.(b)	**3.8**	–	**3.8**	–
Total current assets		**25.0**	**24.0**	**15.1**	**14.5**
Non-current assets					
Investment properties	2.(a)	**2,793.5**	2,769.3	**2,793.5**	2,769.3
Derivative financial instruments	3.(c)	**6.1**	4.0	**6.1**	4.0
Other non-current assets		**0.4**	0.6	**–**	–
Total non-current assets		**2,800.0**	**2,773.9**	**2,799.6**	**2,773.3**
Total assets		**2,825.0**	**2,797.9**	**2,814.7**	**2,787.8**
LIABILITIES					
Current liabilities					
Trade and other payables		**3.7**	3.7	**5.3**	5.0
Rent received in advance		**3.6**	3.0	**3.6**	3.0
Interest payable		**3.8**	4.4	**3.8**	4.4
Distribution payable		**27.7**	27.5	**27.7**	27.5
Derivative financial instruments	3.(c)	**0.7**	0.6	**0.7**	0.6
Provisions and other current liabilities		**1.4**	1.2	**–**	–
Total current liabilities		**40.9**	**40.4**	**41.1**	**40.5**
Non-current liabilities					
Borrowings	3.(a)	**917.4**	892.7	**917.4**	892.7
Derivative financial instruments	3.(c)	**11.4**	31.5	**11.4**	31.5
Provisions and other non-current liabilities		**0.5**	0.7	**–**	–
Total non-current liabilities		**929.3**	**924.9**	**928.8**	**924.2**
Total liabilities		**970.2**	**965.3**	**969.9**	**964.7**
Net assets		**1,854.8**	**1,832.6**	**1,844.8**	**1,823.1**
EQUITY					
Waypoint REIT Limited					
Contributed equity	3.(e)	**7.1**	7.1	**–**	–
Retained profits		**1.9**	1.3	**–**	–
Other equity	3.(g)	**1.0**	1.1	**–**	–
Parent entity interest		**10.0**	**9.5**	**–**	**–**
Waypoint REIT Trust					
Contributed equity	3.(e)	**1,324.2**	1,323.8	**1,324.2**	1,323.8
Retained profits		**519.7**	499.5	**519.7**	499.5
Reserves	3.(g)	**0.9**	(0.2)	**0.9**	(0.2)
Non-controlling interests		**1,844.8**	**1,823.1**	**1,844.8**	**1,823.1**
Total equity		**1,854.8**	**1,832.6**	**1,844.8**	**1,823.1**

The above Consolidated Balance Sheets should be read in conjunction with the accompanying notes.

Consolidated Statements of Changes in Equity

For the year ended 31 December 2024

		Waypoint REIT					Trust Group			
	Notes	Contributed equity $ million	Retained profits $ million	Other equity $ million	Non-controlling interests $ million	TOTAL $ million	Contributed equity $ million	Retained profits $ million	Reserves $ million	TOTAL $ million
Balance at 1 January 2023		**7.1**	**0.8**	**0.6**	**2,019.9**	**2,028.4**	**1,324.1**	**689.8**	**6.0**	**2,019.9**
Profit for the period		**–**	**0.5**	**–**	**(79.6)**	**(79.1)**	**–**	**(79.6)**	**–**	**(79.6)**
Other comprehensive income:										
Effective portion of changes in fair value of cash flow hedges		–	–	–	(6.2)	(6.2)	–	–	(6.2)	(6.2)
Total comprehensive profit for the period		**–**	**0.5**	**–**	**(85.8)**	**(85.3)**	**–**	**(79.6)**	**(6.2)**	**(85.8)**
Transactions with owners in their capacity as owners										
Security-based payment expense		–	–	0.5	–	0.5	–	–	–	–
Acquisition of treasury securities		–	–	–	(0.3)	(0.3)	(0.3)	–	–	(0.3)
Distributions paid or provided for	1.(a)	–	–	–	(110.7)	(110.7)	–	(110.7)	–	(110.7)
Total transactions with owners in their capacity as owners		**–**	**–**	**0.5**	**(111.0)**	**(110.5)**	**(0.3)**	**(110.7)**	**–**	**(111.0)**
Balance at 1 December 2023		**7.1**	**1.3**	**1.1**	**1,823.1**	**1,832.6**	**1,323.8**	**499.5**	**(0.2)**	**1,823.1**
Balance at 1 January 2024		**7.1**	**1.3**	**1.1**	**1,823.1**	**1,832.6**	**1,323.8**	**499.5**	**(0.2)**	**1,823.1**
Profit/(loss) for the period		**–**	**0.6**	**–**	**130.9**	**131.5**	**–**	**130.9**	**–**	**130.9**
Other comprehensive income:										
Effective portion of changes in fair value of cash flow hedges		–	–	–	1.1	1.1	–	–	1.1	1.1
Total comprehensive profit/(loss) for the period		**–**	**0.6**	**–**	**132.0**	**132.6**	**–**	**130.9**	**1.1**	**132.0**
Transactions with owners in their capacity as owners										
Security-based payment expense		–	–	0.6	–	0.6	–	–	–	–
Acquisition of treasury securities		–	–	–	(0.3)	(0.3)	(0.3)	–	–	(0.3)
Securities vested under Incentive Plans		–	–	(0.7)	0.7	–	0.7	–	–	0.7
Distributions paid or provided for	1.(a)	–	–	–	(110.7)	(110.7)	–	(110.7)	–	(110.7)
Total transactions with owners in their capacity as owners		**–**	**–**	**(0.1)**	**(110.3)**	**(110.4)**	**0.4**	**(110.7)**	**–**	**(110.3)**
Balance at 31 December 2024		**7.1**	**1.9**	**1.0**	**1,844.8**	**1,854.8**	**1,324.2**	**519.7**	**0.9**	**1,844.8**

The above Consolidated Statements of Changes in Equity should be read in conjunction with accompanying notes.

Consolidated Statements of Cash Flows

For the year ended 31 December 2024

		Waypoint REIT		Trust Group	
	Notes	2024 $ million	2023 $ million	2024 $ million	2023 $ million
Cash flows from operating activities					
Rental income from investment properties (inclusive of GST)		**181.6**	174.8	**181.6**	174.8
Payments to suppliers and employees (inclusive of GST)		**(28.7)**	(27.2)	**(28.9)**	(26.0)
		152.9	**147.6**	**152.7**	**148.8**
Interest received		**1.1**	0.9	**0.5**	0.4
Interest paid		**(43.1)**	(39.3)	**(43.1)**	(39.3)
Income taxes paid		**(0.1)**	–	**–**	–
Net cash inflow from operating activities		**110.8**	**109.2**	**110.1**	**109.9**
Cash flows from investing activities					
Acquisition and capital expenditure		**(0.2)**	(0.2)	**(0.2)**	(0.2)
Net proceeds on sale of investment properties		**2.7**	–	**2.7**	–
Net cash (outflow)/inflow from investing activities		**2.5**	**(0.2)**	**2.5**	**(0.2)**
Cash flows from financing activities					
Proceeds from borrowings (net of borrowing costs)		**570.7**	67.5	**570.7**	67.5
Repayments of borrowings		**(572.0)**	(67.0)	**(572.0)**	(67.0)
Distributions paid to securityholders	1.(a)	**(110.6)**	(110.2)	**(110.6)**	(110.2)
Net cash outflow from financing activities		**(111.9)**	**(109.7)**	**(111.9)**	**(109.7)**
Net increase/(decrease) in cash and cash equivalents		**1.4**	**(0.7)**	**0.7**	**(0.0)**
Cash and cash equivalents at beginning of the period		**13.3**	14.0	**0.7**	0.7
Cash and cash equivalents at end of the period	1.(c)	**14.7**	**13.3**	**1.4**	**0.7**

The above Consolidated Statements of Cash Flows should be read in conjunction with accompanying notes.

Notes to the Financial Statements

This financial report contains the financial statements of Waypoint REIT and Waypoint REIT Trust Group (**Trust Group**) for the year ended 31 December 2024. The financial statements of Waypoint REIT comprise the Company, the Trust and their respective controlled entities. The financial statements of the Trust Group comprise the Trust and its controlled entities.

As permitted by Class Order 13/1050, issued by ASIC, this financial report is a combined financial report that presents the financial statements and accompanying notes of both Waypoint REIT Limited and Waypoint REIT Trust at and for the year ended 31 December 2024.

Waypoint REIT is a stapled group consisting of the Company and the Trust and their wholly owned entities. The Trust indirectly owns the investment property portfolio through its 100% ownership of the trusts, which own the investment properties and receive rent under leases. The Company directly owns all of the shares in VER Limited (**Responsible Entity**). Each stapled security consists of one share in the Company and one unit in the Trust.

Waypoint REIT is listed on the Australian Securities Exchange (**ASX**) and is registered and domiciled in Australia.

The notes to these consolidated financial statements include additional information which is required to understand the operations, performance and financial position of Waypoint REIT. The notes are set out as follows:

Notes To The Financial Statements continued

1. Performance and results

Based on the reports reviewed to monitor the performance of Waypoint REIT and Trust Group, the Board of Waypoint REIT, in its capacity as chief operating decision maker, determines that Waypoint REIT (and Trust Group) has one reportable segment in which it operates, being fuel and convenience retail investment properties. Refer to the Consolidated Statements of Comprehensive Income for the segment financial performance and the Consolidated Balance Sheets for the assets and liabilities.

Key financial metrics used to define the results and performance of Waypoint REIT, including Distributable Earnings, distributions, earnings per stapled security and Distributable Earnings per stapled security are set out below.

Distributable Earnings is a non-statutory measure of profit and is calculated as net profit adjusted to remove transaction costs, amortisation of tenant incentives, specific non-recurring items and non-cash items (including straight-lining of rental income, the amortisation of debt establishment fees, long-term incentive expense and any fair value adjustment to investment properties and derivatives).

A reconciliation between Distributable Earnings and statutory profit is set out below.

	FY24 $ million	FY23 $ million
Rental income	**162.3**	157.5
Finance income	**1.1**	0.9
Total operating income	**163.4**	**158.4**
Operating expenses	**(9.7)**	(9.9)
Interest expense	**(42.8)**	(37.8)
Income tax expense	**(0.2)**	–
Distributable Earnings	**110.7**	**110.7**
Net fair value gain/(loss) on investment properties	**28.4**	(184.5)
Net profit/(loss) on sale of investment properties	**0.2**	–
Straight-line rental income	**1.6**	5.9
Amortisation of borrowing costs	**(2.8)**	(1.7)
Amortisation of tenant incentives	**–**	–
Net loss from derivative financial instruments	**(6.4)**	(9.3)
Long-term incentive expense	**(0.2)**	(0.2)
Statutory net profit/(loss) after tax	**131.5**	**(79.1)**

1.(a) Distributions to securityholders

	2024 $ million	2023 $ million
Distributions paid in the period ended 31 December 2024		
Final distribution for year ended 31 December 2023 – 4.10 cents per security paid on 26 February 2024	**27.5**	–
Interim distribution for the quarter ended 31 March 2024 – 4.12 cents per security paid on 10 May 2024	**27.7**	–
Interim distribution for the quarter ended 30 June 2024 – 4.12 cents per security paid on 29 August 2024	**27.7**	–
Interim distribution for the quarter ended 30 September 2024 – 4.12 cents per security paid on 15 November 2024	**27.7**	–
Distributions paid in the period ended 31 December 2023		
Final distribution for year ended 31 December 2022 – 4.03 cents per security paid on 27 February 2023	**–**	27.1
Interim distribution for the quarter ended 31 March 2023 – 4.12 cents per security paid on 12 May 2023	**–**	27.7
Interim distribution for the quarter ended 30 June 2023 – 4.16 cents per security paid on 28 August 2023	**–**	27.9
Interim distribution for the quarter ended 30 September 2023 – 4.10 cents per security paid on 15 November 2023	**–**	27.5
Total distributions paid	**110.6**	**110.2**

A distribution of 4.12 cents per security ($27.7 million) is to be paid on 27 February 2025 for the quarter ended 31 December 2024 and this has been provided for in the financial statements.

The Company has franking credits available for subsequent reporting periods of $0.1 million based on a tax rate of 25% (2023: $0.03 million). There was no dividend paid or payable from the Company during the period.

