

## Annual General Meeting 12 May 2022

### Securityholder Questions and Waypoint REIT Answers

Due to an administrative error by Link Market Services, the following questions were not received by Waypoint REIT prior to the AGM. Accordingly, we have responded to the securityholders directly and have published the responses on our website.

**Topic:** Other

**Question:**

Will we ever see franked dividends?

**Answer:**

Franked dividends are not expected to be declared on the basis that the company side of the stapled entity operates on a cost recovery model and does not generate taxable profits and therefore is not in a position to declare dividends which could be franked. Distributions have and are expected to continue to be made solely from the trust side of the stapled entity.

**Topic:** Other

**Question:**

Dear Sirs/Madam, when you employ a new employee or look at the current structures of employees pays, do you have an expectation that they will undertake their work to the best of their capabilities?

If the answer is yes, why does the MD + CEO constantly seek additional remuneration (shares/bonuses) for doing their jobs to the best of their capability?

**Answer:**

Waypoint REIT's remuneration structure is in line with best governance practices, with short-term and long-term incentives for key executives to ensure alignment with securityholder interests as well as reward for performance and encouragement of retention.

To assist the Remuneration Committee in determining the appropriate remuneration, Waypoint REIT reviews the published remuneration of the members of the S&P/ASX 300 A-REIT Index. This information is used by the Remuneration Committee for benchmarking purposes.

**Topic:** Other

**Question:**

Why was no information regarding the two directors for re-election given with this vote data, ie. Age, qualifications, experience. This information is usually supplied by quality companies!!

**Answer:**

Relevant biographical information for both Laurence Brindle and Susan MacDonald was provided to securityholders in the Notice of Meeting. Relevant biographical information is provided on all Waypoint REIT

directors and senior management on Waypoint REIT's website, and in Waypoint REIT's regular financial reporting (including annual reports).

**Topic:** Remuneration Report

**Question:**

WAYPOINT has significant rental increases locked [in], the 5-year growth in DEPS has been 4.25%.

How can the ST/LTI target award 100% of award for achieving 4.5%, which is just above business-as-usual?

Who makes the first forecast of DEPS?

If Management, don't they have an incentive to be conservative (low)?

**Answer:**

The relevant benchmark for Waypoint REIT's STI program is the initial guidance given to the market in a particular year. 33.3% of STI relates to achieving this guidance and may be considered similar to fixed pay – on the basis that it is reasonable to expect this to be achieved. However, 33.3% of STI relates to the delivery of personal KPIs, and a further 33.3% is discretionary and guidance must be exceeded to access this STI component.

DEPS growth over the relevant vesting period (three years) comprises 50% of Waypoint REIT's LTI program, with total shareholder return being the other relevant benchmark. The levels of growth required over the vesting period for the LTI to be triggered are considered appropriate on a 'through the cycle' basis taking into account Waypoint REIT's rent review structure (3% WARR), with historical performance being only one of the factors considered when these thresholds were set.

Management is responsible for preparing Waypoint REIT's forecasts. However, the Board's role includes testing the veracity of the assumptions underlying the earnings forecast to properly discharge its duty of care, which includes ensuring Management sets appropriate forecasts and market guidance. The Board believes the forecasts set are appropriate.