1.(b) Earnings per security

	Waypoint REIT		Trust Group	
	2024 Cents	2023 Cents	2024 Cents	2023 Cents
Basic earnings per security (cents) attributable to:				
Shareholders of Waypoint REIT Limited	**0.09**	0.08	**–**	–
Unitholders of Waypoint REIT Trust (non-controlling interest)	**19.48**	(11.85)	**19.48**	(11.85)
Securityholders of Waypoint REIT	**19.57**	**(11.77)**	**19.48**	**(11.85)**
Diluted earnings per security (cents) attributable to:				
Shareholders of Waypoint REIT Limited	**0.09**	0.08	**–**	–
Unitholders of Waypoint REIT Trust (non-controlling interest)	**19.46**	(11.84)	**19.46**	(11.84)
Securityholders of Waypoint REIT	**19.55**	**(11.76)**	**19.46**	**(11.84)**
Statutory net profit/(loss) after tax ($ million)	**131.5**	(79.1)	**130.9**	(79.6)
Distributable Earnings ($ million)	**110.7**	110.7	**N/A**	N/A
Distributable Earnings per stapled security (cents)	**16.48**	16.48	**N/A**	N/A

Notes To The Financial Statements continued

1. Performance and results

1.(b) Earnings per security continued

	Waypoint REIT		Trust Group	
	2024 million	**2023 million**	**2024 million**	**2023 million**
Weighted average number of securities used as the denominator in calculating basic earnings per security	**671.8**	671.8	**671.8**	671.8
Adjustments for calculation of diluted earnings per stapled security				
– performance rights*	**0.6**	0.4	**0.6**	0.4
Weighted average number of securities and potential securities used as the denominator in calculating diluted earnings per security	**672.4**	672.2	**672.4**	672.2

* Performance rights are unquoted securities and conversion to stapled securities and vesting to executives is subject to performance and/or service conditions.

1.(c) Cash and cash equivalents

	Waypoint REIT		Trust Group	
	31 Dec 2024 $ million	**31 Dec 2023 $ million**	**31 Dec 2024 $ million**	**31 Dec 2023 $ million**
Cash at bank	**14.7**	13.3	**1.4**	0.7
Total cash and cash equivalents	**14.7**	**13.3**	**1.4**	**0.7**

Accounting policy – cash and cash equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, and other short-term, highly liquid investments with maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.(d) Cash flow information

(i) Reconciliation of net profit after income tax to net cash inflow from operating activities

	Waypoint REIT		Trust Group	
	2024 $ million	2023 $ million	2024 $ million	2023 $ million
Profit/(loss) for the year	**131.5**	(79.1)	**130.9**	(79.6)
Amortisation of borrowing costs	**2.8**	1.7	**2.8**	1.7
Net revaluation (gain)/loss on investment properties	**(28.4)**	184.5	**(28.4)**	184.5
Straight-line adjustment on rental income	**(1.6)**	(5.9)	**(1.6)**	(5.9)
Net profit on sale of investment properties	**(0.2)**	–	**(0.2)**	–
Net loss from derivative financial instruments	**6.4**	9.3	**6.4**	9.3
Change in operating assets and liabilities				
(Increases)/decrease in other current assets	**–**	0.3	**(0.3)**	1.9
Decrease in other non-current assets	**0.2**	–	**–**	–
Increase/(decrease) in trade and other payables	**–**	–	**0.4**	(0.4)
Increase in rent received in advance	**0.7**	0.1	**0.7**	0.1
Decrease in interest payable	**(0.6)**	(1.7)	**(0.6)**	(1.7)
Net cash inflow from operating activities	**110.8**	**109.2**	**110.1**	**109.9**

(ii) Non-cash investing and financing activities

	Waypoint REIT		Trust Group	
	2024 $ million	2023 $ million	2024 $ million	2023 $ million
Loan establishment costs netted off against borrowings drawn down	**4.8**	–	**4.8**	–
Total non-cash financing and investing activities	**4.8**	**–**	**4.8**	**–**

Notes To The Financial Statements continued

2. Property portfolio

2.(a) Investment properties

(i) Valuations and carrying amounts

	Waypoint REIT		Trust Group	
	31 Dec 2024 $ million	31 Dec 2023 $ million	31 Dec 2024 $ million	31 Dec 2023 $ million
Fuel and convenience retail properties – at fair value	**2,793.5**	2,769.3	**2,793.5**	2,769.3
Investment properties	**2,793.5**	**2,769.3**	**2,793.5**	**2,769.3**

The key inputs and assumptions for valuation of investment properties are below.

	31 Dec 2024	31 Dec 2023
Number of assets	**400**	402
Annual market rent per site	**$125,000 to $1,604,840**	$125,000 to $1,280,416
Weighted average capitalisation rate	**5.72%**	5.68%
Range of capitalisation rates	**4.50% to 8.50%**	4.25% to 8.50%
Range of fuel lease terms remaining	**0.9 to 14.3 years**	1.9 to 12.9 years

During the year, 158 investment properties were independently valued (representing 40% of the portfolio by number) including 77 at 30 June 2024 and 81 at 31 December 2024. The Directors have reviewed the independent valuation outcomes and determined they are appropriate to adopt at 31 December 2024. The key inputs into the valuation are based on market information for comparable properties available as at that date and the individual lease profiles for each investment property. The independent valuers have experience in valuing similar assets and have access to market evidence to support their conclusions. Comparable sales are considered to be those in similar markets, of similar scale and condition and with similar lease terms to the subject property.

Directors' valuations have been performed on the balance of the portfolio, with reference to the capitalisation rates determined for the corresponding independently valued properties and additional market evidence in the same geographic area with similar lease terms.

Investment properties have been classified as level 3 in the fair value hierarchy. There have been no transfers between the levels in the fair value hierarchy during the period.

All investment properties are freehold except for all sites in the Australian Capital Territory that are subject to Crown leases.

Accounting policy – investment properties

All of Waypoint REIT's properties are treated as investment properties for the purpose of financial reporting. Under Australian Accounting Standards, investment property buildings and improvements are not depreciated over time. Instead, investment properties are initially valued at cost, including transaction costs, and at the end of each accounting period the carrying values are restated at their fair value at the time.

Key estimate – valuation of investment properties

Changes in fair value are recognised as a non-cash gain or loss in the statutory net profit in the accounting period in which they arise. As a result of this accounting policy, changes in the fair value of Waypoint REIT's investment properties may have a significant impact on its reported statutory net profit in any given period. The fair value of investment property is determined based on real estate valuation techniques and the principles of AASB 13 *Fair Value Measurement*.

The fair value of the properties is reviewed by the Directors at each reporting date. The Directors' assessment of fair value is periodically assessed by engaging an independent valuer to assess the fair value of individual properties with at least one-sixth of the properties within the portfolio being independently valued every six months. Valuations may occur more frequently if there is reason to believe that the fair value of a property has materially changed from its carrying value (e.g. as a result of changes in market conditions, leasing activity in relation to the property or capital expenditure). Each investment property is subject to independent valuation at least once every three years.

The independent valuer is changed at least every three years unless the Board approves the use of a valuer for a fourth year due to extenuating circumstances.

Valuations are primarily derived using a combination of the income capitalisation and the direct comparison methods and with consideration for a number of factors that may include a direct comparison between the subject property and a range of comparable sales, the present value of net future cash flow projections based on reliable estimates of future cash flows, existing lease contracts, external evidence such as current market rents for similar properties and using capitalisation rates and discount rates that reflect current market assessments of the uncertainty in the amount and timing of cash flows.

(ii) Movements during the period

	Waypoint REIT		Trust Group	
At fair value	**2024 $ million**	**2023 $ million**	**2024 $ million**	**2023 $ million**
Opening balance (1 January)	**2,769.3**	2,947.6	**2,769.3**	2,947.6
Capital expenditure	**0.3**	0.3	**0.3**	0.3
Straight-line rental asset	**1.6**	5.9	**1.6**	5.9
Fair value adjustment to investment properties	**28.4**	(184.5)	**28.4**	(184.5)
Transfer to assets held for sale	**(6.1)**	–	**(6.1)**	–
Closing balance (31 December)	**2,793.5**	**2,769.3**	**2,793.5**	**2,769.3**

Notes To The Financial Statements continued

2. Property portfolio continued

2.(a) Investment properties continued

(iii) Amounts recognised in profit or loss for investment properties

	Waypoint REIT		Trust Group	
	2024 $ million	**2023 $ million**	**2024 $ million**	**2023 $ million**
Rental income	**162.3**	157.5	**162.3**	157.5
Other non-cash rental income (recognised on a straight-line basis)	**1.6**	5.9	**1.6**	5.9
Net property related operating expenses	**(1.1)**	(1.3)	**(1.1)**	(1.3)
Net revaluation of investment properties	**28.4**	(184.5)	**28.4**	(184.5)
Net gain on sale of investment properties	**0.2**	–	**0.2**	–

(iv) Leasing arrangements

The investment properties are leased to Viva Energy Australia Pty Limited (94.2% of rental income), other fuel operators and various convenience store operators (5.8% of rental income) under predominantly long-term operating leases with rent payable in advance monthly, quarterly or annually. Rental income for 94.0% of the investment properties is subject to fixed annual increases of 3.0% or greater. The remainder of the leases largely have CPI-linked rent reviews. Where considered necessary to reduce credit risk, Waypoint REIT may obtain bank guarantees or security deposits for the term of the lease.

Minimum undiscounted future payments to be received under non-cancellable operating leases of investment properties not recognised in the financial statements are receivable as follows.

	Waypoint REIT		Trust Group	
	31 Dec 2024 $ million	**31 Dec 2023 $ million**	**31 Dec 2024 $ million**	**31 Dec 2023 $ million**
Within one year	**165.8**	162.3	**165.8**	162.3
Later than one year but not later than two years	**167.8**	166.0	**167.8**	166.0
Later than two years but not later than three years	**163.7**	168.1	**163.7**	168.1
Later than three years but not later than four years	**157.6**	164.0	**157.6**	164.0
Later than four years but not later than five years	**149.2**	157.8	**149.2**	157.8
Later than five years	**504.8**	651.1	**504.8**	651.1
Total	**1,308.9**	**1,469.3**	**1,308.9**	**1,469.3**

Accounting policy – rental income

Rental income from operating leases is recognised as income on a straight-line basis. Where a lease has a fixed annual increase, the total rent receivable over the operating lease is recognised as revenue on a straight-line basis over the lease term. This results in more income being recognised early in the lease term and less late in the lease term compared to the lease conditions (i.e. actual cash received). The difference between the lease income recognised and the actual lease payment received is shown within the fair value of the investment property on the consolidated balance sheet and reversed on disposal of an asset.

2.(b) Assets held for sale

	Waypoint REIT		Trust Group	
	31 Dec 2024 $ million	31 Dec 2023 $ million	31 Dec 2024 $ million	31 Dec 2023 $ million
Investment properties – contracted	3.8	–	3.8	–
Current assets held for sale	**3.8**	**–**	**3.8**	**–**

During the year, Waypoint REIT reclassified two assets to held for sale. One of these assets completed settlement during the year. At balance date, the other asset was contracted for sale and settlement was completed on 6 February 2025.

Movements during the period	Waypoint REIT		Trust Group	
At fair value	2024 $ million	2023 $ million	2024 $ million	2023 $ million
Opening balance	–	–	–	–
Net transfer from investment properties	6.1	–	6.1	–
Disposal costs	0.2	–	0.2	–
Net gain on sale of investment properties	0.2	–	0.2	–
Settlement of assets held for sale	(2.7)	–	(2.7)	–
Closing balance	**3.8**	**–**	**3.8**	**–**

Accounting policy – assets held for sale

Investment properties are classified as held for sale and measured at fair value if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

2.(c) Sensitivities

Waypoint REIT's property portfolio is 99.9% occupied with a weighted average lease expiry of 7.1 years. Only 6 leases (representing 0.7% of annual rental income) expire before the end of 2025. Waypoint REIT's investment properties are typically on long-term leases with contracted annual rental income escalations and, accordingly, they are generally valued on a capitalisation of income basis. Waypoint REIT's investment properties are therefore mostly exposed to a risk of change in their fair values due to changes in market capitalisation rates.

	2024 $ million	2023 $ million
Sensitivity of fair value to movements in market capitalisation rates (all else held equal):		
Decreases by 25 basis points	127.7	127.5
Increases by 25 basis points	(117.0)	(116.7)

The impacts on carrying values as shown above for the noted movement in capitalisation rates (all else held equal) would impact the statutory net profit but not impact Distributable Earnings (unless an interest margin increase on borrowings is triggered by the lower investment property value causing the covenant gearing ratio to rise beyond 40%), as the unrealised movement in carrying value of investment properties is excluded from the Distributable Earnings calculation.

In relation to Waypoint REIT's debt facility agreements at 31 December 2024, the market capitalisation rate expansion (holding all other variables constant) required to trigger:

- Higher margin pricing (when the covenant gearing ratio increases beyond 40%) is 96 bps (applies to $100.0 million of facilities and is up to 25 bps increase to the applicable margin);
- Applicability of draw stop provisions (when the covenant gearing ratio increases beyond 45%) is 180 bps (applies to all facilities); and
- A covenant breach (event of default) (when the covenant gearing ratio increases beyond 50%) is 264 bps (applies to all facilities).

2.(d) Commitments and contingencies

There are no material outstanding contingent assets, liabilities or commitments as at 31 December 2024.

Notes To The Financial Statements continued

3. Capital management

Waypoint REIT's activities expose it to numerous external financial risks such as credit risk, liquidity risk and market risk. This section explains how Waypoint REIT utilises its risk management framework to reduce volatility from these external factors.

3.(a) Borrowings

	Waypoint REIT		Trust Group	
	31 Dec 2024 $ million	31 Dec 2023 $ million	31 Dec 2024 $ million	31 Dec 2023 $ million
Non-current liabilities				
Bank facilities	**483.0**	439.0	**483.0**	439.0
USPP Notes[1]	**241.2**	218.0	**241.2**	218.0
AMTN[2]	**199.5**	199.4	**199.5**	199.4
Institutional term loans	**–**	40.0	**–**	40.0
Gross unsecured borrowings	**923.7**	**896.4**	**923.7**	**896.4**
Unamortised borrowing costs	**(6.3)**	(3.7)	**(6.3)**	(3.7)
Net unsecured borrowings	**917.4**	**892.7**	**917.4**	**892.7**
Total undrawn facilities available	**167.0**	**121.0**	**167.0**	**121.0**

1. Net of fair value hedge adjustment of $45.1 million (31 December 2023: $42.2 million).
2. Net of $0.5 million unamortised discount on the issue of these instruments (31 December 2023: $0.6 million unamortised discount).

USPP Notes

The USPP Notes are further detailed below.

	USD fixed coupon	Maturity date	Notional value of cross-currency swaps $ million	AUD equivalent on issuance date $ million	Foreign exchange and fair value movement $ million	Carrying amount 31 Dec 2024 $ million
7-year tranche	2.89%	29 Oct 27	108.9	108.9	16.5	**125.4**
10-year tranche	3.18%	29 Oct 30	76.8	76.8	11.7	**88.5**
12-year tranche	3.33%	29 Oct 32	62.9	62.9	9.5	**72.4**
Total exposure			**248.6**	**248.6**	**37.7**	**286.3**
Fair value hedge adjustment				–	(45.1)	**(45.1)**
Total				**248.6**	**(7.4)**	**241.2**
Cross-currency interest rate swaps						**10.0**
Accrued interest on swaps						**1.6**
Total cross-currency interest rate swaps						**11.6**
Net USPP Notes exposure						**252.8**

Maturities, interest rates and covenants

Waypoint REIT's weighted average debt maturity as at 31 December 2024 is 4.1 years (31 December 2023: 3.4 years).

The interest rate applying to the drawn amount of the bank and institutional term loan facilities is set on a periodic basis (i.e. one, three or six months) at the prevailing market interest rate at the commencement of the period (Australian dollar, bank bill swap rate), plus the applicable margin. For $100.0 million of these debt facilities, the interest margin has a rate increase/decrease applied if:

- Debt Covenant Gearing is higher than 40% – margin increase by up to 0.25%
- Debt Covenant Gearing is lower than 30% – margin decrease by 0.10%

The interest rate applying to the USPP Notes is fixed in US dollars as noted above, with cross-currency swaps in place for 100% of these facilities to mitigate the foreign exchange risk and convert the USD interest rate exposure to a floating Australian dollar interest rate exposure.

Facility agreement covenants and related restrictions include:

- Interest cover ratio of not less than 2.0 times (actual at 31 December 2024: 3.7 times);
- Gearing ratio of not more than 50% (actual at 31 December 2024: 34.3%); and
- A drawdown cannot be completed or any indebtedness incurred if Gearing is or will exceed 45% via the drawdown being completed.

Waypoint REIT was in compliance with its covenants throughout the period.

The fair values of bank and institutional term loan borrowings are not materially different from their carrying amounts due to their short-term nature.

The fair value of the USPP Notes and AMTN are $253.8 million and $181.0 million, respectively, as at 31 December 2024 based on discounted cash flows using the current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy.

Accounting policy – borrowings

Borrowings are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method. Under the effective interest rate method, any transaction fees, costs, discounts and premiums directly related to borrowings are recognised in the profit and loss over the expected life of the borrowings. Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings with maturities greater than 12 months after reporting date are classified as non-current liabilities.

3.(b) Net finance costs

	Waypoint REIT		Trust Group	
	2024 $ million	**2023 $ million**	**2024 $ million**	**2023 $ million**
Finance income	**1.1**	0.9	**0.5**	0.4
Finance income	**1.1**	**0.9**	**0.5**	**0.4**
Interest expense	**45.6**	39.5	**45.6**	39.5
Finance expense	**45.6**	**39.5**	**45.6**	**39.5**
Designated hedge accounting relationship				
Gain/(loss) on fair value movements – fair value hedges	**(0.4)**	1.0	**(0.4)**	1.0
Derivatives not designated in hedge accounting				
Loss on fair value movements	**(6.0)**	(10.3)	**(6.0)**	(10.3)
Net gain/(loss) from derivative financial instruments	**(6.4)**	**(9.3)**	**(6.4)**	**(9.3)**

Accounting policy – finance costs

Finance costs include interest expense on debt financing arrangements, settlements (including restructure and termination costs unless significant in which case separate disclosure will apply) of interest rate derivative financial instruments and amortisation of upfront borrowing costs incurred in connection with the arrangement of borrowings available to Waypoint REIT.

Notes To The Financial Statements continued

3. Capital management continued

3.(c) Derivative financial instruments

Waypoint REIT has the following derivative financial instruments.

	Waypoint REIT		Trust Group	
	31 Dec 2024 $ million	31 Dec 2023 $ million	31 Dec 2024 $ million	31 Dec 2023 $ million
Current assets				
Instruments held at fair value through profit or loss				
Interest rate swaps	**4.9**	9.1	**4.9**	9.1
Current assets	**4.9**	**9.1**	**4.9**	**9.1**
Non-current assets				
Instruments in a designated cash flow hedge				
Interest rate swaps	**–**	1.2	**–**	1.2
Instruments in a designated fair value hedge				
Cross-currency swaps	**4.7**	–	**4.7**	–
Instruments held at fair value through profit or loss				
Interest rate swaps	**1.4**	2.8	**1.4**	2.8
Non-current assets	**6.1**	**4.0**	**6.1**	**4.0**
Total assets	**11.0**	**13.1**	**11.0**	**13.1**
Current liabilities				
Instruments held at fair value through profit or loss				
Interest rate swaps	**0.7**	0.6	**0.7**	0.6
Current liabilities	**0.7**	**0.6**	**0.7**	**0.6**
Non-current liabilities				
Instruments in a designated fair value hedge				
Cross-currency swaps	**10.0**	30.6	**10.0**	30.6
Instruments held at fair value through profit or loss				
Interest rate swaps	**1.4**	0.9	**1.4**	0.9
Non-current liabilities	**11.4**	**31.5**	**11.4**	**31.5**
Total liabilities	**12.1**	**32.1**	**12.1**	**32.1**
Net total liability position	**1.1**	**19.0**	**1.1**	**19.0**

Accounting policy – derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their 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. Waypoint REIT designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges); or
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

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

(i) Fair value hedges

Cross-currency swaps are used to hedge 100% of the currency risk on US dollar-denominated debt. The portion of the cross-currency swap that equates to the fair value hedge having a $nil fair value at inception is designated as a fair value hedge and hedge accounting is applied.

The gain or loss relating to interest payments on derivative financial instruments hedging fixed rate borrowings is recognised in profit or loss within finance costs. Changes in the fair value of derivative hedging instruments and the hedged fixed rate borrowings attributable to interest rate risk are recognised within 'Net gains/(losses) from derivative financial instruments'. The gain or loss relating to the ineffective portion is also recognised in profit or loss within 'Net gains/(losses) from derivative financial instruments'.

(ii) Cash flow hedges

Interest rate derivative financial instruments are used to partially hedge interest rate risk on floating rate debt. Hedge accounting applies to interest rate derivative financial instruments entered on or before 31 December 2019.

Cross-currency swaps are also used to hedge 100% of the currency risk on US dollar-denominated debt. The residual portion of the cross-currency swap is designated as a cash flow hedge and hedge accounting is applied.

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 reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other income or other expense.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss. The gain or loss relating to the effective portion of interest rate derivative financial instruments hedging variable rate borrowings is recognised in profit or loss within finance costs.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss.

The following table shows balance sheet movements during the year relative to the gain/(loss) recorded in profit and loss for both borrowings and derivatives.

$ million	**USD denominated**		**AUD denominated**			
	USPP	**Foreign exposure**	**Bank loans**	**Term loans**	**Interest rate swaps**	**Total**
(Increase)/decrease in borrowings	(23.2)	**(23.2)**	(44.0)	40.0	–	**(27.2)**
Net drawn/(repaid)	–	**–**	44.0	(40.0)	**–**	**4.0**
Gain/(loss) on fair value of debt	**(23.2)**	**(23.2)**	**–**	**–**	**–**	**(23.2)**
Increase/(decrease) in derivatives	25.3	**25.3**	–	–	(7.4)	**17.9**
Upfront paid	–	**–**	–	–	–	**–**
Cash flow hedge reserve impact	(2.5)	**(2.5)**	–	–	1.4	**(1.1)**
Gain/(loss) on fair value of derivatives	**22.8**	**22.8**	**–**	**–**	**(6.0)**	**16.8**
Net gain/(loss) in profit and loss	**(0.4)**	**(0.4)**	**–**	**–**	**(6.0)**	**(6.4)**

(iii) Derivatives that do not qualify for hedge accounting

Hedge accounting is not adopted for certain derivative instruments. Changes in the fair value of any such derivative instrument are recognised immediately in profit or loss and are included in net gain/(loss) from derivative financial instruments.

Key estimate – valuation of derivative financial instruments

Waypoint REIT's financial instruments are over-the-counter derivatives for which there are no quoted market prices. Valuation techniques (including pricing models which estimate the present value of estimated future cash flows based on observable yield curves) are used to determine fair values.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Notes To The Financial Statements continued

3. Capital management continued

3.(c) Derivative financial instruments continued

(i) Interest rate derivative financial instruments

At 31 December 2024, interest rate derivatives with a notional value of $979.5 million were in place. The relevant expiry dates are as follows.

	Waypoint REIT		Trust Group	
	31 Dec 2024 $ million	**31 Dec 2023 $ million**	**31 Dec 2024 $ million**	**31 Dec 2023 $ million**
Less than 1 year	**246.5**	110.0	**246.5**	110.0
1 to 2 years	**395.0**	246.5	**395.0**	246.5
2 to 3 years	**163.0**	295.0	**163.0**	295.0
3 to 4 years	**75.0**	163.0	**75.0**	163.0
4 to 5 years	**100.0**	–	**100.0**	–
5 to 6 years	**–**	–	**–**	–
6 to 7 years	**–**	–	**–**	–
7 to 8 years	**–**	–	**–**	–
8 to 9 years	**–**	–	**–**	–
	979.5	**814.5**	**979.5**	**814.5**

At 31 December 2024, 92.8% of Waypoint REIT's debt was hedged (through a combination of fixed rate debt and interest rate swaps). The weighted maturity of fixed rate debt and hedges was 2.6 years.

(ii) Cross-currency swaps

At 31 December 2024, cross-currency swaps were in place to cover 100% of debt denominated in foreign currency and the weighted average term was 5.0 years. Refer to Note 3. (a) for further details.

3.(d) Financial risk management

(i) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. Waypoint REIT's maximum credit risk exposure at balance date in relation to each class of recognised financial asset, other than derivative financial instruments, is the gross carrying amount of those assets as indicated in the consolidated balance sheet.

Financial assets such as cash at bank and interest rate derivative financial instruments are held across a number of high credit quality financial institutions; therefore, Waypoint REIT does not have a concentration of credit risk in relation to these financial assets.

Tenant concentration risk, financial standing and sector concentration risk

94.2% of Waypoint REIT's rental income is currently received from Viva Energy. If Viva Energy's financial standing materially deteriorates and impacts its ability to make rental payments, Waypoint REIT's financial results, financial position and ability to service and/or obtain financing will be adversely impacted. Furthermore, a material decline in the profitability of Viva Energy's business due to the global transition to a low carbon economy, the possible termination of Viva Energy's right to use the Shell brand (current agreement expires in 2029), risks to the successful integration of the recent acquisition of Coles Express or On The Run or other factors outside the control of Waypoint REIT could affect the perceived stability of the rental income of Waypoint REIT and may affect Waypoint REIT's security price and/or ability to obtain financing on acceptable terms. A material decline in the profitability of Viva Energy's business could also lead to reduced capacity or ability for Viva Energy to pay market rents when renewal options are exercised, which could result in lower rental receipts and/or a decline in the values of Waypoint REIT's investment properties if Waypoint REIT is unable to lease the property to an alternate tenant.

Collection risk

Waypoint REIT performs financial due diligence on potential new tenants and holds collateral in the form of security deposits or bank guarantees where appropriate. Rent is due in advance on the first day of each billing period (typically monthly), with arrears monitored and arrears notices issued on a regular basis (where required). Waypoint REIT applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other financial assets. The loss allowances for trade and other financial assets are based on assumptions about risk of default and expected loss rates. Waypoint REIT uses judgement in making these assumptions, based on Waypoint REIT's past history and existing market conditions as well as forward-looking estimates at the end of each reporting period.

The table below shows the ageing analysis of rent receivables of Waypoint REIT.

	Less than 31 days $ million	31 to 60 days $ million	61 to 90 days $ million	More than 90 days $ million	Total $ million
31 December 2024					
Rent receivables	**0.1**	**–**	**–**	**–**	**0.1**
Expected credit loss provision	**–**	**–**	**–**	**–**	**–**
31 December 2023					
Rent receivables	0.1	–	–	0.1	0.2
Expected credit loss provision	–	–	–	–	–

Accounting policy – rent receivables

Other current assets include rent receivables, which are recognised initially at fair value and subsequently measured at amortised cost, less provision for expected credit losses. They are generally due for settlement within 30 days and are therefore all classified as current. Waypoint REIT applies the AASB 9 simplified approach to measuring expected credit losses, which involves a lifetime expected loss allowance for all rent receivables and other financial assets.

To measure the expected credit losses, rent receivables are grouped based on shared credit risk characteristics, the days past due and the expected loss rates based on historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the rent receivables.

Rent receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the failure of a debtor to engage in a repayment plan with Waypoint REIT and a failure to make contractual payments for a period of greater than 365 days past due. Impairment losses on rent receivables are recorded within operating expenses within Distributable Earnings. Subsequent recoveries of amounts previously written off are credited against the same line item.

(ii) Liquidity risk

Liquidity risk is the risk that Waypoint REIT may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. Waypoint REIT monitors its exposure to liquidity risk by setting budgets and projecting cash flows to help ensure there is sufficient cash on hand as required or debt facility funding is available to meet financial liabilities as they fall due.

Debt agreement and refinancing risk

Waypoint REIT has outstanding debt facilities. General economic and business conditions, changes to Waypoint REIT's credit rating as well as sector-specific environmental, sustainability and governance considerations could impact Waypoint REIT's ability to refinance its debt facilities when required or may result in Waypoint REIT being subject to increased interest rate margins and covenants restricting its ability to engage in certain types of activities or to pay distributions to securityholders. Debt may not be able to be renewed or obtained at all.

If debt facilities are not available or are not available in adequate volume, Waypoint REIT may need to sell assets or raise equity to repay debt. There is no guarantee that there will be willing purchasers for Waypoint REIT's assets or that purchasers will pay prices at or greater than the book value of these investment properties. There is also no guarantee that Waypoint REIT will be able to raise equity. To help mitigate this risk, debt maturities are staggered, debt is held across a diverse set of sources, lenders and geographies, and debt is typically refinanced at least 12 months in advance of maturity.

If a third-party entity gains control of Waypoint REIT, this would constitute a review event under certain of Waypoint REIT's debt facility agreements, and (subject to specified negotiation and notification periods) a repayment of some or all of Waypoint REIT's debt facilities may be required.

The Directors regularly monitor the debt facility covenants to ensure compliance and consider the refinancing options and timing available to Waypoint REIT.

Notes To The Financial Statements continued

3. Capital management continued

3.(d) Financial risk management continued

(ii) Liquidity risk continued

Cash flow and fair value interest rate risk

Waypoint REIT's cash and cash equivalents, floating rate borrowings and derivative financial instruments expose it to a risk of change in future cash flows or the fair value of derivative financial instruments due to changes in interest rates. Waypoint REIT uses interest rate derivative financial instruments to partially hedge its economic exposure to changes in interest rates on variable-rate borrowings. By hedging against changes in interest rates, Waypoint REIT has reduced exposure to changes in interest rates on its outward cash flows so long as the counterparties to those interest rate derivative financial instruments meet their obligations to Waypoint REIT.

The table below analyses Waypoint REIT's financial liabilities in relevant maturity groupings based on the remaining period as at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows and for borrowings the values include future interest payments. Waypoint REIT has no debt facilities due to expire in the next 12 months.

Waypoint REIT

31 December 2024	Less than 12 months $ million	Between 1 and 2 years $ million	Over 2 years $ million
Non-derivatives			
Trade and other payables	**3.7**	**–**	**–**
Interest payable	**3.8**	**–**	**–**
Provisions and other liabilities	**0.7**	**0.7**	**0.6**
Distribution payable	**27.7**	**–**	**–**
Borrowings	**38.8**	**38.8**	**1,185.2**
Total non-derivatives	**74.7**	**39.5**	**1,185.8**
Derivatives			
Interest rate swaps	**0.1**	**0.9**	**1.2**
Gross settled (cross-currency swaps – fair value hedges)			
(Inflow)	**(5.1)**	**(5.1)**	**(182.8)**
Outflow	**9.7**	**9.1**	**184.5**
Total derivatives	**4.7**	**4.9**	**2.9**
Contractual cash flows	**79.4**	**44.4**	**1,188.7**

31 December 2023	Less than 12 months $ million	Between 1 and 2 years $ million	Over 2 years $ million
Non-derivatives			
Trade and other payables	3.7	–	–
Interest payable	4.4	–	–
Provisions and other liabilities	0.6	0.6	0.8
Distribution payable	27.5	–	–
Borrowings	39.0	331.9	667.6
Total non-derivatives	**75.2**	**332.5**	**668.4**
Derivatives			
Interest rate swaps	0.3	0.4	0.9
Gross settled (cross-currency swaps – fair value hedges)			
(Inflow)	(8.0)	(8.1)	(295.6)
Outflow	17.5	16.3	320.5
Total derivatives	**9.8**	**8.6**	**25.8**
Contractual cash flows	**85.0**	**341.1**	**694.2**

Trust Group

31 December 2024	Less than 12 months $ million	Between 1 and 2 years $ million	Over 2 years $ million
Non-derivatives			
Trade and other payables	5.3	–	–
Interest payable	3.8	–	–
Distribution payable	27.7	–	–
Borrowings	38.8	38.8	1,185.2
Total non-derivatives	75.6	38.8	1,185.2
Derivatives			
Interest rate swaps	0.1	0.9	1.2
Gross settled (cross-currency swaps – fair value hedges)			
(Inflow)	(5.1)	(5.1)	(182.8)
Outflow	9.7	9.1	184.5
Total derivatives	4.7	4.9	2.9
Contractual cash flows	80.3	43.7	1,188.1

31 December 2023	Less than 12 months $ million	Between 1 and 2 years $ million	Over 2 years $ million
Non-derivatives			
Trade and other payables	5.0	–	–
Interest payable	4.4	–	–
Distribution payable	27.5	–	–
Borrowings	39.0	331.9	667.6
Total non-derivatives	**75.9**	**331.9**	**667.6**
Derivatives			
Interest rate swaps	0.3	0.4	0.9
Gross settled (cross-currency swaps – fair value hedges)			
(Inflow)	(8.0)	(8.1)	(295.6)
Outflow	17.5	16.3	320.5
Total derivatives	**9.8**	**8.6**	**25.8**
Contractual cash flows	**85.7**	**340.5**	**693.4**

(iii) Capital risk management

Waypoint REIT aims to invest to meet its investment objectives while maintaining sufficient liquidity to meet its commitments. Waypoint REIT regularly reviews performance, including asset allocation strategies, investment and operational management strategies, investment opportunities and risk management.

In order to maintain an appropriate capital structure, Waypoint REIT may adjust the amount of distributions paid to securityholders, return capital to securityholders, issue new securities, sell or buy assets or reduce or raise debt.

Waypoint REIT monitors capital through the analysis of a number of financial ratios, including the Debt Covenant Gearing ratio.

	31 Dec 2024 $ million	31 Dec 2023 $ million
Total liabilities (excluding derivative financial liabilities)	965.6	963.8
Total assets (excluding derivative financial assets)	2,814.0	2,784.8
Debt Covenant Gearing ratio	**34.3%**	**34.6%**

Notes To The Financial Statements continued

3. Capital management continued

3.(d) Financial risk management continued

(iv) Market risk

Interest rate risk

Waypoint REIT's cash and cash equivalents, floating rate borrowings and derivative financial instruments expose it to a risk of change in fair value of derivative financial instruments or future cash flows due to changes in interest rates. Waypoint REIT uses interest rate derivative financial instruments to partially hedge its exposure to changes in interest rates on variable-rate borrowings. By hedging against changes in interest rates, Waypoint REIT has reduced exposure to changes in interest rates on its outward cash flows so long as the counterparties to those interest rate derivative financial instruments meet their obligations to Waypoint REIT.

Waypoint REIT's exposure to interest rate risk at reporting date, including its sensitivity to changes in market interest rates that were reasonably possible, is as follows.

	31 Dec 2024 $ million	31 Dec 2023 $ million
Financial assets		
Cash and cash equivalents	**14.7**	13.3
Derivative financial instruments (notional principal amount)		
– Interest rate derivative financial instruments	**664.5**	604.5
Financial liabilities		
Interest-bearing liabilities – floating rate interest	**(483.0)**	(479.0)
Derivative financial instruments (notional principal amount)		
– Interest rate derivative financial instruments	**–**	60.0
– Cross-currency swaps	**(248.6)**	(248.6)
Net exposure	**(52.4)**	**(49.8)**

	2024 $ million	2023 $ million
Sensitivity of Distributable Earnings to movements in market interest rates:		
Increased by 25 basis points	**(0.1)**	(0.1)
Decreased by 25 basis points	**0.1**	0.1

The interest rate range for sensitivity purposes has been determined using the assumption that interest rates changed by +/- 25 basis points from balance date rates with all other variables held constant. In determining the impact on Distributable Earnings arising from interest rate risk, Waypoint REIT has considered historic and expected future interest rate movements in order to determine a reasonably possible shift in assumptions.

Foreign exchange rate risk

A portion of Waypoint REIT's debt is denominated in US dollars and, as a result, Waypoint REIT is exposed to a risk of change in fair value or future cash flows due to changes in foreign exchange rates. Waypoint REIT economically hedges 100% of its exposure to changes in foreign exchange rates by using cross-currency derivative financial instruments. By hedging against changes in foreign exchange rates, Waypoint REIT eliminates its exposure to changes in foreign exchange rates on its outward cash flows so long as the counterparties to those cross-currency derivative financial instruments meet their obligations to Waypoint REIT.

(v) Other material business risks

Waypoint REIT's operations are also subject to the following other material business risks.

Investment property value risk

The value of Waypoint REIT's portfolio of investment properties may be adversely affected by a number of factors, including factors outside the control of Waypoint REIT, including the supply of, and demand for, fuel and convenience retail properties, general property market conditions, climate risks, the remaining lease term of individual properties, the availability and cost of credit including sector-specific environmental, sustainability and governance considerations, the ability to attract and implement economically viable rental arrangements, Viva Energy's financial condition deteriorating, occupiers not extending the term of leases, and general economic factors such as the level of inflation and interest rates, which may adversely impact capitalisation rates.

A key long-term consideration in the valuation of fuel and convenience properties is an increasing uptake of vehicles fuelled by alternative energy sources due to factors including changes in consumer behaviour, pro-emission reduction policies, reduced supply and/or higher pricing of fossil fuels.

As changes in valuations are recorded on the statutory statements of comprehensive income, any decreases in value will have a negative impact on the statutory statements of comprehensive income and balance sheets (including the net tangible assets per security) and in turn the market price of Waypoint REIT's securities may fall. Waypoint REIT's financing facilities also contain gearing covenants, and the headroom to these gearing covenants is affected by changes in the valuation of the portfolio.

The property portfolio is geographically diversified to mitigate the risk of localised valuation impacts and the majority of assets are located in metropolitan areas, which typically have higher underlying land values and alternative use potential. Active portfolio management, including the disposal of assets with heightened vacancy or negative rental reversion risk, and Waypoint REIT's long-term diversification strategy, also, in part, can mitigate this risk.

Re-leasing and vacancy risk

Waypoint REIT's property portfolio is 99.9% occupied with a weighted average lease expiry of 7.1 years. Only 6 leases (representing 0.7% of income) expire before the end of 2025. The majority of the portfolio (354 of 416 contracted leases) is subject to multiple 10-year options in favour of the tenant, with the rent from commencement of each option period to either be agreed between the parties or set by independent market rent determination. However, there is a risk that tenants may not exercise their option, or that the commencing rent will be lower than passing rent and/or market rent (if agreed between the parties).

Environmental and climate change risk

Waypoint REIT depends on its tenants to perform their obligations under various environmental arrangements in relation to the properties they lease. Waypoint REIT has an indemnity from Viva Energy in respect of certain liability for historical environmental contamination across 354 assets acquired at the time of Waypoint REIT's initial public offering. Waypoint REIT also carries out environmental due diligence in relation to potential property acquisitions. If any property in the portfolio is contaminated by a fuel tenant or its invitee during the term of the lease, the tenant under that lease must remediate it, at their cost, to a standard consistent with operating the site as a fuel and convenience property or similar commercial use. If the tenants were to fail to meet their obligations under these arrangements (including due to their insolvency), Waypoint REIT may incur significant costs to rectify contamination on its properties and also on other properties which may be consequently impacted.

Waypoint REIT is subject to a range of regulatory regimes (including environmental or climate change-related regulations) that cover the specific assets of Waypoint REIT and how they are operated. These regulatory regimes are subject to ongoing review and change that may increase the cost of compliance, reporting and maintenance of Waypoint REIT's assets. There remains a risk that Waypoint REIT, as owner of the properties in the portfolio, may face liability for breach by others of environmental laws and regulations.

Extreme weather and other climate change-related events have the potential to damage Waypoint REIT's assets and disrupt the tenants' operations. Although 376 of Waypoint REIT's 400 properties (89.8% of the portfolio by value) are subject to triple-net leases where the tenant is responsible for maintenance and insurance costs, such events may result in higher maintenance and insurance costs for Waypoint REIT's assets that are not subject to triple-net leases. Such events may also affect the ability to re-lease Waypoint REIT's investment properties in the future and the rent levels for which they can be leased, thereby affecting future investment property valuations and rental cash flows. Insurance premiums and/or deductibles may change, or insurance may not be able to be obtained at all.

The precise nature of these risks is uncertain as it depends on complex factors such as policy and regulatory change, technology development, market forces, and the links between these factors and climatic conditions. The impacts of physical and transition risks on the valuation of Waypoint REIT's property portfolio are further considered under 'Investment property valuation risk' above.

Notes To The Financial Statements continued

3. Capital management continued

3.(d) Financial risk management continued

(v) Other material business risks continued

AFSL compliance risk

VER Limited, a subsidiary of Waypoint REIT Limited, holds an Australian Financial Services Licence (AFSL) and acts as the Responsible Entity for Waypoint REIT Trust. The AFSL requires, among other matters, minimum levels of net tangible assets, liquid assets, cash reserves and liquidity, which may restrict Waypoint REIT in paying distributions that would breach these requirements.

The Directors review and monitor VER Limited's balance sheet quarterly and the adequacy and ongoing training of responsible managers annually to ensure compliance with its AFSL requirements.

Personnel risk

Loss of key personnel could potentially have an adverse impact on the management and the financial performance of Waypoint REIT and in turn may affect the returns to securityholders. To mitigate this risk, processes and procedures are standardised and automated to the extent practicable, remuneration structures include components payable on a deferred basis, and employees are subject to market-standard notice periods to ensure that Waypoint REIT has sufficient time in which to identify and hire replacement employees.

Cyber security risk

Cyber-attacks are becoming increasingly sophisticated and a material data breach, ransom attack or data loss could have an adverse financial or reputational impact. To help mitigate this risk, Waypoint REIT uses the services of third-party technology experts, provides regular staff training and performs pre-implementation and annual reviews over key Software as a Service providers.

(vi) Classification and valuation of financial assets and financial liabilities

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of fair value hierarchy. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

All derivative financial assets and liabilities were classified as level 2 instruments as at 31 December 2024. The fair value of derivative financial assets and liabilities was calculated as the present value of the estimated future cash flows based on observable yield curves, taking into account any material credit risk.

Waypoint REIT's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between levels during the period.

31 December 2024	Level 1 $ million	Level 2 $ million	Level 3 $ million	Total $ million
Assets held for sale	–	–	3.8	3.8
Investment properties	–	–	2,793.5	2,793.5
Derivative financial instruments	–	(1.1)	–	(1.1)
Total	–	(1.1)	2,797.3	2,796.2

31 December 2023	Level 1 $ million	Level 2 $ million	Level 3 $ million	Total $ million
Investment properties	–	–	2,769.3	2,769.3
Derivative financial instruments	–	(19.0)	–	(19.0)
Total	**–**	**(19.0)**	**2,769.3**	**2,750.3**

Waypoint REIT did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 31 December 2024.

3.(e) Contributed equity

	Waypoint REIT and Trust Group		Waypoint REIT		Trust Group	
	2024 Number of securities '000	2023 Number of securities '000	2024 $ million	2023 $ million	2024 $ million	2023 $ million
Ordinary securities	**671,860**	671,817	**1,331.7**	1,331.7	**1,324.6**	1,324.6
Less: treasury securities	**(194)**	(213)	**(0.4)**	(0.8)	**(0.4)**	(0.8)
	671,666	671,604	**1,331.3**	1,330.9	**1,324.2**	1,323.8
Movement in ordinary securities:						
Opening balance	**671,817**	671,817	**1,331.7**	1,331.7	**1,324.6**	1,324.6
Vesting of equity-based remuneration	**43**	–	**–**	–	**–**	–
Closing balance	**671,860**	**671,817**	**1,331.7**	**1,331.7**	**1,324.6**	**1,324.6**

In March 2024, 43,188 new securities were awarded to employees upon vesting of the FY21 performance rights under the long-term incentive (**LTI**) plan.

Treasury securities

	Waypoint REIT and Trust Group		Waypoint REIT		Trust Group	
	2024 Number of securities	2023 Number of securities	2024 $ million	2023 $ million	2024 $ million	2023 $ million
Movement in treasury securities:						
Opening balance	**212,972**	175,241	**0.8**	0.5	**0.8**	0.5
Securities acquired	**133,870**	123,076	**0.3**	0.3	**0.3**	0.3
Securities transferred to employees on vesting of STI plan	**(153,116)**	(85,345)	**(0.7)**	–	**(0.7)**	–
Closing balance	**193,726**	**212,972**	**0.4**	**0.8**	**0.4**	**0.8**

Notes To The Financial Statements continued

3. Capital management continued

3.(e) Contributed equity continued

Waypoint REIT established an equity incentive plan in 2021 under which participating employees are eligible to receive Waypoint REIT stapled securities on a deferred settlement basis under the short-term incentive (**STI**) and general employee offer plans and performance rights under the long-term incentive (**LTI**) plan.

Waypoint REIT has formed a trust, Waypoint REIT Equity Incentive Plan Trust, to administer the equity incentive plan. This trust is consolidated for reporting purposes as the trust is controlled by Waypoint REIT. Stapled securities held by the trust are disclosed as treasury securities, and the acquisition value is deducted from equity (allocated between the Company and the Trust Group based on their relative net assets).

During the year, 133,870 stapled securities were purchased on market by the Waypoint REIT Equity Incentive Plan Trust at an average price of $2.43 per security to satisfy obligations under the STI and general employee offer plans.

3.(f) Non-controlling interests

The financial statements reflect the consolidation of Waypoint REIT. For financial reporting purposes, one entity in the stapled group must be identified as the acquirer or parent entity of the others. The Company has been identified as the acquirer of the Trust, resulting in the Trust being disclosed as non-controlling interests.

	2024 $ million	2023 $ million
Opening balance	**1,823.1**	2,019.9
Profit/(loss) for the year	**130.9**	(79.6)
Effective portion of changes in fair value of cash flow hedges	**1.1**	(6.2)
Acquisition of treasury securities	**(0.3)**	(0.3)
Securities vested under Incentive Plans	**0.7**	–
Distributions paid or provided for	**(110.7)**	(110.7)
Closing balance	**1,844.8**	**1,823.1**

3.(g) Reserves

Waypoint REIT's reserves movements were as follows.

	Waypoint REIT		Trust Group	
	2024 $ million	2023 $ million	2024 $ million	2023 $ million
Hedge reserve				
Opening hedge reserve	**(0.2)**	6.0	**(0.2)**	6.0
Net change in fair value of cash flow hedges	**1.3**	(6.6)	**1.3**	(6.6)
Reclassified to profit and loss	**(0.2)**	0.4	**(0.2)**	0.4
Closing hedge reserve	**0.9**	**(0.2)**	**0.9**	**(0.2)**
Share-based payments reserve				
Opening share-based payments reserve	**1.1**	0.6	**–**	–
Share-based payment expenses*	**0.6**	0.5	**–**	–
Securities vested under Incentive Plans	**(0.7)**	–	**–**	–
Closing share-based payments reserve	**1.0**	**1.1**	**–**	**–**
Total closing reserves	**1.9**	**0.9**	**0.9**	**(0.2)**

* Refer to Note 3. (h)(i) below for unrounded figures.

3.(h) Security-based benefits expense

Waypoint REIT established an equity incentive plan in 2021 under which participating employees are eligible to receive Waypoint REIT stapled securities on a deferred settlement basis under the short-term incentive (**STI**) and general employee offer plans and performance rights under the long-term incentive (**LTI**) plan.

(i) Share-based payment expense

Share-based payment expenses recognised during the year as part of operating expenses were as follows:

	Waypoint REIT		Trust Group	
	31 Dec 2024 $	31 Dec 2023 $	31 Dec 2024 $	31 Dec 2023 $
Deferred stapled securities[1]	**367,044**	388,721	**367,044**	388,721
General employee offer[2]	**6,985**	7,354	**6,985**	7,354
Performance rights	**231,332**	159,353	**231,332**	159,353
Total	**605,361**	**555,428**	**605,361**	**555,428**

1. Granted under Waypoint REIT's short-term incentive scheme, subject to ongoing service conditions.
2. Cost of stapled securities bought on-market.

(ii) Deferred stapled securities – reconciliation

Reconciliation of the number of deferred stapled securities outstanding during the year is as follows.

Waypoint REIT and Trust Group	2024 Number	2023 Number
Deferred stapled securities		
Opening balance	**207,331**	136,108
Granted during the year	**130,924**	156,568
Transferred to employees on vesting	**(153,116)**	(85,345)
Forfeited and lapsed during the year	**–**	–
Closing balance	**185,139**	**207,331**

(iii) General employee offer securities – reconciliation

Reconciliation of the number of general employee offer securities outstanding during the year is as follows.

Waypoint REIT and Trust Group	2024 Number	2023 Number
General employee offer securities		
Opening balance	**6,482**	3,794
Granted during the year	**2,877**	2,688
Transferred to employees on vesting	**(1,580)**	–
Forfeited and lapsed during the year	**–**	–
Closing balance	**7,779**	**6,482**

Notes To The Financial Statements continued

3. Capital management continued

3.(h) Security-based benefits expense continued

(iv) Performance rights – reconciliation

Reconciliation of the number of performance rights outstanding during the year is as follows.

Waypoint REIT and Trust Group	2024 Number	2023 Number
Performance rights		
Opening balance	**856,745**	401,583
Granted during the year	**535,672**	455,162
Vested during the year	**(43,188)**	–
Forfeited and lapsed during the year	**(70,589)**	–
Closing balance	**1,278,640**	**856,745**

The weighted average remaining contractual life of performance rights outstanding as at 31 December 2024 is 1.4 years.

(v) Performance rights – valuation inputs

The Monte Carlo method is utilised for valuation and accounting purposes. The model inputs to assess the fair value of the performance rights granted during 2024 are as follows.

Grant date[1]	15 May 2024
Stapled security price at grant date	$2.40
Fair value of right	$1.48
Expected volatility[2]	20%
Dividend yield	6.7%
Risk-free interest rate	3.93%

1. The grant date is determined in accordance with AASB 2 *Share-based Payment*. Performance rights have a nil exercise price, vest on or around 22 March 2027 if vesting conditions are met or otherwise expire on this date and are subject to DEPS and TSR conditions over a three-year performance period commencing on 1 January 2024.
2. Expected volatility takes into account historical market price volatility.

Accounting policy – share-based compensation expense

Deferred securities (STI plan)

Eligible employees receive a portion of their STI in deferred securities which are subject to ongoing service conditions between one and two years. The expense is recognised over the vesting period, commencing on the first day of the service period and ending in March in the year following the end of the service period.

Deferred securities (general employee offer)

Eligible employees receive up to $1,000 in stapled securities which vest immediately on issue but are subject to a trade-lock until the earlier of the completion of three years' service or termination. The expense is recognised in the period securities are acquired on market.

Performance rights (LTI plan)

For market-based performance rights, the fair value at grant date is independently valued using a Monte Carlo simulation pricing model that takes into account the exercise price, the term of the rights, impact of dilution, stapled security price at grant date, expected price volatility of the underlying stapled security, expected dividend yield and the risk-free interest rate for the term of the rights and market vesting conditions, but excludes the impact of any non-market vesting conditions (i.e. Distributable Earnings growth targets). Non-market vesting conditions are included in assumptions about the number of rights that are expected to vest. For non-market-based performance rights, the fair value at grant date is independently valued using the binominal tree methodology. At each reporting date, Waypoint REIT revises its estimate of the number of rights that are expected to vest. The expense is recognised over the vesting period commencing on the first day of the service period and ending in March in the year following the end of the service period, with the annual expense recognised taking into account the most recent estimate. Upon the vesting of stapled securities, the balance of the stapled security-based benefits reserve relating to those stapled securities is transferred to contributed equity, net of any directly attributable transaction costs.

4. Additional information

4.(a) Related party information

(i) Parent entity

The Company has been assessed as the parent entity of Waypoint REIT; the securityholders' interests in the Trust are included in equity as non-controlling interests relating to the stapled entity.

(ii) Subsidiaries

Interests in subsidiaries are set out in Note 4.(c).

(iii) Key Management Personnel compensation

Below are the aggregate amounts paid or payable to Key Management Personnel (including Non-Executive Directors).

	Waypoint REIT		Trust Group	
	2024 $	**2023 $**	**2024 $**	**2023 $**
Short-term benefits	**2,294,997**	2,206,498	**2,294,997**	2,206,498
Post-retirement benefits	**152,826**	143,594	**152,826**	143,594
Other long-term benefits	**43,417**	29,665	**43,417**	29,665
Share-based payments	**510,377**	452,065	**510,377**	452,065
	3,001,617	**2,831,822**	**3,001,617**	**2,831,822**

There were no loans made, guaranteed or secured, directly or indirectly, by Waypoint REIT to KMP or their related parties during the year. There were no other transactions between Waypoint REIT and any KMP or their related parties during the year.

(iv) Transactions with related parties

Management services are provided to VER Limited by Waypoint Operations Pty Limited, a subsidiary of Waypoint REIT Limited, on a cost-recovery basis in accordance with a management agreement dated 30 September 2020, as amended from time to time. Responsible entity fees are charged in accordance with VER Limited's Constitution.

	Waypoint REIT		Trust Group	
	2024 $ '000	**2023 $ '000**	**2024 $ '000**	**2023 $ '000**
The following transactions occurred with related parties:				
Payment of Responsible Entity fees and costs reimbursement to VER Limited	**–**	–	**354**	310
Reimbursement of costs to Waypoint REIT Limited	**–**	–	**4,116**	4,452
Reimbursement of costs to Waypoint Operations Pty Limited	**–**	–	**3,992**	3,483

	Waypoint REIT		Trust Group	
	31 Dec 2024	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
Amounts receivable:				
Receivable from Waypoint REIT Limited	**–**	–	**3,390**	3,301
Receivable from VER Custodian Pty Limited	**–**	–	**–**	165
Amounts payable:				
Payable to Waypoint Operations Pty Limited	**–**	–	**1,212**	1,074
Payable to VER Limited	**–**	–	**22**	35

Notes To The Financial Statements continued

4. Additional information continued

4.(b) Parent entity financial information

The individual financial statements for the parent entity of the Waypoint REIT, Waypoint REIT Limited, and the parent entity of the Trust Group, Waypoint REIT Trust, are below.

	Waypoint REIT Ltd		Waypoint REIT Trust	
	2024 $ million	2023 $ million	2024 $ million	2023 $ million
Balance sheet				
Current assets	**2.9**	2.7	**894.4**	776.4
Non-current assets	**11.1**	11.1	**1,650.2**	1,650.2
Total assets	**14.0**	**13.8**	**2,544.6**	**2,426.6**
Current liabilities	**5.7**	5.4	**948.2**	833.1
Total liabilities	**5.7**	**5.4**	**948.2**	**833.1**
Shareholders' equity				
Contributed equity	**7.1**	7.6	**1,330.9**	1,330.5
Retained profits/(Accumulated losses)	**1.2**	0.8	**265.5**	263.0
Total equity	**8.3**	**8.4**	**1,596.4**	**1,593.5**
Profit/(loss) for the year after tax	**0.4**	(0.1)	**113.2**	110.7
Total comprehensive income/(loss) for the year	**0.4**	**(0.1)**	**113.2**	**110.7**

The parent entity did not have any guarantees, contingent liabilities or commitments as at 31 December 2024 or 31 December 2023.

4.(c) Investments in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following material subsidiaries of the Company and the Trust.

Name	Date of establishment	2024 %	2023 %
Controlled by the Company			
VER Limited	16 December 2015	**100**	100
VER Custodian Pty Limited	27 May 2016	**100**	100
Waypoint Operations Pty Limited	5 May 2020	**100**	100
Waypoint REIT Equity Incentive Plan Trust	1 March 2022	**100**	100
Controlled by the Trust			
VER Trust	10 July 2016	**100**	100
VER Finco Pty Limited	10 June 2016	**100**	100

All companies and trusts are incorporated or established in Australia.

4.(d) Remuneration of auditors

During the period the following fees were paid or payable for services provided by the auditor of the parent entity and its related practices.

	2024 $	2023 $
Auditors of Waypoint REIT – PricewaterhouseCoopers Australia and related network firms		
Audit and review of financial statements		
Group	**233,693**	205,301
Trust	**16,692**	16,137
Total audit and review of financial reports	**250,385**	**221,438**
Other statutory assurance services	**23,426**	20,866
Other assurance services	**53,947**	45,325
Total audit and assurance services	**327,758**	**287,629**
Other services		
Tax compliance services	**301,672**	136,360
Tax advisory services	**–**	–
Regulatory administration services	**–**	1,797
Total other non-audit services	**301,672**	**138,157**
Total remuneration of auditors	**629,430**	**425,785**

4.(e) Subsequent events

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect:

- the operations of Waypoint REIT in future financial years;
- the results of those operations in future financial years; or
- the state of affairs of Waypoint REIT in future financial years.

4.(f) Summary of material accounting policies

Significant accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes are listed below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(i) Basis of preparation

These general-purpose financial statements have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards (**AASB**) and interpretations issued by the Australian Accounting Standards Board and International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board. Waypoint REIT and Waypoint REIT Trust Group are for-profit entities for the purpose of preparing the financial statements.

The financial report has been prepared on an accruals and historical cost basis except for investment properties, derivative financial instruments and share-based payments which are measured at fair value. Cost is based on the fair value of consideration given in exchange for assets.

The consolidated financial statements are prepared and presented in Australian dollars (the presentation currency).

Unless otherwise stated, the accounting policies adopted in the preparation of the financial report are consistent with those of the previous financial year.

Notes To The Financial Statements continued

4. Additional information continued

4.(f) Summary of significant accounting policies continued

(ii) Rounding of amounts

Waypoint REIT is an entity of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial report. Amounts in the financial report have been rounded to the nearest hundred thousand dollars in accordance with that instrument, unless otherwise indicated.

(iii) Comparative information

Where necessary, comparative information has been adjusted to conform to changes in presentation in the current period.

(iv) Net current asset deficiency position

At 31 December 2024, Waypoint REIT had a net current asset deficiency of $15.9 million and the Trust Group had a net current asset deficiency of $26.0 million. Waypoint REIT and the Trust Group use cash at bank to pay for distributions and expenses (including property purchases), drawing down on revolving debt facilities when required. Revolving debt facilities are then repaid when there is excess cash available. Waypoint REIT and the Trust Group have $167.0 million of undrawn debt facilities at 31 December 2024, which can be drawn upon to fund Waypoint REIT's cash flow requirements provided that Waypoint REIT and the Trust Group meet their debt covenants and further borrowing will not cause gearing to exceed 45%.

After taking into account all available information, the Directors have concluded that there are reasonable grounds to believe:

- Waypoint REIT and the Trust Group will be able to pay their debts as and when they fall due; and
- The basis of preparation of the financial report on a going concern basis is appropriate.

(v) Principles of consolidation

Stapled entities

Waypoint REIT is a stapled group consisting of the Company and the Trust and their wholly owned entities. The Trust indirectly owns the investment property portfolio through its 100% ownership of the trusts which own the investment properties and receive rent under operating leases. The Company directly owns all of the shares in the Responsible Entity. Each stapled security consists of one share in the Company and one unit in the Trust. The shares and the units were stapled at allotment in accordance with the constitutions of the Company and the Trust and the Stapling Deed and trade together on the ASX. The securities in Waypoint REIT cannot be traded separately and can only be traded as a stapled security.

As permitted by Class Order 13/1050, issued by ASIC, this financial report is a combined financial report that presents the financial statements and accompanying notes of both Waypoint REIT and the Trust Group as at and for the year ended 31 December 2024.

AASB 3 *Business Combinations* requires one of the stapled entities in a stapling structure to be identified as the parent entity for the purpose of preparing consolidated financial reports. In accordance with this requirement, the Company has been identified as the parent entity in relation to the stapling with the Trust under Waypoint REIT.

The consolidated financial statements of Waypoint REIT incorporate the assets and liabilities of the entities controlled by the Company during the period, including those deemed to be controlled by the Trust, by identifying it as the parent of the Waypoint REIT, and the results of those controlled entities for the period then ended. The effect of all transactions between entities in Waypoint REIT are eliminated in full.

Non-controlling interests in the results and equity are shown separately in the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet and Consolidated Statement of Changes in Equity respectively. Non-controlling interests are those interests in the Trust which are not held directly or indirectly by the Company.

Subsidiaries

Subsidiaries are all entities (including trusts) over which Waypoint REIT has control. Waypoint REIT controls an entity when Waypoint REIT is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to Waypoint REIT. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by Waypoint REIT.

Inter-entity transactions, balances and unrealised gains on transactions between Waypoint REIT entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by Waypoint REIT.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet and Consolidated Statement of Changes in Equity respectively.

(vi) Presentation of members' interests in the Trust

As the Company has been assessed as the parent entity of Waypoint REIT, the securityholders' interests in the Trust are included in equity as non-controlling interests relating to the stapled entity. Securityholders' interests in the Trust are not presented as attributable to owners of the parent, reflecting the fact that they are not owned by the Company, but by the securityholders of the stapled group.

(vii) Revenue

Interest income is recognised as it accrues using the effective interest rate method. Interest income is included in finance income in the Consolidated Statement of Profit or Loss.

All income is stated net of goods and services tax.

(viii) Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are recognised in respect of employees' service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

The liabilities for long service leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised as the expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wages and salary levels, experience of employee departures, periods of service and market interest rates.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(ix) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other current assets and trade and other payables in the Consolidated Balance Sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

Notes To The Financial Statements continued

4. Additional information continued

4.(f) Summary of significant accounting policies continued

(x) Leases

Waypoint REIT leases office premises. Waypoint REIT assesses at contract inception whether a contract is, or contains, a lease. This is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Waypoint REIT applies a single recognition and measurement approach for all leases. Waypoint REIT recognises lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets.

Right of use assets

Waypoint REIT recognises right of use assets at the commencement date of the lease (that is, the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease liabilities

At the commencement date of the lease, Waypoint REIT recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by Waypoint REIT and payments of penalties for terminating the lease, if the lease term reflects Waypoint REIT exercising the option to terminate.

In calculating the present value of lease payments, Waypoint REIT uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (for example, changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(xi) Financial instruments

Classification

Waypoint REIT's financial instruments are classified as at fair value through profit or loss. They comprise:

- Financial instruments held for trading – derivative financial instruments such as interest rate swaps are included under this classification; and
- Financial instruments designated at fair value through profit or loss upon initial recognition – these include financial assets that are not held for trading purposes and which may be sold.

Financial assets designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with Waypoint REIT's documented investment strategy. Waypoint REIT's policy is for the Responsible Entity to evaluate the information about these financial instruments on a fair value basis together with other related financial information.

Recognition/derecognition

Financial assets and financial liabilities are recognised on the date Waypoint REIT becomes party to the contractual agreement (trade date) and it recognises changes in fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments has expired or Waypoint REIT has transferred substantially all risks and rewards of ownership.

Measurement

Financial assets and liabilities held at fair value through profit or loss.

At initial recognition, financial assets are recognised at fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

The fair value of financial assets and liabilities traded in active markets is subsequently based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. The quoted market price used for financial assets held by Waypoint REIT is the current bid price and the quoted market price for financial liabilities is the current asking price.

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. Accordingly, there may be a difference between the fair value at initial recognition and amounts determined using a valuation technique. If such a difference exists, Waypoint REIT recognises the difference in profit or loss to reflect a change in factors, including time that market participants would consider in setting a price.

Further detail on how the fair values of financial instruments are determined is disclosed in Note 3.(c).

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Consolidated Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(xii) Provisions

A provision is recognised when Waypoint REIT has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of Waypoint REIT's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

(xiii) New accounting standards and interpretations not yet adopted

Australia's new climate-related financial disclosure regime (the Treasury Laws Amendment Bill 2024) was passed by Parliament on 9 September 2024. The Australian Accounting Standards Board (**AASB**) has subsequently approved the following Australian Sustainability Reporting Standards (**ASRS**) on 20 September 2024:

- AASB S1 – General Requirements for Disclosure of Sustainability-related Financial Information is a voluntary standard covering sustainability-related financial disclosures; and
- AASB S2 – Climate-related Disclosures is a mandatory standard that requires an entity to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term.

Waypoint REIT expects its first year of mandatory reporting to be FY28 (Group 3). Waypoint REIT is focused on progressing its preparedness for mandatory climate-related disclosures in Australia.

There are no other issued standards that are not yet effective and that are expected to have a material impact on Waypoint REIT in the current or future reporting periods and on foreseeable future transactions.

Consolidated Entity Disclosure Statement

For each consolidated subsidiary that is part of the Waypoint REIT consolidated entity at 31 December 2024, Waypoint REIT discloses the following in accordance with the *Corporations Act 2001 (Cth)*:

Name of entity	Type of entity	Trustee	% of share capital/ ownership	Country of incorporation and tax residency
Waypoint REIT Limited	Body corporate	–	**100**	Australia
VER Limited	Body corporate	Trustee	**100**	Australia
VER Custodian Pty Limited	Body corporate	–	**100**	Australia
VER Finco Pty Limited	Body corporate	–	**100**	Australia
Waypoint Operations Pty Limited	Body corporate	–	**100**	Australia
Waypoint REIT Equity Incentive Plan Trust	Trust	–	**100**	Australia
Waypoint REIT Trust	Trust	–	**100**	Australia
VER Trust	Trust	–	**100**	Australia
66 McNulty Street Miles Queensland Trust	Trust	–	**100**	Australia
290 Sand Road Longwarry Victoria Trust	Trust	–	**100**	Australia
73-75 Chrystal Street Roma Queensland Trust	Trust	–	**100**	Australia
6776 Cunningham Highway Aratula Queensland Trust	Trust	–	**100**	Australia
341 Sand Road Longwarry Victoria Trust	Trust	–	**100**	Australia
127 Youngman Street Kingaroy Queensland Trust	Trust	–	**100**	Australia
555-557 Albany Highway Albany Western Australia Trust	Trust	–	**100**	Australia
47 Eric Road Old Noarlunga South Australia Trust	Trust	–	**100**	Australia
199-205 Charters Towers Road Townsville Queensland Trust	Trust	–	**100**	Australia
80 Alfred Street Warragul Victoria Trust	Trust	–	**100**	Australia
7-11 Burnett Highway Biloela Queensland Trust	Trust	–	**100**	Australia
7-21 Shakespeare Street Traralgon Victoria Trust	Trust	–	**100**	Australia
233 Myrtle Street Myrtleford Victoria Trust	Trust	–	**100**	Australia
6-8 Mackay Avenue Griffith New South Wales Trust	Trust	–	**100**	Australia
5 Princes Highway Moruya New South Wales Trust	Trust	–	**100**	Australia
120-124 Goldring Street Richmond Queensland Trust	Trust	–	**100**	Australia
190 Ogilvie Avenue Echuca Victoria Trust	Trust	–	**100**	Australia
10805 Brand Highway Cataby Western Australia Trust	Trust	–	**100**	Australia
55 Broad Street Sarina Queensland Trust	Trust	–	**100**	Australia
112 Shute Harbour Road Cannonvale Queensland Trust	Trust	–	**100**	Australia
Ranford Road Canning Vale Western Australia Trust	Trust	–	**100**	Australia
1110 Abernethy Road High Wycombe Western Australia Trust	Trust	–	**100**	Australia
Crn Great Eastern Highway & Bulong Avenue Redcliffe Western Australia Trust	Trust	–	**100**	Australia
825 Mickleham Road Greenvale Victoria Trust	Trust	–	**100**	Australia
24 Wills Road Emerald Queensland Trust	Trust	–	**100**	Australia
18316 Warrego Highway Dalby West Queensland Trust	Trust	–	**100**	Australia
Lot 50 Mandurah Road Meadow Springs Western Australia Trust	Trust	–	**100**	Australia
62 Flinders Parade North Lakes Queensland Trust	Trust	–	**100**	Australia
416 Princes Highway Colac West Victoria Trust	Trust	–	**100**	Australia

Basis of preparation

This consolidated entity disclosure statement (**CEDS**) has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

Determination of tax residency

Section 295 (3A)(vi) of the *Corporations Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Partnerships and trusts

Australian tax law does not contain corresponding residency tests for the partnerships and trusts disclosed above, and these entities are taxed on a flow-through basis.

Directors' Declaration

1. In the opinion of the Directors of Waypoint REIT Limited, and the Directors of the Responsible Entity of Waypoint REIT Trust, VER Limited (collectively, the referred to as the Directors):
   a. the financial statements and notes set out on pages 36 to 97 are in accordance with the *Corporations Act 2001*, including:
      (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
      (ii) giving a true and fair view of Waypoint REIT's and Waypoint REIT Trust Group's financial positions at 31 December 2024 and of their performance for the year ended on that date; and
   b. there are reasonable grounds to believe that Waypoint REIT and Waypoint REIT Trust Group will be able to pay their debts as and when they become due and payable.
   c. the consolidated entity disclosure statement on page 98 is true and correct.
2. Note 4.(g)(i) to the financial statements confirms that the financial statements also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.
3. The Directors have been given declarations by the Chief Executive Officer and the Chief Financial Officer as required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.

Georgina Lynch
Chair

27 February 2025

Independent Auditor's Report

Independent auditor's report

To the stapled securityholders of Waypoint REIT and the unitholders of Waypoint REIT Trust

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Waypoint REIT, being the consolidated stapled entity which comprises Waypoint REIT Limited and its controlled entities, and Waypoint REIT Trust and its controlled entities (together the "Trust Group" or the "Trust") is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the financial position of Waypoint REIT and the financial position of the Trust as at 31 December 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 report of Waypoint REIT and the Trust (collectively referred to as the "financial report") comprises:

- the consolidated balance sheets as at 31 December 2024
- the consolidated statements of comprehensive income for the year then ended
- the consolidated statements of changes in equity for the year then ended
- the consolidated statements of cash flows for the year then ended
- the notes to the financial statements, including material accounting policy information and other explanatory information
- the consolidated entity disclosure statement for Waypoint REIT as at 31 December 2024
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

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

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Independent Auditor's Report continued

Independence

We are independent of Waypoint REIT and the Trust 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 audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our audit approach for the Group

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 audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of Waypoint REIT and the Trust, its accounting processes and controls and the industry in which they operate.

Group Audit Scope

- Our audit focused on where Waypoint REIT and the Trust made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.
- In establishing the overall approach to the audit of Waypoint REIT and the Trust, we determined the type of work that needed to be performed by us, as the group auditor.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period and were determined separately for Waypoint REIT and the Trust. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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 Management Committee.

Key audit matter	*How our audit addressed the key audit matter*
Valuation of Investment Properties *(Refer to note 2(a))* *Waypoint REIT and the Trust* Waypoint REIT and the Trust's investment property portfolio comprised fuel and convenience retail properties in Australia ("Investment Properties") at 31 December 2024. Investment Properties were valued at fair value as at balance sheet date primarily using a combination of the income capitalisation and the direct comparison methods.	To assess the valuation of Investment Properties we performed the following procedures, amongst others: • We developed an understanding of Waypoint REIT and the Trust's processes and controls for determining the valuation of Investment Property; • We assessed the scope, competence and objectivity of the valuation expert engaged by Waypoint REIT and the Trust to provide external valuations at reporting date;

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Key audit matter	*How our audit addressed the key audit matter*
The following inputs and assumptions, amongst others, were key in establishing the fair value of Investment Properties: ● annual market rent ● capitalisation rates ● lease terms At each balance sheet date, the directors determine the fair value of the Investment Properties in accordance with Waypoint REIT and the Trust's valuation policy as described in note 2(a). This was a key audit matter because of the: ● relative size of the Investment Property portfolio to net assets and related valuation movements, and ● the inherent subjectivity of the significant assumptions that underpin the valuations.	• We met with the valuation expert used by Waypoint REIT and the Trust to develop an understanding of their processes, judgements and observations; • We compared the valuation methodology adopted by Waypoint REIT and the Trust with commonly accepted valuation approaches used in the real estate industry for investment properties; • We agreed the rental income used in a sample of Investment Property valuations to relevant lease agreements and assessed the appropriateness of a sample of income related assumptions; • We assessed the appropriateness of adopted capitalisation rates for a sample of Investment Properties with reference to market data and comparable transactions, where possible; • We tested the mathematical accuracy of a sample of the Investment Property valuations; • We agreed the fair value of each Investment Property to the valuation determined by the valuation expert engaged by Waypoint REIT and the Trust or the Directors, as applicable; • We assessed the reasonableness of the disclosures made in the Waypoint REIT and Trust's financial report against the requirements of Australian Accounting Standards.

Other information

The directors of Waypoint REIT and VER limited, the Responsible Entity of Waypoint REIT Trust (collectively referred to as the “directors”) are responsible for the other information. The other information comprises the information included in the financial report for the year ended 31 December 2024, but does not include the financial report and our auditor's report thereon. Prior to the date of this auditor's report, the other information we obtained included the Directors' Report. We expect the remaining other information to be made available to us after the date of this auditor's report.

Independent Auditor's Report continued

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Our opinion on the financial report does not cover the other information and we do not and will not express an opinion or any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed 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.

When we read the other information not yet received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgement to determine the appropriate action to take.

Responsibilities of the directors for the financial report

The directors are responsible for the preparation of the financial report 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 report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of Waypoint REIT and the Trust 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 Waypoint REIT or the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

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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 31 December 2024.

In our opinion, the remuneration report of Waypoint REIT for the year ended 31 December 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of 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

PricewaterhouseCoopers

JDP Wills
Partner

Sydney
27 February 2025

Additional Information

The information below is current as 4 March 2025.

There were 671,859,735 fully paid securities on issue, held by 12,370 securityholders. There were 401 holders holding less than a marketable parcel based on a closing price of $2.46.

The voting rights attaching to the stapled securities, set out in section 253C of the *Corporations Act 2001*, are on a poll:

- in the case of a resolution of Waypoint REIT Limited, each shareholder has one vote for each share held in the Company; and
- in the case of a resolution of the Waypoint REIT Trust, each unitholder has one vote for each $1.00 of the value of the units held in the Trust.

Top 20 securityholders

The top 20 largest registered securityholders as at 4 March 2025 are shown below.

Rank	Holder name	Number of securities	% of issued capital
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	202,739,447	30.18
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	149,417,754	22.24
3	CITICORP NOMINEES PTY LIMITED	94,591,604	14.08
4	BNP PARIBAS NOMINEES PTY LTD	22,842,351	3.4
5	NATIONAL NOMINEES LIMITED	11,499,072	1.71
6	BNP PARIBAS NOMS PTY LTD	9,689,982	1.44
7	BNP PARIBAS NOMINEES PTY LTD	7,543,944	1.12
8	WARBONT NOMINEES PTY LTD	5,992,787	0.89
9	IOOF INVESTMENT SERVICES LIMITED	5,176,793	0.77
10	BNP PARIBAS NOMS (NZ) LTD	4,061,582	0.6
11	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,058,033	0.6
12	BNP PARIBAS NOMINEES PTY LTD	1,880,051	0.28
13	NETWEALTH INVESTMENTS LIMITED	1,737,225	0.26
14	IOOF INVESTMENT SERVICES LIMITED	1,560,635	0.23
15	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,271,429	0.19
16	NETWEALTH INVESTMENTS LIMITED	1,200,021	0.18
17	THE TRUST COMPANY (AUSTRALIA) LIMITED	1,000,000	0.15
18	BNP PARIBAS NOMS PTY LTD	868,878	0.13
19	VERBENA BEE PTY LTD	826,353	0.12
20	THE CORPORATION OF THE TRUSTEES OF THE ORDER OF THE SISTERS OF MERCY IN QLD	787,330	0.12
	Total	**528,745,271**	**78.70**
	Balance of register	**143,114,464**	**21.30**
	Grand total	**671,859,735**	**100.00**

Distribution of securityholdings as at 4 March 2025

Range	Number of holders	Number of securities	% of total
100,001 and over	107	545,510,260	81.19
10,001 to 100,000	4,031	92,096,868	13.71
5,001 to 10,000	2,906	21,991,171	3.27
1,001 to 5,000	3,887	11,591,021	1.73
1 to 1,000	1,439	670,415	0.10
Total	**12,370**	**671,859,735**	**100.00**
Unmarketable parcels	401	22,261	

Substantial securityholders as at 4 March 2025

Date of notice received	Name of substantial securityholder	Number of securities[1]
31 Dec 2020	The Vanguard Group, Inc.	81,069,400
19 Dec 2024	State Street Corporation	49,034,534
31 Oct 2024	First Sentier Investors Holdings Pty Limited	47,705,905
5 Nov 2024	Mitsubishi UFJ Financial Group, Inc.	47,705,905
5 Mar 2024	BlackRock Group	43,011,585
3 Feb 2025	Commonwealth Bank of Australia	41,073,546
4 Feb 2025	Superannuation and Investments HoldCo Pty Ltd	40,376,793
5 Feb 2025	KKR Entities	40,376,793
29 Jan 2025	Magellan Financial Group Ltd	33,603,746

1. The number of securities quoted is based on the number of securities disclosed in the substantial shareholder notices lodged by each holder. Effective 11 November 2021 Waypoint REIT has undertaken a security consolidation where each security held on 10 November 2021 was consolidated into 0.9382 securities (with any resulting fraction of an ordinary security rounded up to the next whole number of securities).

Securities purchased on-market

Waypoint REIT purchased securities on-market for the purposes of our Employee Security Plan and for the purposes of our Incentive Plans.

During FY24, 133,870 securities were purchased on-market at an average price of $2.43 per security.

Unquoted equity securities

As at 4 March 2025, Waypoint REIT has on issue 1,278,640 unquoted performance rights to four employees.

Disclosures

On 1 August 2016, Waypoint REIT was granted certain waivers from the Australian Securities Exchange (**ASX**) with regard to ASX Listing Rule 10.1. Pursuant to those waivers, the following disclosures are outlined below.

Summary of certain arrangements between Waypoint REIT and Viva Energy Australia

Waypoint REIT and Viva Energy Australia have entered into a Master Agreement to govern, among other things, certain rights and obligations with respect to the properties in the Initial Portfolio and any additional service station sites that become the subject of a lease between the parties in the future.

Waypoint REIT's first right of refusal	Waypoint REIT has a first right to acquire any service station site that Viva Energy Australia offers for sale.
Viva Energy Australia's first right of refusal	Viva Energy Australia has a first right to acquire any property that is subject of a lease or which is used as a retail service station and which Waypoint REIT offers for sale.
Viva Energy Australia's call option	• Viva Energy Australia has a call option to acquire all or any part of the Initial Portfolio upon certain insolvency trigger events. • If a call option trigger event occurs and the call option is exercised by Viva Energy Australia in respect of a site, Viva Energy Australia may acquire that site for a price determined via an independent valuation process.
Right of first refusal on new lease properties	If Waypoint REIT proposes to grant a new lease in respect of a site which is not (and has not been) the subject of a lease to Viva Energy Australia, Waypoint REIT must first offer to lease that site to Viva Energy Australia before entering into a new lease with another party.
Right of first refusal under a third party lease	From 1 October 2020 to 1 January 2030, if Viva Energy Australia does not exercise its Third Party Lease right of first refusal in its own right, then it must offer a right of first refusal to Waypoint REIT.

In addition, in each lease entered into in respect of the initial IPO portfolio, Viva Energy Australia has the right of first refusal to acquire any of the leased sites that Waypoint REIT offers for sale. In FY24, Waypoint REIT and Viva Energy Australia did not enter into (or conclude) any transactions pursuant to the rights listed above.

As at the date of this report, the Master Agreement is still in place and the rights of first refusals as described above still operate. However, the Master Agreement and the rights of first refusal have been amended to delete references to Coles Express and the Alliance Agreement to reflect Viva Energy Australia's purchase of the Coles Express business.

Glossary

AACS	Australian Association of Convenience Stores Limited
AMTN	Australian Medium-Term Notes
ASX	Australian Securities Exchange Limited
bp	Basis points
Coles Express	A fuel and Convenience business, formally operated by a division of Coles Group Limited (ABN 11 004 089 936), which was acquired by Viva Energy Australia in 2023 and is now a licensed brand used by Viva Energy Australia from Coles Group Limited under a transitional arrangement between the parties
CPI	Consumer Price Index
Distributable Earnings	This is a non-IFRS measure of profit and is calculated as statutory net profit adjusted to remove transaction costs, amortisation of tenant incentives, specific non-recurring items and non-cash items (including straight-lining of rental income, the amortisation of debt establishment fees, long-term incentive expense and any fair value adjustment to investment properties and derivatives)
Employee Security Plan	An equity incentive plan under which participating employees are eligible to receive Waypoint REIT stapled securities on a deferred settlement basis under the short-term incentive (**STI**) and general employee offer plans and performance rights under the long-term incentive (**LTI**) plan
EPS	Earnings per security
ESG	Environmental, Social and Governance
F&C	Fuel and Convenience
FY	Financial year
Gearing	Net debt (excluding foreign exchange and fair value hedge adjustments) to total assets (excluding cash)
IPO	Initial public offering
Liquidity	Measure of funding available to Waypoint REIT in the short term. Includes unrestricted cash, undrawn debt and asset sale deposit receivable net of distribution provision
m^2	Square metre
Master Agreement	The agreement between Viva Energy Australia and Waypoint REIT, as summarised in Section 13.2 of the PDS
MER	Management expense ratio (calculated as the ratio of operating expenses (excluding net property expenses) over average total assets (excluding derivative financial assets))
Net Interest Expense	Finance costs less finance income
NNN	Triple-net lease, where the tenant is responsible for all outgoings relating to the property being leased in addition to the rent fee applied under the lease. This includes all repairs and maintenance (including structural repairs and maintenance), rates, taxes, insurance and other direct property costs
NPAT	Net profit after tax
NTA	Net tangible assets
OTR	OTR Group ('On the Run'), a convenience retail group acquired by Viva Energy Australia in March 2024
S&P	Standard & Poor's Financial Services LLC
S&P CSA	S&P Global Corporate Sustainability Assessment
t-CO_2-e	Tonnes of carbon dioxide equivalent
USPP	United States Private Placement
VEA or Viva Energy or Viva Energy Australia	Viva Energy Australia Pty Ltd (ABN 46 004 610 459)/Viva Energy Group Limited (ABN 74 626 661 032) (ASX: VEA)
WACR	Weighted average capitalisation rate, weighted by valuation
WADM	Weighted average debt maturity
WAHM	Weighted average hedge maturity
WALE	Weighted average lease expiry, weighted by rental income
WARR	Weighted average rent review, weighted by rental income
Waypoint REIT or WPR	Stapled entity comprising one share in Waypoint REIT Limited (ABN 35 612 986 517) and one unit in the Waypoint REIT Trust (ARSN 613 146 464)

Corporate Directory

Waypoint REIT Limited

ABN 35 612 986 517

Waypoint REIT Trust

ARSN 613 146 464

VER Limited

ACN 609 868 000 AFSL 483795
Responsible Entity

Registered office

Level 15, 720 Bourke Street
Docklands VIC 3008 Australia
Telephone: +61 3 9081 8439
www.waypointreit.com.au

Directors of Waypoint REIT Limited

Georgina Lynch
Christopher Lawton
Susan MacDonald
Gai McGrath
Hadyn Stephens

Directors of VER Limited

Georgina Lynch
Christopher Lawton
Susan MacDonald
Gai McGrath
Hadyn Stephens

Company Secretary

Tina Mitas

Auditor

PricewaterhouseCoopers
One International Towers Watermans Quay
Barangaroo NSW 2000 Australia

Security registry

MUFG Corporate Markets
Level 12, 680 George Street
Sydney NSW 2000 Australia
Telephone: +61 1300 554 474

Investor enquiries and correspondence

admin@waypointreit.com.au

Stock exchange listing

Waypoint REIT stapled securities are listed on the Australian Securities Exchange with the code WPR.

Important information
Waypoint REIT is a stapled entity comprising one share in Waypoint REIT Limited (ABN 35 612 986 517) and one unit in Waypoint REIT Trust (ARSN 613 146 464).

The Responsible Entity of Waypoint REIT Trust is VER Limited ACN 609 868 000 Level 15, 720 Bourke Street, Docklands VIC 3008.

Reporting period
This Annual Report details the consolidated results of Waypoint REIT for the year ended 31 December 2024.

Disclaimer
This Annual Report is for information purposes only, is of a general nature, does not constitute financial product advice, nor is it intended to constitute legal, tax or accounting advice or opinion. It does not constitute in any jurisdiction, whether in Australia or elsewhere, an invitation to apply for or purchase stapled securities of Waypoint REIT or any other financial product.

In preparing this Annual Report, the authors have relied upon and assumed, without independent verification, the accuracy and completeness of all information available from public sources or which has otherwise been reviewed in preparation of the Annual Report.

All reasonable care has been taken in preparing the information and assumptions contained in this Annual Report. However, no representation or warranty, express or implied, is made by Waypoint REIT, its related bodies corporate, any of their respective officers, directors, employees, agents or advisers as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this Annual Report.

The information contained in this Annual Report is current as at the date it is published and is subject to change without notice. To the maximum extent permitted by law and subject to any continuing obligations under the ASX listing rules, Waypoint REIT Ltd and VER Limited and each of their respective associates, related entities, officers, directors, employees, agents, consultants and advisers do not accept and expressly disclaim any liability for any loss or damage (including, without limitation, any liability for any loss or damage (whether direct, indirect, consequential or otherwise)) arising from the use of, or reliance on, anything contained in or omitted from this report.

This Annual Report contains forward-looking statements, including statements regarding the plans, strategies and objectives of Waypoint REIT management and distribution guidance. To the extent that certain statements in this Annual Report may constitute 'forward-looking statements' or statements about 'future matters', the information reflects Waypoint REIT's intent, belief or expectations at the date of the Annual Report. Forward-looking statements can generally be identified by the use of forward-looking words such as 'expect', 'anticipate', 'likely', 'intend', 'should', 'could', 'may', 'predict', 'plan', 'propose', 'will', 'believe', 'forecast', 'estimate', 'target', 'guidance' and other similar expressions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. Any forward-looking statements, including projections, guidance on future revenues, earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Waypoint REIT's actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. Any forward-looking statements, opinions and estimates in this presentation are based on assumptions and contingencies that are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. This Annual Report may not be reproduced or published, in whole or in part, for any purpose without the prior written permission of Waypoint REIT.

Waypoint REIT